

TOWN OF OXFORD  
OXFORD, MARYLAND  
FINANCIAL STATEMENTS WITH  
SUPPLEMENTAL INFORMATION  
JUNE 30, 2006

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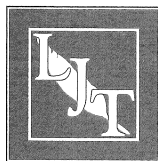
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## INDEPENDENT AUDITOR'S REPORT

TO THE COMMISSIONERS  
TOWN OF OXFORD, MARYLAND

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Town of Oxford, as of and for the year ended June 30, 2006, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Town of Oxford as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General and Enterprise Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of Oxford's basic financial statements. The accompanying financial information listed as supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Town of Oxford. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Lank, Johnson & Tull*

Seaford, Delaware  
September 11, 2006

**TOWN OF OXFORD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2006**

This Discussion and Analysis is intended to be an easily readable analysis of the Town of Oxford's financial activities based on currently known facts, decisions or conditions. This analysis focuses on current year activities and should be read in conjunction with the financial statements that follow.

**Report Layout**

In addition to the Management's Discussion and Analysis (MD&A), the report consists of government-wide statements, fund financial statements, notes to the financial statements, and supplemental information. The first several statements are highly condensed and present a government-wide view of the Town's finances. Within this view, all Town operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as police, public works, parks and recreation, community development and general government administration. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the Town.

**Basic Financial Statements**

- The Statement of Net Assets focuses on resources available for future operations. In simple terms, this statement presents a snap-shot view of the assets the community owns, the liabilities owed and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts.
- The Statement of Activities focuses gross and net costs of Town programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- Fund Financial Statements focus separately on major Governmental Funds and Proprietary Funds. Governmental Fund statements follow the more traditional presentation of Financial Statements. A budgetary comparison is presented for all funds. Statements for the Town's Proprietary Funds follow the Governmental Funds and include net assets, revenue, expenses and changes in net assets, and cash flow.
- The notes to the Financial Statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Town's financial condition.

**TOWN OF OXFORD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2006**

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

The Town's combined net assets increased by 13.04% from 2005 to 2006. (See table below) General fund net assets increased by 21.3%, while the business-type funds increased by 5%.

Town of Oxford  
Net Assets  
(in millions)

	Governmental		Business-Type		Total		Total
	2006	2005	2006	2005	2006	2005	Change
Current and Other Assets	0.96	0.86	0.73	0.66	1.69	1.52	11.18%
Capital Assets	1.03	1.06	1.19	1.21	2.22	2.27	-2.32%
Total Assets	1.99	1.92	1.92	1.87	3.91	3.79	3.10%
Long Term Debt	0.31	0.50	0.43	0.45	0.74	0.95	-21.64%
Other Liabilities	0.03	0.06	0.02	0.02	0.05	0.08	-38.92%
Total Liabilities	0.34	0.56	0.45	0.47	0.79	1.03	-22.98%
Net Assets							
Capital Assets Net of Debt	0.72	0.56	0.76	0.76	1.48	1.32	11.99%
Restricted	0.38	0.38	0.00	0.00	0.38	0.38	-0.64%
Unrestricted	0.55	0.42	0.71	0.64	1.26	1.06	18.71%
Total Net Assets	1.65	1.36	1.47	1.40	3.12	2.76	13.04%

The increase in net assets is attributable to increased State-shared tax revenues. Capital projects planned for the fiscal year were not completed due to uncontrollable circumstances.

**TOWN OF OXFORD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2006**

The Town's total revenues (excluding transfers) increased by 13.99% to \$1.55 million. (See table below.) Revenue from business-type activities increased by 16.7%, to \$.49 million. This increase is attributable to a change in water and sewer rates. Governmental revenues increased by 12.8% to \$1.06 million. This increase is attributable to an increase in state-shared taxes.

The total cost of all programs and services increased by .84%, to \$1.20 million. Costs of business-type activities increased by 7.7%, to \$.42 million. This increase is attributed to normal operating and maintenance costs increases. The cost of governmental activities decreased by 2.5% to \$.78 million. This decrease is attributed to legal costs.

Town of Oxford  
Change in Net Assets  
(in millions)

	Governmental		Business-Type		Total		Total Percentage
	2006	2005	2006	2005	2006		Change
Program Revenue							
Fees, Fines, Services	0.06	0.07	0.48	0.41	0.53	0.48	11.44%
Operating Grants	0.02	0.01	0.00	0.00	0.02	0.01	64.96%
Capital Grants	0.00	0.02	0.00	0.00	0.00	0.02	-
General Revenue							
Taxes	0.96	0.82	0.00	0.00	0.96	0.82	17.35%
Investment income(loss)	0.02	0.02	0.01	0.01	0.04	0.03	22.13%
Total Revenue	1.06	0.94	0.49	0.42	1.55	1.36	13.99%
Program Expenses							
General	0.20	0.24	0.00	0.00	0.20	0.24	-18.66%
Public Safety	0.17	0.16	0.00	0.00	0.17	0.16	5.08%
Public Works	0.16	0.16	0.00	0.00	0.16	0.16	1.22%
Parks and Recreation	0.07	0.06	0.00	0.00	0.07	0.06	16.65%
Debt Service	0.02	0.03	0.00	0.00	0.02	0.03	-36.03%
Miscellaneous	0.16	0.15	0.00	0.00	0.16	0.15	7.19%
Water & Sewer	0.00	0.00	0.42	0.39	0.42	0.39	7.29%
Total Expenses	0.78	0.80	0.42	0.39	1.20	1.19	0.84%
Excess (Deficiency)	0.28	0.14	0.07	0.03	0.35	0.17	106.03%
Transfers	0.00	0.00	(0.00)	0.00	0.00	0.00	0.00%
Change in Net Assets	0.28	0.14	0.07	0.03	0.35	0.17	106.03%
Net Assets Beginning	1.36	1.22	1.40	1.37	2.76	2.59	8.66%
Net Assets Ending	1.64	1.36	1.47	1.40	3.11	2.76	12.68%

**TOWN OF OXFORD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2006**

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget was not amended during the current fiscal year.

General Fund revenues of \$1,058,587 exceeded budgeted revenues of \$929,189 by \$129,398 (13.9%). This excess was primarily the result of increased State-shared taxes.

General Fund expenditures of \$934,410 were under budgeted expenditures of \$1,358,389 by \$423,979 (31.2%). Street paving and parks capital outlay were budgeted at \$173,000, but due to a lack of interest in bidding by contractors, the projects were never awarded. Contingencies were budgeted at \$162,904 but amounted to \$0.

*raining day  
 fund.*

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2006 the Town had \$2.22 million invested in capital assets, including police equipment, park and recreation facilities, buildings, land, vehicles, and water and sewer system improvements. The Town purchased a vehicle in the current fiscal year, along with costs incurred to removal arsenic from the water supply, as mandated by the State.

