

TOWN OF OXFORD  
OXFORD, MARYLAND  
FINANCIAL STATEMENTS WITH  
SUPPLEMENTAL INFORMATION  
JUNE 30, 2008

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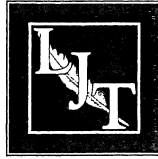
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## INDEPENDENT AUDITOR'S REPORT

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, 2008, 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, 2008, 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.

Seaford, Delaware  
December 1, 2008

**TOWN OF OXFORD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2008**

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, 2008**

**FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE**

The Town's combined net assets increased by 12.61% from 2007 to 2008. (See table below)  
 Governmental fund net assets increased by 20.5%, while the business-type funds increased by 2%.

Town of Oxford  
 Net Assets  
 (in millions)

	Governmental		Business-Type		Total		Total
	2008	2007	2008	2007	2008	2007	Percentage Change
Current and Other Assets	1.41	1.01	0.70	0.66	2.11	1.67	26.34%
Capital Assets	1.06	1.07	1.24	1.25	2.30	2.32	(0.86%)
Total Assets	2.47	2.08	1.94	1.91	4.41	3.99	10.52%
Long Term Debt	-	0.07	0.40	0.41	0.40	0.48	(16.67%)
Other Liabilities	0.06	0.01	0.02	0.01	0.08	0.02	300%
Total Liabilities	0.06	0.08	0.42	0.42	0.48	0.50	(4%)
Net Assets							
Capital Assets Net of Debt	1.06	1.00	0.84	0.84	1.90	1.84	3.26%
Restricted	0.38	0.38	-	-	0.38	0.38	-
Unrestricted	0.97	0.62	0.68	0.65	1.65	1.27	29.92%
Total Net Assets	2.41	2.00	1.52	1.49	3.93	3.49	12.61%

The increase in net assets is attributable to purchases of capital assets, payments on debt and the allocation to capital project reserves using surplus cash revenues.

**TOWN OF OXFORD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2008**

The Town's total revenues increased by 5.95% to \$1.78 million. (See table below.) Revenue from business-type activities decreased 4.17% to \$0.46 million. Governmental revenues increased by 10% to \$1.32 million. This increase is attributable to an increase in state shared taxes.

The total cost of all programs and services increased by 2.29%, to \$1.34 million. Costs of business-type activities decreased by 8.51%, to \$0.43 million. This decrease is attributed to lower repairs and maintenance and decreases in materials and equipment. The cost of governmental activities increased by 8.33% to \$0.91 million.

Town of Oxford  
Change in Net Assets  
(in millions)

	Governmental		Business-Type		Total		Total Percentage
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>Change</u>
Program Revenue							
Fees, Fines, Services	0.04	0.09	0.45	0.47	0.49	0.56	(12.50%)
Operating Grants	0.02	0.02	-	-	0.02	0.02	-
General Revenue							
Taxes	1.21	1.06	-	-	1.21	1.06	14.15%
Investment income(loss)	0.05	0.03	0.01	0.01	0.06	0.04	50.00%
Total Revenue	1.32	1.20	0.46	0.48	1.78	1.68	5.95%
Program Expenses							
General	0.26	0.26	-	-	0.26	0.26	-
Public Safety	0.20	0.19	-	-	0.20	0.19	5.26%
Public Works	0.19	0.16	-	-	0.19	0.16	18.75%
Parks and Recreation	0.07	0.08	-	-	0.07	0.08	(12.50%)
Debt Service	0.01	0.01	-	-	0.01	0.01	-
Miscellaneous	0.18	0.14	-	-	0.18	0.14	28.57%
Water & Sewer	-	-	0.43	0.47	0.43	0.47	(8.51)
Total Expenses	0.91	0.84	0.43	0.47	1.34	1.31	2.29%
Change in Net Assets	0.41	0.36	0.03	0.01	0.44	0.37	18.92%
Net Assets Beginning	2.00	1.64	1.49	1.48	3.49	3.12	11.86%
Net Assets Ending	2.41	2.00	1.52	1.49	3.93	3.49	12.61%

**TOWN OF OXFORD**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2008**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

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

General Fund revenues of \$1,322,496 exceeded budgeted revenues of \$1,143,838 by \$178,658 (15.62%). This excess was primarily the result of increased State-shared taxes.

General Fund expenditures of \$967,924 were less than budgeted expenditures of \$1,686,024 by \$718,100 (43%). Docks and shore line improvements were budgeted at \$75,000, but only \$3,535 was expended. Contingencies were budgeted at \$486,129 but no significant, unforeseen expenses were incurred.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2008 the Town had \$2.30 million invested in capital assets, including police equipment, park and recreation facilities, buildings, land, vehicles, and water and sewer system improvements.

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

	Governmental		Business-Type		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Land	0.02	0.02	-	-	0.02	0.02
Buildings	0.87	0.90	-	-	0.87	0.90
Improvements	0.06	0.07	-	-	0.06	0.07
Equipment	0.06	0.05	-	-	0.06	0.05
Vehicles	0.05	0.03	-	-	0.05	0.03
Water and Sewer	-	-	1.24	1.25	1.24	1.25
Total Capital Assets	1.06	1.07	1.24	1.25	2.30	2.32

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, 2008**

Debt

At year-end, the Town had \$0.40 million in bonds and notes outstanding versus \$0.48 million last year, a decrease of \$0.08 million.

Town of Oxford  
Debt  
(in millions)

	Governmental		Business-Type		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Town Hall Renovation	-	0.07	-	-	-	0.07
Water Tower	-	-	0.34	0.35	0.34	0.35
System Expansion	-	-	0.06	0.06	0.06	0.06
Total	-	0.07	0.40	0.41	0.40	0.48

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 2009 Budget & Rates

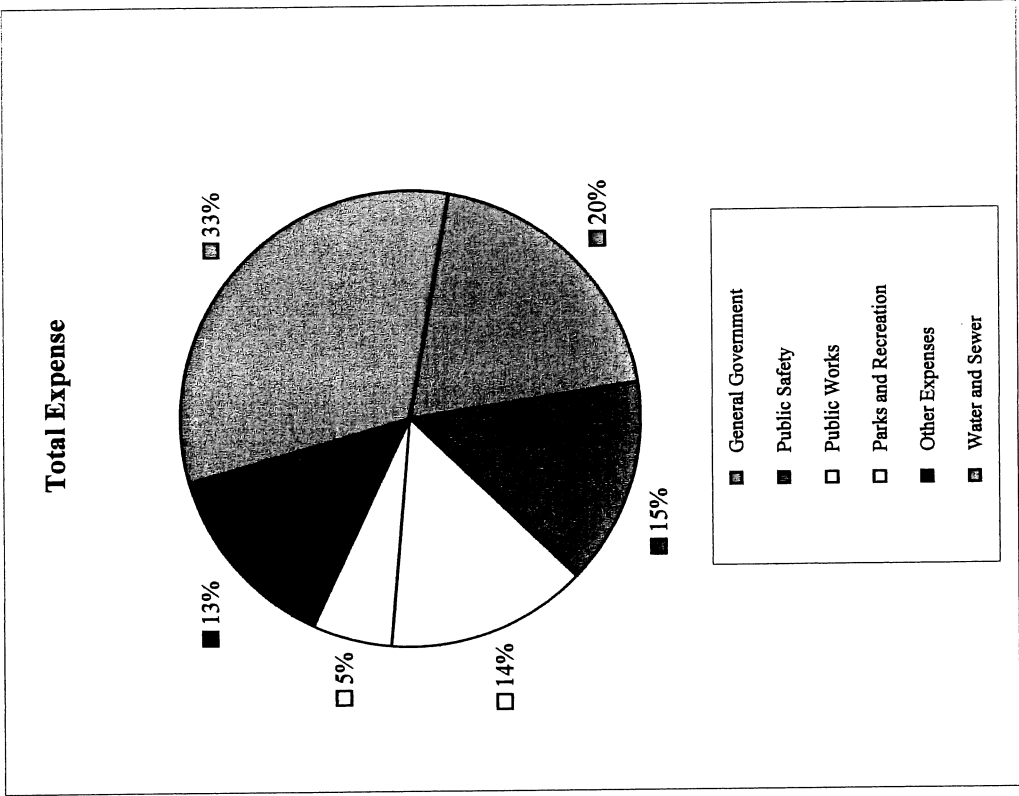
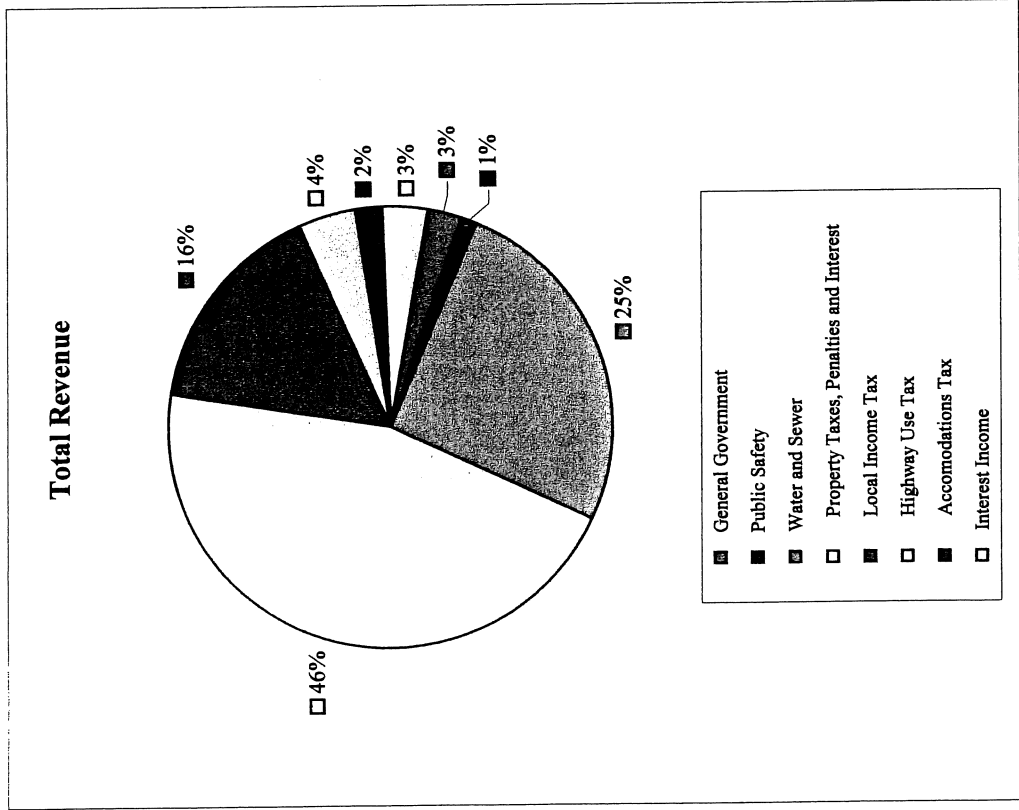
The Town continues to benefit from increases in State-shared revenue resulting from continued economic growth. The Town faces a significant capital outlay in trying to mitigate the presence of arsenic in our water supply. This, along with upgrading the existing waste treatment facility will present significant 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, 2008