Town of Oxford  
 Capital Assets Net of Depreciation  
 (in millions)

*3 mil.*

	Governmental		Business-Type		Total	
	2006	2005	2006	2005	2006	2005
Land	0.02	0.02	0.00	0.00	0.02	0.02
✓ Buildings	0.93	0.96	0.00	0.00	0.93	0.96
✓ Equipment	0.05	0.06	0.00	0.00	0.05	0.06
Vehicles	0.03	0.02	0.00	0.00	0.03	0.02
Water and Sewer	0.00	0.00	1.19	1.21	1.19	1.21
Total Capital Assets	1.03	1.06	1.19	1.21	2.22	2.27

Note 4 of the Notes to Basic Financial Statements gives further details of the Town's capital asset activity.

**TOWN OF OXFORD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2006**

Debt

At year-end, the Town had \$.74 million in bonds and notes outstanding versus \$.95 million last year, a decrease of \$.21 million.

Town of Oxford  
Debt  
(in millions)

	Governmental		Business-Type		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Town Hall Renovation	.31	.50	0.00	0.00	0.31	0.50
Water Tower	0.00	0.00	0.36	0.37	0.36	0.37
System Expansion	0.00	0.00	0.07	0.08	0.07	0.08
Total	.31	.50	.43	.45	.74	.95

There were no new borrowings during the current year. Note 5 of the Notes to Basic Financial Statements gives further details of the Town's debt activity.

Economic Factors and 2007 Budget & Rates

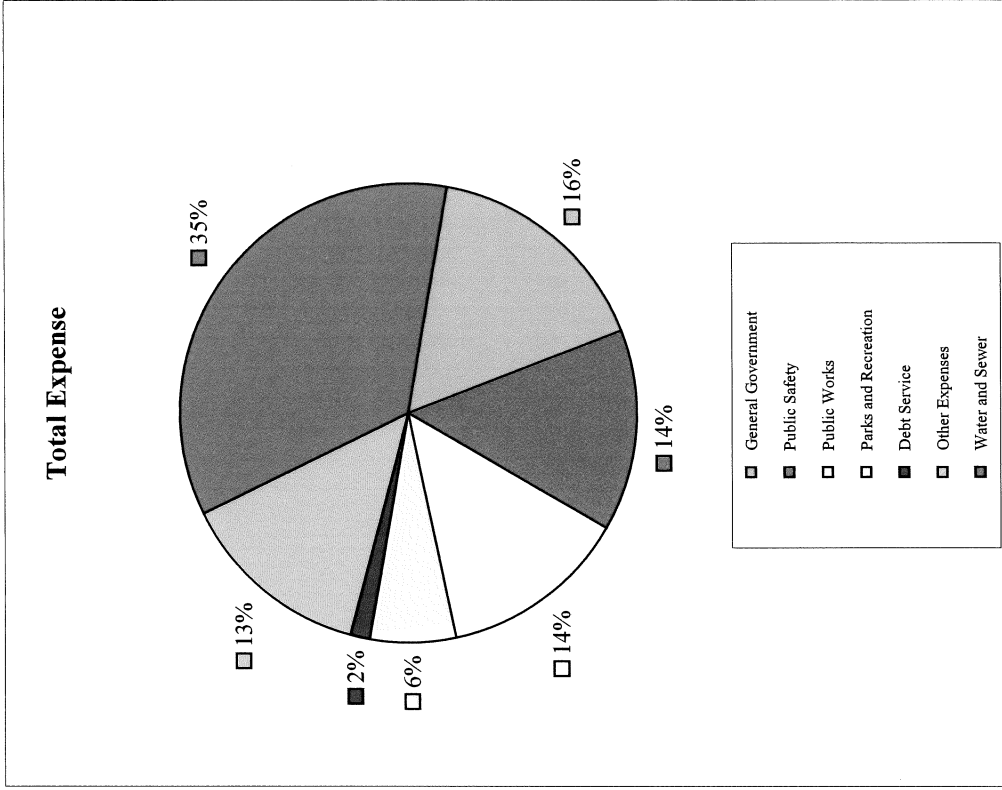
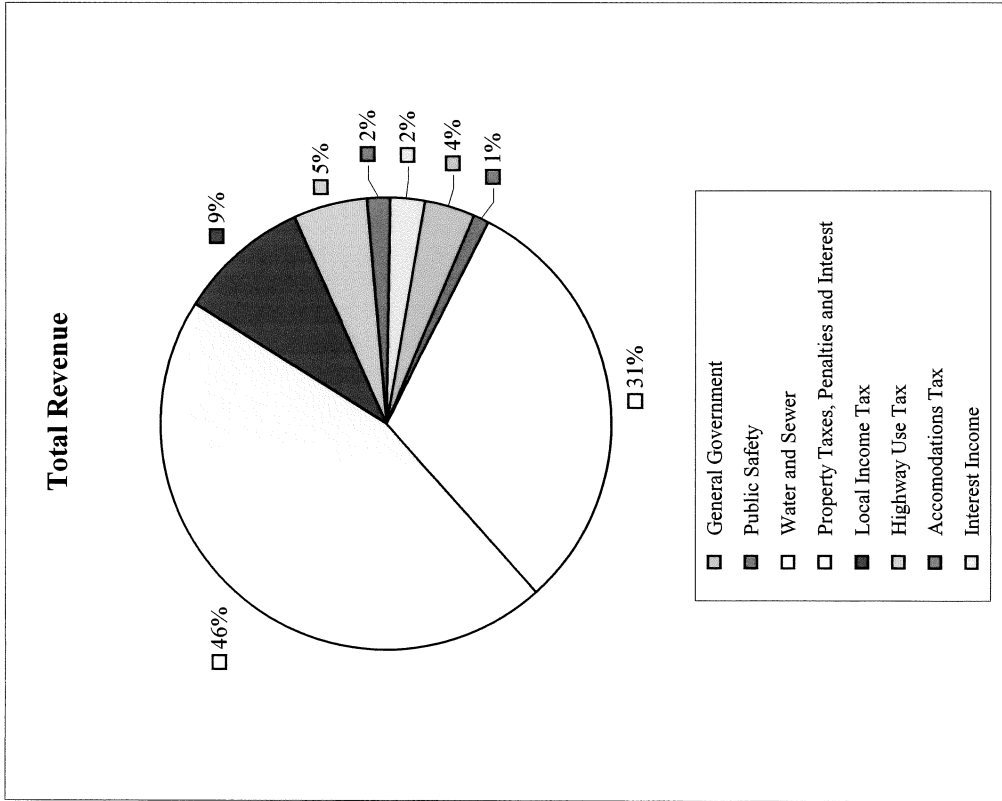
\* The Town continues to benefit from increases in State-shared revenue resulting from continued economic growth. The Town faces a significant capital outlay in trying to mitigate the presence of arsenic in our water supply. This, along with upgrading the existing waste treatment facility will present significant challenges to the Town. At present the Town is financially sound, but additional funding sources will be necessary to make the aforementioned improvements feasible.