**TOWN OF OXFORD**  
**GOVERNMENT-WIDE STATEMENT OF NET ASSETS**  
**JUNE 30, 2008**

**EXHIBIT A**

	<b>Governmental <u>Activities</u></b>	<b>Business-Type <u>Activities</u></b>	<b><u>Total</u></b>
<b>ASSETS</b>			
Cash	\$ 1,302,046	\$ 570,378	\$ 1,872,424
Accounts Receivable	105,041	104,550	209,591
Notes Receivable - Water and Sewer Bonds	-	28,434	28,434
Capital Assets:			
Land	20,232	-	20,232
Buildings	1,119,940	-	1,119,940
Equipment	116,259	967,579	1,083,838
Improvements	68,365	1,542,667	1,611,032
Vehicles	96,150	45,419	141,569
Accumulated Depreciation	<u>(359,030)</u>	<u>(1,317,588)</u>	<u>(1,676,618)</u>
Total Assets	<u>2,469,003</u>	<u>1,941,439</u>	<u>4,410,442</u>
 <b>LIABILITIES</b>			
Accounts Payable	58,320	17,306	75,626
Non-Current Liabilities:			
Due within one year	-	13,066	13,066
Due in more than one year	<u>-</u>	<u>386,760</u>	<u>386,760</u>
Total Liabilities	<u>58,320</u>	<u>417,132</u>	<u>475,452</u>
 <b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	1,061,916	838,251	1,900,167
Restricted	379,848	-	379,848
Unrestricted	<u>968,919</u>	<u>686,056</u>	<u>1,654,975</u>
Total Net Assets	<u><u>\$ 2,410,683</u></u>	<u><u>\$ 1,524,307</u></u>	<u><u>\$ 3,934,990</u></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, 2008

Program Activities	Program Revenues		Net (Expenses) Revenues and Changes in Net Assets			
	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<u>Governmental Activities</u>						
General Government	\$ 263,910	\$ 45,448	\$ -	\$ (218,462)	\$ -	\$ (218,462)
Public Safety	197,465	2,773	16,533	(178,159)	-	(178,159)
Public Works	192,675	-	-	(192,675)	-	(192,675)
Parks and Recreation	73,191	-	764	(72,427)	-	(72,427)
Debt Service	827	-	-	(827)	-	(827)
Other Expenses	180,714	-	-	(180,714)	-	(180,714)
<u>Total Governmental Activities</u>	908,782	48,221	17,297	(843,264)	-	(843,264)
<u>Business-Type Activities</u>						
Water and Sewer	434,255	457,749	-	-	23,494	23,494
<u>Total Government</u>	\$ 1,343,037	\$ 505,970	\$ 17,297	(843,264)	23,494	(819,770)
General Revenues:						
Taxes:						
Property Taxes, Penalties and Interest				813,114	-	813,114
Local Income Tax				284,832	-	284,832
Amusement Tax				2,547	-	2,547
Franchise Tax				4,515	-	4,515
Highway Use Tax				73,662	-	73,662
Accommodations Tax				32,744	-	32,744
Interest Income				45,771	16,474	62,245
Total General Revenues				1,257,185	16,474	1,273,659
Change in Net Assets				413,921	39,968	453,889
Net Assets-Beginning				1,996,970	1,484,339	3,481,309
Net Assets-Ending				\$ 2,410,891	\$ 1,524,307	\$ 3,935,198

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

**TOWN OF OXFORD  
BALANCE SHEET  
GOVERNMENTAL FUND  
JUNE 30, 2008**

**EXHIBIT C**

<b>ASSETS</b>	<b>General Fund</b>
Cash	\$ 1,302,046
Accounts Receivable	<u>105,041</u>
Total Assets	<u><u>\$ 1,407,087</u></u>

**LIABILITIES AND FUND BALANCES**

Liabilities:	
Accounts Payable	<u>\$ 58,320</u>
Fund Balance:	
Reserved	379,848
Unreserved	<u>968,919</u>
Total Fund Balance	<u>1,348,767</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,407,087</u></u>

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

Total Fund Balance	\$ 1,348,767
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.	<u>1,061,916</u>
Net Assets of Governmental Activities	<u><u>\$ 2,410,683</u></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, 2008**

**EXHIBIT D**

	<b>General Fund</b>
Revenues:	
Property Taxes	\$ 813,114
Intergovernmental	415,597
Licenses and Permits	2,920
Interest	45,771
Rents	35,194
Police Fines	2,773
Miscellaneous	7,127
Total Revenues	1,322,496
Expenditures:	
Current:	
General Government	229,240
Public Safety	182,676
Public Works	186,133
Parks and Recreation	67,787
Other Expenditures	180,714
Capital Outlay	50,096
Debt Service:	
Principal Retirement	70,451
Interest	827
Total Expenditures	967,924
Net Change in Fund Balance	354,572
Fund Balances at Beginning of Year	994,195
Fund Balances at End of Year	\$ 1,348,767

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, 2008**

**EXHIBIT E**

<b>Net Change in Fund Balance-Total Governmental Funds</b>	<b>\$ 354,572</b>
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.	(56,980)
Some expenses in the Governmental funds require the use of current financial resources but are not expenses in the statement of activities:	
Capital Outlay	45,670
Principal Retirement	<u>70,451</u>
<b>Change in Net Assets of Governmental Activities</b>	<b><u>\$ 413,713</u></b>

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, 2008**

**EXHIBIT F**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Favorable (Unfavorable) Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property Taxes	\$ 801,500	\$ 801,500	\$ 813,114	\$ 11,614
Intergovernmental	254,308	254,308	415,597	161,289
Licenses and Permits	8,660	8,660	2,920	(5,740)
Interest	20,600	20,600	45,771	25,171
Rents	54,170	54,170	35,194	(18,976)
Police Fines	3,000	3,000	2,773	(227)
Miscellaneous	1,600	1,600	7,127	5,527
Total Revenues	<u>1,143,838</u>	<u>1,143,838</u>	<u>1,322,496</u>	<u>178,658</u>
Expenditures:				
Current:				
General Government	259,538	259,538	229,240	30,298
Public Safety	181,838	181,838	182,676	(838)
Public Works	206,011	206,011	186,133	19,878
Parks and Recreation	147,805	147,805	67,787	80,018
Other Expenditures	697,317	697,317	180,714	516,603
Capital Outlay	93,515	93,515	50,096	43,419
Debt Service	100,000	100,000	71,278	28,722
Total Expenditures	<u>1,686,024</u>	<u>1,686,024</u>	<u>967,924</u>	<u>718,100</u>
Net Change in Fund Balance	(542,186)	(542,186)	354,572	896,758
Fund Balances at Beginning of Year	<u>994,195</u>	<u>994,195</u>	<u>994,195</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 452,009</u>	<u>\$ 452,009</u>	<u>\$ 1,348,767</u>	<u>\$ 896,758</u>

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

**TOWN OF OXFORD  
BALANCE SHEET-ENTERPRISE FUND  
JUNE 30, 2008**

**EXHIBIT G**

**ASSETS**

**Current Assets:**

Cash	\$ 570,378
Accounts Receivable	104,550
Total Current Assets	<u>674,928</u>

**Capital Assets:**

Equipment	967,579
Improvements	1,542,667
Vehicles	45,419
Accumulated Depreciation	<u>(1,317,588)</u>
Total Capital Assets	<u>1,238,077</u>

**Other Assets:**

Notes Receivable-Water and Sewer Bonds	<u>28,434</u>
Total Assets	<u>\$ 1,941,439</u>

**LIABILITIES AND FUND BALANCES**

**Current Liabilities:**

Accounts Payable	\$ 17,306
Current Portion of Long term Debt	<u>13,066</u>
Total Current Liabilities	30,372

**Non-Current Liabilities:**

Long Term Debt-Net of Current Portion	<u>386,760</u>
Total Liabilities	<u>417,132</u>

**NET ASSETS**

Invested in Capital Assets, Net of Related Debt	838,251
Unrestricted	<u>686,056</u>
Total Net Assets	<u>1,524,307</u>
Total Liabilities and Net Assets	<u>\$ 1,941,439</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, 2008**

**EXHIBIT H**

	<u>Budget</u>	<u>Water and Sewer Actual Amounts</u>	<u>Favorable (Unfavorable) Variance</u>
Operating Revenues:			
Charges for Services	\$ 490,747	\$ 417,761	\$ (72,986)
Rents	25,600	34,356	8,756
Capital Charges	-	1,000	1,000
Plumbing Permits	1,500	1,408	(92)
Bay Restoration Fees	5,677	1,199	(4,478)
Total Operating Revenues	523,524	455,724	(67,800)
Operating Expenses:			
Clerk Salaries	17,458	17,460	(2)
Office Salaries	32,848	19,344	13,504
Office Supplies and Expense	5,100	3,548	1,552
Telephone	1,800	1,970	(170)
Auditing	2,800	3,000	(200)
Financial and Computer Services	1,000	138	862
Utilities	1,000	-	1,000
Repairs and Maintenance	2,000	37,609	(35,609)
Backhoe Repair	8,000	3,606	4,394
Automotive	6,637	10,004	(3,367)
Shop Utilities	3,900	3,300	600
Insurance	15,000	15,000	-
Employee Benefits	41,734	17,856	23,878
Subcontractors	10,000	2,450	7,550
Salaries	96,194	85,441	10,753
Materials and Equipment	74,400	18,402	55,998
Lab Supplies	25,000	24,059	941
Depreciation	85,000	82,813	2,187
Electricity	34,100	37,591	(3,491)
Social Security	11,206	9,352	1,854
Testing	21,000	11,319	9,681
Training	2,500	4,273	(1,773)
Maintenance Contracts	500	-	500
Interest	22,000	17,650	4,350
Workman's Compensation Insurance	8,070	8,070	-
Total Operating Expenses	529,247	434,255	94,992
Net Operating Income (Loss)	(5,723)	21,469	27,192
Non-Operating Revenue:			
Sale of Equipment	-	2,025	2,025
Interest	6,400	16,474	10,074
Total Non-Operating Revenues	6,400	18,499	12,099
Change in Net Assets	677	39,968	39,291
Net Assets at Beginning of Year	1,484,339	1,484,339	-
Net Assets at End of Year	\$ 1,485,016	\$ 1,524,307	\$ 39,291