Financial Contact

The Town's Financial Statements are designed to present the users (citizens, taxpayers, customers, and creditors) with a general overview of the Town's finances and to demonstrate the town's accountability. If you have any questions about the report or need additional financial information, please put your request in writing to the attention of; Town Clerk - Town of Oxford, Oxford, Maryland 21654.



TOWN OF OXFORD  
 MANAGEMENT DISCUSSION AND ANALYSIS  
 TOTAL REVENUE AND EXPENSES  
 GOVERNMENT-WIDE  
 JUNE 30, 2006



**TOWN OF OXFORD**  
**GOVERNMENT-WIDE STATEMENT OF NET ASSETS**  
**JUNE 30, 2006**

**EXHIBIT A**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash	\$ 898,253	\$ 554,038	\$ 1,452,291
Accounts Receivable	58,739	125,587	184,326
Notes Receivable - Water and Sewer Bonds	-	48,159	48,159
Capital Assets:			
Land	20,232	-	20,232
Buildings	1,119,940	-	1,119,940
Equipment	91,223	967,579	1,058,802
Improvements	-	1,350,811	1,350,811
Vehicles	71,275	33,437	104,712
Accumulated Depreciation	<u>(272,502)</u>	<u>(1,164,664)</u>	<u>(1,437,166)</u>
Total Assets	<u>1,987,160</u>	<u>1,914,947</u>	<u>3,902,107</u>
<b>LIABILITIES</b>			
Accounts Payable	32,229	16,635	48,864
Non-Current Liabilities:			
Due within one year	20,376	12,211	32,587
Due in more than one year	<u>294,028</u>	<u>412,415</u>	<u>706,443</u>
Total Liabilities	<u>346,633</u>	<u>441,261</u>	<u>787,894</u>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	715,764	762,537	1,478,301
Restricted	377,577	-	377,577
Unrestricted	<u>547,186</u>	<u>711,149</u>	<u>1,258,335</u>
Total Net Assets	<u>\$ 1,640,527</u>	<u>\$ 1,473,686</u>	<u>\$ 3,114,213</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF OXFORD  
 GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2006

Program Activities	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<u>Governmental Activities</u>							
General Government	\$ 195,211	\$ 55,040	\$ -	\$ -	\$ (140,171)	\$ -	\$ (140,171)
Public Safety	168,125	3,047	15,192	-	(149,886)	-	(149,886)
Public Works	161,951	-	-	-	(161,951)	-	(161,951)
Parks and Recreation	69,991	-	1,303	-	(68,688)	-	(68,688)
Debt Service	19,190	-	-	-	(19,190)	-	(19,190)
Other Expenses	160,780	-	-	-	(160,780)	-	(160,780)
<u>Total Governmental Activities</u>	<u>775,248</u>	<u>58,087</u>	<u>16,495</u>	<u>-</u>	<u>(700,666)</u>	<u>-</u>	<u>(700,666)</u>
<u>Business-Type Activities</u>							
Water and Sewer	418,447	476,803	-	-	-	58,356	58,356
<u>Total Government</u>	<u>\$ 1,193,695</u>	<u>\$ 534,890</u>	<u>\$ 16,495</u>	<u>\$ -</u>	<u>(700,666)</u>	<u>58,356</u>	<u>(642,310)</u>
General Revenues:							
Taxes:							
Property Taxes, Penalties and Interest					700,032	-	700,032
Local Income Tax					146,986	-	146,986
Amusement Tax					774	-	774
Franchise Tax					5,895	-	5,895
Highway Use Tax					80,331	-	80,331
Accommodations Tax					28,210	-	28,210
Interest Income					21,777	14,862	36,639
Operating Transfers					1,029	(1,029)	-
Total General Revenues					985,034	13,833	998,867
Change in Net Assets					284,368	72,189	356,557
Net Assets-Beginning					1,356,159	1,401,497	2,757,656
Net Assets-Ending					\$ 1,640,527	\$ 1,473,686	\$ 3,114,213

The accompany notes are an integral part of these financial statements.

TOWN OF OXFORD  
BALANCE SHEET  
GOVERNMENTAL FUND  
JUNE 30, 2006

EXHIBIT C

**General  
Fund**

**ASSETS**

Cash	\$ 898,253
Accounts Receivable	<u>58,739</u>
Total Assets	<u>\$ 956,992</u>

**LIABILITIES AND FUND BALANCES**

Liabilities:	
Accounts Payable	<u>\$ 32,229</u>
Fund Balance:	
Reserved	377,577
Unreserved	<u>547,186</u>
Total Fund Balance	<u>924,763</u>
Total Liabilities and Fund Balance	<u>\$ 956,992</u>

**Amounts Reported For Governmental Activities in The Statement of Activities Are Different Because:**

Total Fund Balance	\$ 924,763
Capital assets, and related accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet.	1,030,168
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(314,404)</u>
Net Assets of Governmental Activities	<u>\$ 1,640,527</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF OXFORD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**EXHIBIT D**

	<u>General Fund</u>
Revenues:	
Taxes:	
Property Taxes	\$ 700,032
Charges for Services	800
Intergovernmental	278,691
Licenses and Permits	4,363
Interest	21,777
Land Rents	49,877
Police Fines	3,047
Total Revenues	<u>1,058,587</u>
Expenditures:	
Current:	
General Government	160,541
Public Safety	160,071
Public Works	177,386
Parks and Recreation	67,019
Other Expenditures	160,780
Debt Service:	
Principal Retirement	189,423
Interest	19,190
Total Expenditures	<u>934,410</u>
Excess (Deficiency) of Revenues over Expenditures	124,177
Other Sources/(Uses)	
Operating Transfers In	<u>1,029</u>
Net Change in Fund Balance	125,206
Fund Balances at Beginning of Year	<u>799,557</u>
Fund Balances at End of Year	<u>\$ 924,763</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF OXFORD**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**EXHIBIT E**

**Net Change in Fund Balance-Total Governmental Funds** \$ 125,206

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

Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds. (48,261)

Some expenses in the Governmental funds require the use of current financial resources but are not expenses in the statement of activities:

Capital Outlay	18,000
Principal Retirement	<u>189,423</u>

**Change in Net Assets of Governmental Activities** \$ 284,368

The accompanying notes are an integral part of these financial statements.

**TOWN OF OXFORD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**EXHIBIT F**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Favorable (Unfavorable) Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property Taxes	\$ 686,420	\$ 686,420	\$ 700,032	\$ 13,612
Charges for Services	500	500	800	300
Intergovernmental	177,709	177,709	278,691	100,982
Licenses and Permits	6,260	6,260	4,363	(1,897)
Interest	5,000	5,000	21,777	16,777
Land Rents	50,800	50,800	49,877	(923)
Police Fines	2,000	2,000	3,047	1,047
Miscellaneous	500	500	-	(500)
Total Revenues	<u>929,189</u>	<u>929,189</u>	<u>1,058,587</u>	<u>129,398</u>
Expenditures:				
Current:				
General Government	199,894	199,894	160,541	39,353
Public Safety	156,615	156,615	160,071	(3,456)
Public Works	343,601	343,601	159,386	184,215
Parks and Recreation	73,218	73,218	67,019	6,199
Other Expenditures	333,811	333,811	160,780	173,031
Capital Outlay	51,250	51,250	18,000	33,250
Debt Service	200,000	200,000	208,613	(8,613)
Total Expenditures	<u>1,358,389</u>	<u>1,358,389</u>	<u>934,410</u>	<u>423,979</u>
Excess (Deficiency) of Revenues over Expenditures	(429,200)	(429,200)	124,177	553,377
Other Sources/(Uses)				
Operating Transfers In	1,029	1,029	1,029	-
Fund Balances at Beginning of Year	<u>799,557</u>	<u>799,557</u>	<u>799,557</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 371,386</u>	<u>\$ 371,386</u>	<u>\$ 924,763</u>	<u>\$ 553,377</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF OXFORD**  
**BALANCE SHEET-ENTERPRISE FUND**  
**JUNE 30, 2006**

**EXHIBIT G**

**ASSETS**

<b>Current Assets:</b>	
Cash	\$ 554,038
Accounts Receivable	125,587
Total Current Assets	<u>679,625</u>
<b>Capital Assets:</b>	
Equipment	967,579
Improvements	1,350,811
Vehicles	33,437
Accumulated Depreciation	<u>(1,164,664)</u>
Total Capital Assets	<u>1,187,163</u>
<b>Other Assets</b>	
Notes Receivable-Water and Sewer Bonds	<u>48,159</u>
<b>Total Assets</b>	<u><u>\$ 1,914,947</u></u>

**LIABILITIES AND FUND BALANCES**

<b>Current Liabilities:</b>	
Accounts Payable	\$ 16,635
Current Portion of Long term Debt	12,211
Total Current Liabilities	<u>28,846</u>
<b>Non-Current Liabilities:</b>	
Long Term Debt-Net of Current Portion	<u>412,415</u>
<b>Total Liabilities</b>	<u>441,261</u>

**NET ASSETS**

Invested in Capital Assets, Net of Related Debt	762,537
Unrestricted	711,149
Total Net Assets	<u>1,473,686</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 1,914,947</u></u>

The accompanying notes are an integral part of these financial statements.



**TOWN OF OXFORD**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET ASSETS**  
**BUDGET AND ACTUAL-ENTERPRISE FUND**  
**FOR THE YEAR ENDED JUNE 30, 2006**

**EXHIBIT H**

	<u>Budget</u>	<u>Water and Sewer Actual Amounts</u>	<u>Favorable (Unfavorable) Variance</u>
<b>Operating Revenues:</b>			
Charges for Services	\$ 413,161	\$ 439,208	\$ 26,047
Land Rents	31,000	31,105	105
Capital Charges	6,000	4,000	(2,000)
Plumbing Permits	1,500	2,189	689
Miscellaneous	-	301	301
Total Operating Revenues	<u>451,661</u>	<u>476,803</u>	<u>25,142</u>
<b>Operating Expenses:</b>			
Clerk Salaries	15,886	16,193	(307)
Office Salaries	17,150	17,315	(165)
Office Supplies and Expense	5,000	5,904	(904)
Telephone	1,680	1,331	349
Auditing	2,800	2,800	-
Financial and Computer Services	1,000	65	935
Utilities	600	-	600
Repairs and Maintenance	1,000	-	1,000
Backhoe Repair	3,500	6,015	(2,515)
Automotive	7,250	8,707	(1,457)
Shop Utilities	2,400	3,600	(1,200)
Insurance	10,000	10,000	-
Employee Benefits	29,928	29,928	-
Subcontractors	24,000	5,325	18,675
Salaries	94,447	64,706	29,741
Materials and Equipment	49,700	63,261	(13,561)
Lab Supplies	30,000	22,556	7,444
Depreciation	56,000	85,421	(29,421)
Electricity	27,200	23,432	3,768
Social Security	9,752	7,513	2,239
Testing	18,573	16,668	1,905
Training	2,500	1,434	1,066
Maintenance Contracts	500	-	500
Interest	20,000	19,778	222
Grant Writer	11,000	-	11,000
Workman's Compensation Insurance	6,495	6,495	-
Total Operating Expenses	<u>448,361</u>	<u>418,447</u>	<u>29,914</u>
Net Operating Income (Loss)	<u>3,300</u>	<u>58,356</u>	<u>55,056</u>
<b>Non-Operating Revenue (Expense):</b>			
Operating Transfers Out	(1,029)	(1,029)	-
Interest	15,000	14,862	(138)
Total Non-Operating Revenue (Expense)	<u>13,971</u>	<u>13,833</u>	<u>(138)</u>
Change in Net Assets	17,271	72,189	54,918
Net Assets at Beginning of Year	<u>1,401,497</u>	<u>1,401,497</u>	<u>-</u>
Net Assets at End of Year	<u>\$ 1,418,768</u>	<u>\$ 1,473,686</u>	<u>\$ 54,918</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF OXFORD  
STATEMENT OF CASH FLOWS  
ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2006**

**EXHIBIT I**

	<u>Water and Sewer Fund</u>
<b>Cash Flows from Operating Activities:</b>	
Cash Received from Customers	\$ 436,742
Land Rents	31,105
Capital Charges	4,000
Plumbing Permits	2,189
Miscellaneous	301
Cash Payments for Interest	(19,778)
Cash Payments to Employees for Services	(98,214)
Cash Payments to Suppliers for Goods and Services	(216,159)
Net Cash from Operating Activities	<u>140,186</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Purchase of Capital Assets	(59,387)
Retirement of Debt	(29,107)
Payments Received on Water and Sewer Bonds	2,665
Net Cash from Capital and Related Financing Activities	<u>(85,829)</u>
<b>Cash Flows from Investing Activities:</b>	
Operating Transfers	(1,029)
Interest Income	14,862
Net Cash from Investing Activities	<u>13,833</u>
Net Increase (Decrease) in Cash	68,190
Cash - Beginning of year	<u>485,848</u>
Cash - End of year	<u>\$ 554,038</u>
<b>Reconciliation of Income (Loss) to Net Cash from Operating Activities:</b>	
Income (Loss)	\$ 58,356
<b>Adjustments to Reconcile Income (Loss) to Net Cash from Operating Activities:</b>	
Depreciation	85,421
Change in Accounts Receivable	(2,466)
Change in Accounts Payable	<u>(1,125)</u>
Net Cash from Operating Activities	<u>\$ 140,186</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF OXFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2006**

**EXHIBIT J**  
**PAGE 2**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

C. Basis of Presentation

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

Government-wide Financial Statements:

The statement of net assets and the statement of changes in net assets report information on all of the activities of the Town. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

The Town segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements would normally be presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources.