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, 2008**

**EXHIBIT I**

	<u>Water and Sewer Fund</u>
<b>Cash Flows from Operating Activities:</b>	
Cash Received from Customers	\$ 443,554
Rents	34,356
Capital Charges	1,000
Plumbing Permits	1,408
Cash Payments for Interest	(17,650)
Cash Payments to Employees for Services	(122,245)
Cash Payments to Suppliers for Goods and Services	(204,473)
Net Cash from Operating Activities	<u>135,950</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Purchase of Capital Assets	(73,066)
Proceeds from Sale of Capital Assets	2,025
Retirement of Debt	(12,614)
Payments Received on Water and Sewer Bonds	16,770
Net Cash from Capital and Related Financing Activities	<u>(66,885)</u>
<b>Cash Flows from Investing Activities:</b>	
Interest Income	<u>16,474</u>
Net Increase in Cash	85,539
Cash - Beginning of year	<u>484,839</u>
Cash - End of year	<u>\$ 570,378</u>
<b>Reconciliation of Income (Loss) to Net Cash from Operating Activities:</b>	
Income (Loss)	\$ 21,469
<b>Adjustments to Reconcile Income (Loss) to Net Cash from Operating Activities:</b>	
Depreciation	82,813
Change in Accounts Receivable	24,594
Change in Accounts Payable	7,074
Net Cash from Operating Activities	<u>\$ 135,950</u>

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

TOWN OF OXFORD  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2008

EXHIBIT J  
PAGE 1

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

A. General Statement

The Town of Oxford is located on the Eastern Shore of Maryland and has a population of approximately 771 people. Some of the major services provided by the Town include water and sewer, trash removal, parks and recreation, planning and zoning, improvements, and public safety.

The accounting and reporting policies of the Town relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (when applicable). As allowed by GASB's Codification of Governmental Accounting and Financial Reporting Standards, the Town has elected not to apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The more significant accounting policies of the Town are described below.

In June 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Town's overall financial position and results of operations.
- Financial statements prepared using full accrual accounting for all of the Town's activities.
- A change in the fund financial statements to focus on the major funds.

B. Financial Reporting Entity

The Town's basic financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The Town holds the corporate powers of the organization
- The Town appoints a voting majority of the organization's board
- The Town is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the Town
- There is fiscal dependency by the organization on the Town

Based on the aforementioned criteria, the Town of Oxford has no component units.

**TOWN OF OXFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2008**

**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, 2008**

**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, 2008**

**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 and \$191,857 for construction of a new well. These costs have not been depreciated since the projects are not yet complete.

TOWN OF OXFORD  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2008

**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	\$ 456,220
General Fund Petty Cash	100
Savings-Parks and Recreation	1,402
Clock Fund	3,170
Sidewalk Fund	42,727
Town House Fund	56,714
Doug Hanks Memorial Fund	2,793
Savings-Bicentennial Account	5,690
CD-Talbot Bank	<u>603,490</u>
 <u>TOTAL GENERAL FUND</u>	 <u>1,172,306</u>
 Water and Sewer Checking	 325,890
CD-Bank of America	360,566
Water and Sewer Petty Cash	50
Money Market-Talbot Bank	<u>147</u>
 <u>TOTAL WATER AND SEWER FUND</u>	 <u>686,653</u>
 <u>TOTAL CASH IN BANK – PER BANK STATEMENTS</u>	 <u>\$ 1,858,959</u>

The balance of cash is categorized as follows:

Amount insured by the FDIC	\$ <u>370,916</u>
Collateralized by the financial institutions trust department with securities not in the Town's name	\$ <u>1,488,043</u>
Uncollateralized	\$ <u>-</u>

**TOWN OF OXFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2008**

**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:

	<u>ASSETS</u>			BALANCE JUNE 30, 2008
	BALANCE JULY 1, 2007	<u>ACQUISITIONS</u>	<u>RETIREMENTS</u>	
Land	\$ 20,232	\$ -	\$ -	\$ 20,232
Buildings	1,119,940	-	-	1,119,940
Equipment	97,049	19,210	-	116,259
Improvements	68,365	-	-	68,365
Vehicles	69,691	26,459	-	96,150
Water and Sewer	<u>2,497,075</u>	<u>73,068</u>	<u>14,477</u>	<u>2,555,666</u>
<b><u>TOTAL</u></b>	<b>\$ <u>3,872,352</u></b>	<b>\$ <u>118,737</u></b>	<b>\$ <u>14,477</u></b>	<b>\$ <u>3,976,612</u></b>
		<u>ACCUMULATED DEPRECIATION</u>		
	BALANCE JULY 1, 2007	<u>DEPRECIATION</u>	<u>RETIREMENTS</u>	BALANCE JUNE 30, 2008
Land	\$ -	\$ -	\$ -	\$ -
Buildings	218,155	29,549	-	247,704
Equipment	51,310	12,367	-	63,677
Improvements	-	3,418	-	3,418
Vehicles	32,585	11,646	-	44,231
Water and Sewer	<u>1,249,252</u>	<u>82,813</u>	<u>14,477</u>	<u>1,317,588</u>
<b><u>TOTAL</u></b>	<b>\$ <u>1,551,302</u></b>	<b>\$ <u>139,793</u></b>	<b>\$ <u>14,477</u></b>	<b>\$ <u>1,676,618</u></b>
<b><u>CAPITAL ASSETS</u></b>				<b>\$ <u>2,299,994</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	10,364
Public works	6,542
Parks and recreation	5,404
Enterprise activity	<u>82,813</u>
Total depreciation expense	<b>\$ <u>139,793</u></b>



**TOWN OF OXFORD**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2008**

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

**NOTE 5 - DEBT:**

Debt at June 30, 2008 consists of the following:

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.

\$ 344,941

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 \$6,228.