The Town has presented the following major funds:

*General Fund*

The General Fund is the primary operating fund of the Town. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

**TOWN OF OXFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2006**

**EXHIBIT J**  
**PAGE 3**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

*Water and Sewer Fund*

The Water and Sewer Fund is used to account for the provision of water and sewer services to the residents of the Town. Activities of the fund include administration, operations and maintenance of the water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

D. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred.

The revenues susceptible to accrual are property taxes, licenses, charges for services, and intergovernmental revenues. All other Governmental Fund revenues are recognized when received.

E. Budgetary Control

The Town Clerk submits an annual budget to the Commissioners in accordance with the Town Charter. At least sixty days prior to the new fiscal year, the Commissioners adopt the annual fiscal year appropriated budget for Town operating funds. These include General, Public Safety, Public Works, Parks and Recreation and Water and Sewer. Once approved, the Commissioners may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class. This constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the Commissioners. Within these control levels, management may transfer appropriations without Commissioners approval.

The Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents a comparison of budgetary data to actual results. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results.

**TOWN OF OXFORD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**EXHIBIT J  
PAGE 4**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

F. Cash and Investments

The Town follows the practice of segregating cash as to fund purpose or type.

The types of investments allowed are governed by Maryland Statute.

The Town considers all cash or investments with an initial maturity of one year or less to be cash.

G. Accounts Receivable

Management of the Town considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been provided. If amounts become uncollectible, they will be charged to operations in the period of uncollectibility.

H. Property Taxes

Property taxes are billed each July 1 for the fiscal year. Full payment is due by September 30. January 1 is the delinquent and levy date for all taxes.

I. Transactions Between Funds

Legally authorized transfers are treated as inter-fund transfers and are included in the results of operations of the Funds.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable column in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. The Town has elected not to retroactively report general infrastructure assets, as allowed by GASB 34. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expense. Renewals and betterments are capitalized.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

<u>CLASSIFICATION</u>	<u>LIFE</u>
Buildings	15-40 Years
Equipment	5-10 Years
Vehicles	5-10 Years
Water and Sewer Assets	5-40 Years

Included in improvements is \$45,251 for costs incurred to implement an arsenic removal system for the water department. These costs have not been depreciated since the project is not yet complete.

**TOWN OF OXFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2006**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

K. Net Assets

Net Assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

L. Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America, requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenditures. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**NOTE 2 - CASH:**

The balance of cash is categorized as follows:

General Fund Checking	\$ 250,848
General Fund Petty Cash	100
Savings-Parks and Recreation	1,211
Clock Fund	3,139
Sidewalk Fund	40,131
Town House Fund	25,782
Doug Hanks Memorial Fund	1,250
Savings-Bicentennial Account	5,308
CD-Talbot Bank	<u>570,484</u>
 <u>TOTAL GENERAL FUND</u>	 <u>898,253</u>
 Water and Sewer Checking	 212,925
CD-Bank of America	340,530
Water and Sewer Petty Cash	50
Money Market-Talbot Bank	<u>533</u>
 <u>TOTAL WATER AND SEWER FUND</u>	 <u>554,038</u>
 <u>TOTAL CASH IN BANK</u>	 <u>\$ 1,452,291</u>

All cash is maintained at three financial institutions and is either insured by the FDIC or collateralized by the financial institutions trust department, as follows:

Insured by the FDIC	\$ <u>400,498</u>
Collateralized by the financial institutions trust department with securities not in the Town's name	\$ <u>1,051,793</u>

**TOWN OF OXFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2006**

**EXHIBIT J**  
**PAGE 6**

**NOTE 3-NOTES RECEIVABLE-WATER AND SEWER BONDS**

The Town obtained financing from the Maryland Department of the Environment in 2002 to help with the extension of water and sewer lines to certain Town residents. The residents who benefited from these improvements are repaying the Town in quarterly installments of principal and interest, plus an administrative fee. All of the notes mature in June of 2011 and bear interest at the rate of 2.2%.

**NOTE 4 – CAPITAL ASSETS:**

Following is a summary of Capital Asset changes for the current year:

	BALANCE JULY 1, 2005	<u>ASSETS</u>		BALANCE JUNE 30, 2006
		<u>ACQUISITIONS</u>	<u>RETIREMENTS</u>	
Land	\$ 20,232	\$ -	\$ -	\$ 20,232
Buildings	1,119,940	-	-	1,119,940
Equipment	91,223	-	-	91,223
Vehicles	53,275	18,000	-	71,275
Water and Sewer	<u>2,292,440</u>	<u>59,387</u>	<u>-</u>	<u>2,351,827</u>
<b><u>TOTAL</u></b>	<b><u>\$ 3,577,110</u></b>	<b><u>\$ 77,387</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 3,654,497</u></b>
		<u>ACCUMULATED DEPRECIATION</u>		
	BALANCE JULY 1, 2005	<u>DEPRECIATION</u>	<u>RETIREMENTS</u>	BALANCE JUNE 30, 2006
Land	\$ -	\$ -	\$ -	\$ -
Buildings	159,057	29,549	-	188,606
Equipment	29,393	10,854	-	40,247
Vehicles	35,791	7,858	-	43,649
Water and Sewer	<u>1,079,243</u>	<u>85,421</u>	<u>-</u>	<u>1,164,664</u>
<b><u>TOTAL</u></b>	<b><u>\$ 1,303,484</u></b>	<b><u>\$ 133,682</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,437,166</u></b>
<b><u>CAPITAL ASSETS</u></b>				<b><u>\$ 2,217,331</u></b>

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

Governmental activities:	
General government	\$ 34,670
Public safety	8,054
Public works	2,565
Parks and recreation	2,972
Enterprise activity	85,421
Total depreciation expense	<u>\$ 133,682</u>

**TOWN OF OXFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2006**

**EXHIBIT J**  
**PAGE 7**

**NOTE 5 - DEBT:**

Debt at June 30, 2006 consists of the following:

Note Payable-Town Hall Renovation-Easton Bank and Trust, unsecured, amortized over a thirty year term with a balloon payment due August 12, 2008 with interest currently at 3.84%. Monthly payments of interest and principal in the amount of \$3,218	\$ 314,404
Note Payable-Water Tower-Talbot Bank, unsecured, payable over a thirty year term maturing June 15, 2030 with interest currently at 4.85%. Monthly payments of interest and principal in the amount of \$2,083. The Town has made prepayments of principal on this loan.	360,611
Note Payable-Water and Sewer System Expansion-Maryland Department of the Environment, unsecured, payable over a twenty year term maturing February 1, 2020 with interest at 2.2%. Annual payments of interest and principal in the amount of \$6,716.	64,015
Total	\$ <u>739,030</u>

Transactions for the year ended June 30, 2006 are summarized as follows:

	Balance <u>July 1</u>	<u>Additions</u>	Payments or <u>Expenditures</u>	Balance <u>June 30</u>	Due within <u>One year</u>
<u>Governmental Type Activities</u>					
Town Hall Renovation	\$ 503,827	\$ -	\$ 189,423	\$ 314,404	\$ 20,376
<u>Business Type Activities</u>					
Water Tower	367,922	-	7,311	360,611	7,695
System Expansion	85,811	-	21,796	64,015	4,516
<u>Total Business Type</u>	<u>453,733</u>	<u>-</u>	<u>29,107</u>	<u>424,626</u>	<u>12,211</u>
<u>Total Debt</u>	<u>\$ 957,560</u>	<u>\$ -</u>	<u>\$ 218,530</u>	<u>\$ 739,030</u>	<u>\$ 32,587</u>

Maturities of principal and interest over the next five years, and five-year increments thereafter, are as follows:

	<u>Governmental Type Activities</u>		<u>Business Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
June 30, 2007	20,376	18,240	12,211	19,501
June 30, 2008	21,172	17,444	12,692	19,020
June 30, 2009	272,856	2,827	13,194	18,518
June 30, 2010	-	-	13,718	17,994
June 30, 2011-2015	-	-	77,301	81,259
June 30, 2016-2020	-	-	94,378	64,182
June 30, 2021-2025	-	-	91,960	41,850
June 30, 2026-2030	-	-	106,575	18,398
June 30, 2031-2035	-	-	2,597	415
<u>Total</u>	<u>\$ 314,404</u>	<u>\$ 38,511</u>	<u>\$ 424,626</u>	<u>\$ 281,137</u>



**TOWN OF OXFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2006**

**EXHIBIT J**  
**PAGE 8**

**NOTE 6 - RISK AND INSURANCE COVERAGE:**

The Town has exposure to various kinds of risk. As a vehicle to reduce this exposure the Town has purchased insurance policies from commercial insurance agents. These policies cover property, general liability, auto, workman's compensation, and employee bonding.

**NOTE 7 - PENSION PLAN:**

The Town maintains The Town of Oxford Deferred Compensation Plan, which is an Internal Revenue Code Section 457 plan, a defined contribution plan. The plan is administered by an independent plan administrator. The Town's administrative involvement is limited to transmitting amounts withheld from payroll to the plan administrator who performs investing functions. Section 457 plans require that plan assets are held in trust for the benefit of the plan participants and their beneficiaries, and will not be diverted for any other purpose. Accordingly, the financial activity of this plan is not reported in the Town's financial statements.

A defined contribution pension plan provides benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefit a participant will receive depends solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to such participant's account. The Town incurs no cost in relation to this plan.

The Town also participates in the Maryland State Retirement System, which is a defined benefit plan. The Town's contribution is determined annually by the Retirement System based on actuarial estimates. The employees of the Town are required to contribute 2% of compensation, while the Town is required to contribute 5% of compensation. The cost to the Town for the current fiscal year was \$33,514. The System publishes an annual report reflecting all actuarial assumptions and funding status. This report is available via internet at [www.sra.sailorsite.net](http://www.sra.sailorsite.net), or by contacting The Maryland State Retirement and Pension System at 410-625-5555.

**NOTE 8 - NET ASSET RESTRICTIONS/FUND BALANCE RESERVATIONS:**

The Town owns a townhouse which is occupied by two Town employees. A fund is maintained to care for and improve the townhouse. At June 30, 2006 the balance in the fund was \$25,782. Maintenance and improvement costs are paid from this fund before any other Town money is expended.

The Town Commissioners designated a capital projects fund in the amount of \$308,525 for future, non-specific improvements.

Contributions for sidewalk improvements are held in a separate account in the amount of \$40,131.

\$3,139 is held in a separate account for a Town clock.

TOWN OF OXFORD

SUPPLEMENTAL INFORMATION

JUNE 30, 2006

**TOWN OF OXFORD  
SUPPLEMENTAL INFORMATION  
BALANCE SHEETS  
GOVERNMENTAL FUND  
JUNE 30, 2006 AND 2005**

**SCHEDULE A**

<b>ASSETS</b>	<b><u>General Fund</u></b>	
	<b><u>2006</u></b>	<b><u>2005</u></b>
Cash	\$ 898,253	\$ 790,743
Accounts Receivable	<u>58,739</u>	<u>64,934</u>
<b>Total Assets</b>	<b><u>\$ 956,992</u></b>	<b><u>\$ 855,677</u></b>
 <b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts Payable	<u>\$ 32,229</u>	<u>\$ 56,120</u>
Fund Balance:		
Reserved	377,577	379,722
Unreserved	<u>547,186</u>	<u>419,835</u>
<b>Total Fund Balance</b>	<b><u>924,763</u></b>	<b><u>799,557</u></b>
 <b>Total Liabilities and Fund Balance</b>	 <b><u>\$ 956,992</u></b>	 <b><u>\$ 855,677</u></b>

The accompanying notes are an integral part of these financial statements.

**TOWN OF OXFORD  
SUPPLEMENTAL INFORMATION  
BALANCE SHEETS - ENTERPRISE FUND  
JUNE 30, 2006 AND 2005**

**SCHEDULE B**

	<b>Water And Sewer Fund</b>	
	<u>2006</u>	<u>2005</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash	\$ 554,038	\$ 485,848
Accounts Receivable	125,587	123,121
Total Current Assets	679,625	608,969
<b>Capital Assets:</b>		
Equipment	967,579	963,327
Improvements	1,350,811	1,305,560
Vehicles	33,437	23,553
Accumulated Depreciation	(1,164,664)	(1,079,243)
Total Capital Assets	1,187,163	1,213,197
<b>Other Assets</b>		
Notes Receivable-Water and Sewer Bonds	48,159	50,824
Total Assets	\$ 1,914,947	\$ 1,872,990
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 16,635	\$ 17,760
Current Portion of Long term Debt	12,211	12,160
Total Current Liabilities	28,846	29,920
<b>Non-current Liabilities:</b>		
Long Term Debt-Net of Current Portion	412,415	441,573
Total Liabilities	441,261	471,493
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	762,537	759,466
Unrestricted	711,149	642,031
Total Net Assets	1,473,686	1,401,497
Total Liabilities and Net Assets	\$ 1,914,947	\$ 1,872,990

The accompanying notes are an integral part of these financial statements.