Total

\$ 54,885  
399,826

Transactions for the year ended June 30, 2008 are summarized as follows:

	<u>Balance</u> <u>July 1</u>	<u>Additions</u>	<u>Payments or</u> <u>Expenditures</u>	<u>Balance</u> <u>June 30</u>	<u>Due within</u> <u>One year</u>
<u>Governmental Type Activities</u>	\$ <u>70,451</u>	\$ <u>-</u>	\$ <u>70,451</u>	\$ <u>-</u>	\$ <u>-</u>
<u>Business Type Activities</u>					
Water Tower	352,940	-	7,999	344,941	8,451
System Expansion	<u>59,500</u>	<u>-</u>	<u>4,615</u>	<u>54,885</u>	<u>4,615</u>
<u>Total Business Type</u>	<u>412,440</u>	<u>-</u>	<u>12,614</u>	<u>399,826</u>	<u>13,066</u>
<u>Total Debt</u>	\$ <u>482,891</u>	\$ <u>-</u>	\$ <u>83,065</u>	\$ <u>399,826</u>	\$ <u>13,066</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, 2009	\$ -	\$ -	\$ 13,066	\$ 18,055
June 30, 2010	-	-	13,690	17,532
June 30, 2011	-	-	14,236	16,986
June 30, 2012	-	-	14,806	16,416
June 30, 2013	-	-	15,402	15,820
June 30, 2014-2018	-	-	86,553	69,558
June 30, 2019-2023	-	-	78,836	49,334
June 30, 2024-2028	-	-	96,440	28,533
June 30, 2029-2033	<u>-</u>	<u>-</u>	<u>66,797</u>	<u>4,871</u>
<u>Total</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>399,826</u>	\$ <u>237,105</u>

**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 4% of compensation, while the Town is required to contribute 10% of compensation. The cost to the Town for the current fiscal year was \$41,713. 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 one Town employee. A fund is maintained to care for and improve the townhouse. At June 30, 2008 the balance in the fund was \$25,426. 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 \$42,727.

\$3,170 is held in a separate account for a Town clock.

TOWN OF OXFORD

SUPPLEMENTAL INFORMATION

JUNE 30, 2008

**TOWN OF OXFORD  
SUPPLEMENTAL INFORMATION  
BALANCE SHEETS  
GOVERNMENTAL FUND  
JUNE 30, 2008 AND 2007**

**SCHEDULE A**

<b>ASSETS</b>	<b><u>General Fund</u></b>	
	<b><u>2008</u></b>	<b><u>2007</u></b>
Cash	\$ 1,302,046	\$ 935,251
Accounts Receivable	<u>105,041</u>	<u>67,775</u>
 Total Assets	 <u><u>\$ 1,407,087</u></u>	 <u><u>\$ 1,003,026</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts Payable	<u>\$ 58,320</u>	<u>\$ 8,831</u>
Fund Balance:		
Reserved	379,848	378,580
Unreserved	<u>968,919</u>	<u>615,615</u>
 Total Fund Balance	 <u>1,348,767</u>	 <u>994,195</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 1,407,087</u></u>	 <u><u>\$ 1,003,026</u></u>

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

**TOWN OF OXFORD  
SUPPLEMENTAL INFORMATION  
BALANCE SHEETS - ENTERPRISE FUND  
JUNE 30, 2008 AND 2007**

**SCHEDULE B**

	<b>Water And Sewer Fund</b>	
	<b>2008</b>	<b>2007</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash	\$ 570,378	\$ 484,839
Accounts Receivable	104,550	129,144
Total Current Assets	674,928	613,983
<b>Capital Assets:</b>		
Equipment	967,579	967,579
Improvements	1,542,667	1,496,060
Vehicles	45,419	33,437
Accumulated Depreciation	(1,317,588)	(1,249,252)
Total Capital Assets	1,238,077	1,247,824
<b>Other Assets</b>		
Notes Receivable-Water and Sewer Bonds	28,434	45,204
Total Assets	\$ 1,941,439	\$ 1,907,011
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 17,306	\$ 10,232
Current Portion of Long term Debt	13,066	12,692
Total Current Liabilities	30,372	22,924
<b>Non-current Liabilities:</b>		
Long Term Debt-Net of Current Portion	386,760	399,748
Total Liabilities	417,132	422,672
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	838,251	835,383
Unrestricted	686,056	648,956
Total Net Assets	1,524,307	1,484,339
Total Liabilities and Net Assets	\$ 1,941,439	\$ 1,907,011