**TOWN OF OXFORD  
SUPPLEMENTAL INFORMATION  
ANALYSIS OF REVENUE-BUDGET AND ACTUAL  
ALL FUND TYPES  
YEAR ENDED JUNE 30, 2006**

SCHEDULE C

	2006				
	Budgeted Amounts		Actual Amounts	Favorable (Unfavorable) Variance	Prior Year 6/30/05
	Original	Final			
<b><u>TAXES-LOCAL:</u></b>					
<b><u>Real and personal property:</u></b>					
Property Taxes	\$ 689,420	\$ 689,420	\$ 705,794	\$ 16,374	\$ 631,225
<b><u>Intergovernmental:</u></b>					
Local Income Tax	72,000	72,000	146,986	74,986	103,803
Amusement Tax	300	300	774	474	846
Franchise	2,500	2,500	5,895	3,395	2,945
Highway Use Tax	63,082	63,082	80,331	17,249	63,956
Police Aid	13,827	13,827	13,424	(403)	14,077
Highway Safety	3,000	3,000	1,768	(1,232)	-
Critical Areas	1,000	1,000	1,303	303	(632)
Accommodations Tax	22,000	22,000	28,210	6,210	22,555
<b>Total Intergovernmental</b>	<b>177,709</b>	<b>177,709</b>	<b>278,691</b>	<b>100,982</b>	<b>207,550</b>
Less: Discounts and Allowances	3,000	3,000	5,762	2,762	3,954
<b>NET TAXES</b>	<b>174,709</b>	<b>174,709</b>	<b>272,929</b>	<b>98,220</b>	<b>203,596</b>
<b><u>LICENSES AND PERMITS:</u></b>					
Building Permits	2,000	2,000	-	(2,000)	1,148
Animal Permits	60	60	24	(36)	68
Traders' Licenses	3,000	3,000	3,539	539	5,266
Port Wardens' Fees	1,200	1,200	800	(400)	1,800
Plumbing Permits	1,500	1,500	2,189	689	1,349
<b>TOTAL LICENSES AND PERMITS</b>	<b>7,760</b>	<b>7,760</b>	<b>6,552</b>	<b>(1,208)</b>	<b>9,631</b>
<b><u>CHARGES FOR SERVICES:</u></b>					
Water and Sewer	413,161	413,161	439,208	26,047	363,826
Capital Charges	6,000	6,000	4,000	(2,000)	15,000
Appeals Fees	500	500	800	300	1,125
Parks and Recreation	-	-	-	-	70
<b>TOTAL CHARGES FOR SERVICES</b>	<b>419,661</b>	<b>419,661</b>	<b>444,008</b>	<b>24,347</b>	<b>380,021</b>
<b><u>MISCELLANEOUS REVENUE:</u></b>					
Interest	20,000	20,000	36,639	16,639	23,877
Land Rents	81,800	81,800	80,982	(818)	85,499
Police Fines	2,000	2,000	3,047	1,047	1,960
Donations	-	-	-	-	18,935
Miscellaneous	500	500	301	(199)	9,057
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>104,300</b>	<b>104,300</b>	<b>120,969</b>	<b>16,669</b>	<b>139,328</b>
<b>TOTAL REVENUE</b>	<b>\$ 1,395,850</b>	<b>\$ 1,395,850</b>	<b>\$ 1,550,252</b>	<b>\$ 154,402</b>	<b>\$ 1,363,801</b>

The accompanying notes are an integral part of these financial statements.

TOWN OF OXFORD  
SUPPLEMENTAL INFORMATION  
ANALYSIS OF EXPENDITURES/EXPENSES-BUDGET AND ACTUAL  
ALL FUND TYPES  
YEAR ENDED JUNE 30, 2006

2006					
	Budgeted Amounts		Actual Amounts	Favorable (Unfavorable) Variance	Prior Year 6/30/05
	Original	Final			
<b>GOVERNMENTAL FUNDS</b>					
<b>GENERAL GOVERNMENT</b>					
<u>Legislative</u>					
Salaries & Expense	\$ 14,000	\$ 14,000	\$ 10,158	\$ 3,842	\$ 10,379
Registration and Election	200	200	239	(39)	288
Advertisement	450	450	-	450	135
<u>Executive</u>					
Salaries	54,219	54,219	55,427	(1,208)	48,230
Supplies	4,000	4,000	4,334	(334)	3,958
Repairs and Maintenance	4,000	4,000	(4,085)	(85)	4,394
Telephone	3,500	3,500	3,201	299	3,451
Copier	4,000	4,000	434	3,566	794
Web Page Maintenance	525	525	80	445	990
Financial and Computer Service	4,500	4,500	2,335	2,165	500
Auditing	6,200	6,200	6,200	-	6,126
Memberships and Dues	3,400	3,400	3,783	(383)	3,428
Advertising	4,500	4,500	3,457	1,043	7,179
Accounting and Budgeting	500	500	250	250	400
<u>Total Legislative and Executive</u>	<u>103,994</u>	<u>103,994</u>	<u>93,983</u>	<u>10,011</u>	<u>90,252</u>
<u>Other General Government</u>					
Legal	35,000	35,000	33,695	1,305	63,400
Historic District	1,500	1,500	-	1,500	3,084
Planning & Zoning	2,000	2,000	-	2,000	1,729
Board of Port Wardens	11,500	11,500	293	11,207	9,741
Business Association	7,100	7,100	6,186	914	6,501
Appropriations to Others	4,700	4,700	4,650	50	750
Engineering - Housing, Sidewalks	-	-	-	-	6,935
<u>Total Other General Government</u>	<u>61,800</u>	<u>61,800</u>	<u>44,824</u>	<u>16,976</u>	<u>92,140</u>
<u>General Government Buildings</u>					
Building Maintenance	10,500	10,500	6,553	3,947	10,444
Utilities	8,100	8,100	6,378	1,722	4,989
Town House	10,000	10,000	4,935	5,065	6,364
Custom House	5,500	5,500	3,868	1,632	1,426
<u>Total General Government Buildings</u>	<u>34,100</u>	<u>34,100</u>	<u>21,734</u>	<u>12,366</u>	<u>23,223</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>199,894</b>	<b>199,894</b>	<b>160,541</b>	<b>39,353</b>	<b>205,615</b>
<b>PUBLIC SAFETY</b>					
Salaries	122,715	122,715	125,909	(3,194)	118,323
Uniforms and Equipment	4,000	4,000	3,672	328	3,354
Police School Expense	3,000	3,000	2,779	221	2,613
Automotive	8,500	8,500	9,761	(1,261)	8,502
Telephone	2,300	2,300	2,607	(307)	1,841
Signs	900	900	89	811	7
Office Supplies	700	700	754	(54)	472
Fire Department Grant	14,500	14,500	14,500	-	12,500
<u>TOTAL PUBLIC SAFETY</u>	<u>156,615</u>	<u>156,615</u>	<u>160,071</u>	<u>(3,456)</u>	<u>147,612</u>
<b>PUBLIC WORKS</b>					
<u>Roads Department</u>					
Subcontractors	6,000	6,000	1,725	4,275	-
Salaries	30,696	30,696	21,392	9,304	24,128
Capital Outlay	6,000	6,000	-	6,000	-
Repairs and Maintenance	15,000	15,000	4,419	10,581	6,653
Lighting	20,000	20,000	17,713	2,287	17,106
Repaving	150,000	150,000	-	150,000	-
<u>Total Roads Department</u>	<u>227,696</u>	<u>227,696</u>	<u>45,249</u>	<u>182,447</u>	<u>47,887</u>