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, 2008**

SCHEDULE C

	2008				
	Budgeted Amounts		Actual Amounts	Favorable (Unfavorable) Variance	Prior Year 6/30/07
	Original	Final			
<b>TAXES-LOCAL:</b>					
<u>Real and personal property:</u>					
Property Taxes	\$ 806,000	\$ 806,000	\$ 818,533	\$ 12,533	\$ 764,758
<u>Intergovernmental:</u>					
Interest-Delinquent A/C	3,000	3,000	5,504	2,504	-
Local Income Tax	120,357	120,357	279,328	158,971	177,314
Amusement Tax	600	600	2,547	1,947	620
Franchise	5,000	5,000	4,515	(485)	4,256
Highway Use Tax	83,344	83,344	73,662	(9,682)	81,958
Police Aid	17,007	17,007	16,533	(474)	15,349
Critical Areas	1,000	1,000	764	(236)	1,025
Accommodations Tax	24,000	24,000	32,744	8,744	32,837
<u>Total Intergovernmental</u>	254,308	254,308	415,597	161,289	313,359
Less: Discounts and Allowances	(4,500)	(4,500)	(5,419)	(919)	(5,764)
<u>NET TAXES</u>	1,055,808	1,055,808	1,228,711	172,903	1,072,353
<u>LICENSES AND PERMITS:</u>					
Building Permits	4,000	4,000	(2,734)	(6,734)	12,822
Animal Permits	60	60	60	-	40
Traders' Licenses	3,400	3,400	4,269	869	3,387
Port Wardens' Fees	1,200	1,200	1,325	125	400
Plumbing Permits	1,500	1,500	1,408	(92)	1,368
<u>TOTAL LICENSES AND PERMITS</u>	10,160	10,160	4,328	(5,832)	18,017
<u>CHARGES FOR SERVICES:</u>					
Water and Sewer	490,747	490,747	417,761	(72,986)	428,358
Capital Charges	-	-	1,000	1,000	3,000
Bay Restoration Fee	5,677	5,677	1,199	(4,478)	1,763
Appeals Fees	600	600	208	(392)	1,520
Parks and Recreation	-	-	-	-	236
<u>TOTAL CHARGES FOR SERVICES</u>	497,024	497,024	420,168	(76,856)	434,877
<u>MISCELLANEOUS REVENUE:</u>					
Interest	27,000	27,000	62,245	35,245	43,274
Rents	79,770	79,770	69,548	(10,222)	87,834
Police Fines	3,000	3,000	2,773	(227)	4,155
Sale of Equipment	-	-	2,025	2,025	1,852
Miscellaneous	1,000	1,000	6,919	5,919	21,981
<u>TOTAL MISCELLANEOUS REVENUE</u>	110,770	110,770	143,510	32,740	159,096
<u>TOTAL REVENUE</u>	\$ 1,673,762	\$ 1,673,762	\$ 1,796,717	\$ 122,955	\$ 1,684,343

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, 2008**

	2008				
	Budgeted Amounts		Actual Amounts	Favorable (Unfavorable) Variance	Prior Year 6/30/07
	Original	Final			
<b>GOVERNMENTAL FUNDS</b>					
<b>GENERAL GOVERNMENT</b>					
<u>Legislative</u>					
Salaries & Expense	\$ 16,000	\$ 16,000	9,320	\$ 6,680	\$ 12,206
Registration and Election	200	200	222	(22)	213
Advertisement	500	500	368	132	474
<u>Executive</u>					
Salaries	73,588	73,588	60,083	13,505	58,702
Supplies	4,500	4,500	4,703	(203)	3,811
Telephone	3,500	3,500	2,105	1,395	3,383
Copier	3,000	3,000	1,571	1,429	(1,655)
Web Page Maintenance	1,500	1,500	503	997	519
Financial and Computer Service	7,000	7,000	4,372	2,628	2,225
Auditing	6,950	6,950	6,950	-	6,950
Memberships and Dues	4,000	4,000	4,669	(669)	3,936
Advertising	6,500	6,500	2,917	3,583	9,092
Accounting and Budgeting	1,000	1,000	300	700	400
<b>Total Legislative and Executive</b>	<b>128,238</b>	<b>128,238</b>	<b>98,083</b>	<b>30,155</b>	<b>100,256</b>
<u>Other General Government</u>					
Legal	45,000	45,000	81,179	(36,179)	67,249
Historic District	1,500	1,500	526	974	1,941
Planning & Zoning	26,000	26,000	5,927	20,073	5,796
Board of Port Wardens	10,000	10,000	370	9,630	1,948
Business Association	7,700	7,700	10,399	(2,699)	8,993
Appropriations to Others	6,800	6,800	6,800	-	12,000
<b>Total Other General Government</b>	<b>97,000</b>	<b>97,000</b>	<b>105,201</b>	<b>(8,201)</b>	<b>97,927</b>
<u>General Government Buildings</u>					
Building Maintenance	12,500	12,500	9,990	2,510	12,468
Capital Outlay - Office	3,500	3,500	-	3,500	-
Utilities	9,800	9,800	10,214	(414)	9,665
Town House	10,000	10,000	5,553	4,447	2,210
Custom House	2,000	2,000	199	1,801	358
<b>Total General Government Buildings</b>	<b>37,800</b>	<b>37,800</b>	<b>25,956</b>	<b>11,844</b>	<b>24,701</b>
<b>TOTAL GENERAL GOVERNMENT</b>	<b>263,038</b>	<b>263,038</b>	<b>229,240</b>	<b>33,798</b>	<b>222,884</b>
<b>PUBLIC SAFETY</b>					
Salaries	134,838	134,838	136,671	(1,833)	132,162
Uniforms and Equipment	4,000	4,000	4,478	(478)	4,633
Police School Expense	3,000	3,000	2,232	768	1,987
Automotive	11,500	11,500	9,640	1,860	9,349
Telephone	2,400	2,400	3,766	(1,366)	2,717
Signs	900	900	895	5	333
Office Supplies	700	700	494	206	235
Capital Outlay	3,500	3,500	3,502	(2)	20,885
Fire Department Grant	24,500	24,500	24,500	-	22,500
<b>TOTAL PUBLIC SAFETY</b>	<b>185,338</b>	<b>185,338</b>	<b>186,178</b>	<b>(840)</b>	<b>194,801</b>
<b>PUBLIC WORKS</b>					
<u>Roads Department</u>					
Subcontractors	500	500	-	500	300
Salaries	31,268	31,268	28,589	2,679	23,978
Capital Outlay	33,295	33,295	-	33,295	-
Repairs and Maintenance	15,000	15,000	17,790	(2,790)	5,174
Lighting	27,000	27,000	26,255	745	22,543
Repaving	-	-	-	-	68,365
<b>Total Roads Department</b>	<b>107,063</b>	<b>107,063</b>	<b>72,634</b>	<b>34,429</b>	<b>120,360</b>
<u>Garbage Collection</u>					
Salaries	23,968	23,968	26,949	(2,981)	24,513
Landfill Fees	54,000	54,000	50,385	3,615	50,350
<b>Total Sanitation and Waste Removal</b>	<b>77,968</b>	<b>77,968</b>	<b>77,334</b>	<b>634</b>	<b>74,863</b>