TOWN OF OXFORD  
 SUPPLEMENTAL INFORMATION  
 ANALYSIS OF EXPENDITURES/EXPENSES-BUDGET AND ACTUAL  
 ALL FUND TYPES  
 YEAR ENDED JUNE 30, 2006

<u>Garbage Collection</u>					
Salaries	23,533	23,533	20,178	3,355	20,569
Landfill Fees	48,000	48,000	43,936	4,064	44,604
<u>Total Sanitation and Waste Removal</u>	<u>71,533</u>	<u>71,533</u>	<u>64,114</u>	<u>7,419</u>	<u>65,173</u>
<u>Other Public Works</u>					
Snow Removal	3,500	3,500	-	3,500	7,581
Mosquito and Weed Control	2,000	2,000	462	1,538	1,140
Automotive	6,500	6,500	8,538	(2,038)	5,611
Utilities	1,200	1,200	1,200	-	1,200
Telephone	2,500	2,500	592	1,908	729
Uniforms	6,300	6,300	8,104	(1,804)	5,461
Salaries	16,372	16,372	21,299	(4,927)	18,532
Maintenance Building Expense	12,000	12,000	9,828	2,172	9,913
Capital Outlay	22,250	22,250	18,000	4,250	-
<u>Total Other Public Works</u>	<u>72,622</u>	<u>72,622</u>	<u>68,023</u>	<u>4,599</u>	<u>50,167</u>
<u>TOTAL PUBLIC WORKS</u>	<u>371,851</u>	<u>371,851</u>	<u>177,386</u>	<u>194,465</u>	<u>163,227</u>
<u>PARKS AND RECREATION</u>					
Salaries	31,718	31,718	28,484	3,234	28,840
Repairs and Maintenance	26,500	26,500	31,080	(4,580)	22,460
Supplies	5,000	5,000	4,772	228	-
Capital Outlay	23,000	23,000	-	23,000	-
Docks/Shoreline Improvements	7,000	7,000	282	6,718	9,220
Little League	1,000	1,000	401	599	902
Fireworks	2,000	2,000	2,000	-	2,000
<u>TOTAL PARKS AND RECREATION</u>	<u>96,218</u>	<u>96,218</u>	<u>67,019</u>	<u>29,199</u>	<u>63,422</u>
<u>DEBT SERVICE</u>	<u>200,000</u>	<u>200,000</u>	<u>208,613</u>	<u>(8,613)</u>	<u>198,613</u>
<u>OTHER</u>					
Training	500	500	300	200	495
Miscellaneous	3,000	3,000	1,855	1,145	2,490
Insurance	44,000	44,000	34,782	9,218	38,666
Employee Benefits	71,831	71,831	71,601	230	65,581
Unemployment Insurance	150	150	150	-	150
Workman's Compensation Insurance	29,589	29,589	31,762	(2,173)	20,230
Social Security	21,837	21,837	20,330	1,507	18,941
Contingencies	162,904	162,904	-	162,904	-
<u>TOTAL OTHER</u>	<u>333,811</u>	<u>333,811</u>	<u>160,780</u>	<u>173,031</u>	<u>146,553</u>
<u>TOTAL GENERAL FUND</u>	<u>1,358,389</u>	<u>1,358,389</u>	<u>934,410</u>	<u>423,979</u>	<u>925,042</u>
<u>ENTERPRISE FUNDS</u>					
Clerk Salaries	15,886	15,886	16,193	(307)	14,745
Office Salaries	17,150	17,150	17,315	(165)	15,372
Office Supplies and Expense	5,000	5,000	5,904	(904)	4,138
Telephone	1,680	1,680	1,331	349	2,892
Auditing	2,800	2,800	2,800	-	2,674
Financial and Computer Services	1,000	1,000	65	935	200
Utilities	600	600	-	600	600
Repairs and Maintenance	1,000	1,000	-	1,000	500
Backhoe Repair	3,500	3,500	6,015	(2,515)	2,935
Automotive	7,250	7,250	8,707	(1,457)	5,115
Shop Utilities	2,400	2,400	3,600	(1,200)	4,100
Insurance	10,000	10,000	10,000	-	11,362
Employee Benefits	29,928	29,928	29,928	-	23,630
Subcontractors	24,000	24,000	5,325	18,675	4,575
Salaries	94,447	94,447	64,706	29,741	79,142
Materials and Equipment	49,700	49,700	63,261	(13,561)	25,737
Lab Supplies	30,000	30,000	22,556	7,444	17,275
Depreciation	56,000	56,000	85,421	(29,421)	85,923
Electricity	27,200	27,200	23,432	3,768	18,020
Social Security	9,752	9,752	7,513	2,239	8,860
Testing	18,573	18,573	16,668	1,905	5,797
Training	2,500	2,500	1,434	1,066	1,326
Maintenance Contracts	500	500	-	500	19,441
Debt Service	20,000	20,000	19,778	222	20,324
Grant Writer	11,000	11,000	-	11,000	-
Workman's Compensation Insurance	6,495	6,495	6,495	-	11,398
<u>TOTAL ENTERPRISE FUNDS</u>	<u>448,361</u>	<u>448,361</u>	<u>418,447</u>	<u>29,914</u>	<u>386,081</u>
<u>TOTAL EXPENDITURES/EXPENSES</u>	<u>\$ 1,806,750</u>	<u>\$ 1,806,750</u>	<u>\$ 1,352,857</u>	<u>\$ 453,893</u>	<u>\$ 1,311,123</u>