**TOWN OF OXFORD  
SUPPLEMENTAL INFORMATION  
ANALYSIS OF EXPENDITURES/EXPENSES-BUDGET AND ACTUAL  
ALL FUND TYPES  
YEAR ENDED JUNE 30, 2008**

SCHEDULE D  
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2008					
	Budgeted Amounts		Actual Amounts	Favorable (Unfavorable) Variance	Prior Year 6/30/07
	Original	Final			
<b>Other Public Works</b>					
Snow Removal	\$ 3,500	\$ 3,500	\$ -	\$ 3,500	\$ -
Mosquito and Weed Control	2,000	2,000	1,060	940	814
Automotive	6,500	6,500	10,265	(3,765)	7,079
Utilities	2,000	2,000	1,200	800	1,200
Telephone	2,500	2,500	1,068	1,432	744
Uniforms	9,100	9,100	7,664	1,436	6,504
Salaries	16,675	16,675	11,498	5,177	6,601
Maintenance Building Expense	12,000	12,000	3,410	8,590	10,333
Capital Outlay	30,000	30,000	26,459	3,541	-
<b>Total Other Public Works</b>	<b>84,275</b>	<b>84,275</b>	<b>62,624</b>	<b>21,651</b>	<b>33,275</b>
<b>TOTAL PUBLIC WORKS</b>	<b>269,306</b>	<b>269,306</b>	<b>212,592</b>	<b>56,714</b>	<b>228,498</b>
<b>PARKS AND RECREATION</b>					
Salaries	32,305	32,305	40,303	(7,998)	32,501
Repairs and Maintenance	35,000	35,000	21,486	13,514	46,121
Supplies	2,500	2,500	81	2,419	-
Capital Outlay	23,220	23,220	20,135	3,085	5,826
Docks/Shoreline Improvements	75,000	75,000	3,535	71,465	-
Little League	1,000	1,000	382	618	352
Fireworks	2,000	2,000	2,000	-	2,000
<b>TOTAL PARKS AND RECREATION</b>	<b>171,025</b>	<b>171,025</b>	<b>87,922</b>	<b>83,103</b>	<b>86,800</b>
<b>DEBT SERVICE</b>	<b>100,000</b>	<b>100,000</b>	<b>71,278</b>	<b>28,722</b>	<b>258,180</b>
<b>OTHER</b>					
Training	500	500	1,457	(957)	65
Miscellaneous	4,000	4,000	1,901	2,099	3,669
Insurance	48,000	48,000	37,021	10,979	30,295
Employee Benefits	97,380	97,380	90,284	7,096	65,952
Unemployment Insurance	150	150	200	(50)	112
Workman's Compensation Insurance	36,767	36,767	26,680	10,087	21,308
Social Security	24,391	24,391	22,356	2,035	20,324
Other Expenses	-	-	815	(815)	-
Contingencies	486,129	486,129	-	486,129	-
<b>TOTAL OTHER</b>	<b>697,317</b>	<b>697,317</b>	<b>180,714</b>	<b>516,603</b>	<b>141,725</b>
<b>TOTAL GENERAL FUND</b>	<b>1,686,024</b>	<b>1,686,024</b>	<b>967,924</b>	<b>718,100</b>	<b>1,132,888</b>
<b>ENTERPRISE FUNDS</b>					
Clerk Salaries	17,458	17,458	17,460	(2)	16,979
Office Salaries	32,848	32,848	19,344	13,504	19,084
Office Supplies and Expense	5,100	5,100	3,548	1,552	4,688
Telephone	1,800	1,800	1,970	(170)	1,568
Auditing	2,800	2,800	3,000	(200)	2,800
Financial and Computer Services	1,000	1,000	138	862	100
Utilities	1,000	1,000	-	1,000	-
Repairs and Maintenance	2,000	2,000	37,609	(35,609)	49,691
Backhoe Repair	8,000	8,000	3,606	4,394	10,520
Automotive	6,637	6,637	10,004	(3,367)	6,470
Shop Utilities	3,900	3,900	3,300	600	3,600
Insurance	15,000	15,000	15,000	-	15,000
Employee Benefits	41,734	41,734	17,856	23,878	37,842
Subcontractors	10,000	10,000	2,450	7,550	2,865
Salaries	96,194	96,194	85,441	10,753	70,354
Materials and Equipment	74,400	74,400	17,688	56,712	34,654
Lab Supplies	25,000	25,000	24,059	941	24,685
Depreciation	85,000	85,000	82,813	2,187	84,588
Electricity	34,100	34,100	37,591	(3,491)	34,799
Social Security	11,206	11,206	9,352	1,854	8,141
Testing	21,000	21,000	11,319	9,681	15,371
Training	2,500	2,500	4,273	(1,773)	538
Maintenance Contracts	500	500	-	500	-
Miscellaneous	-	-	714	(714)	-
Debt Service	22,000	22,000	17,650	4,350	19,994
Workman's Compensation Insurance	8,070	8,070	8,070	-	7,039
<b>TOTAL ENTERPRISE FUNDS</b>	<b>529,247</b>	<b>529,247</b>	<b>434,255</b>	<b>94,992</b>	<b>471,370</b>
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>\$ 2,215,271</b>	<b>\$ 2,215,271</b>	<b>\$ 1,402,179</b>	<b>\$ 813,092</b>	<b>\$ 1,604,258</b>

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