REVIEWED
By SLGFD at 11:00 am, Dec 22, 2021

CITY OF OXFORD, NORTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2021

Prepared by the
City of Oxford Finance Department

Hak Ung
Finance Director

City of Oxford
P. O. Box 506
Oxford, N.C. 27565

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INTRODUCTORY SECTION

City Of Oxford

FINANCE OFFICE

LETTER OF TRANSMITTAL

November 22, 2021

To the Members of the Board of Commissioners, and to the Citizens of the City of Oxford

State law requires that each fiscal year all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Oxford for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances and the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As Finance Director, I assert that, to the best of my knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Winston, Williams, Creech, Evans & Co., LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit

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involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the city's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. This unmodified opinion is the highest designation and the independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Oxford was incorporated in 1816 and is a municipality within Granville County. The form of government is Council-Mayor-Manager. The City has a seven-member council called the Board of Commissioners. The City of Oxford is located in the North Central Piedmont region of North Carolina. The City currently occupies approximately 6.4 square miles.

Policy-making and legislative authority are vested in the governing Board of Commissioners. The Board is responsible for passing ordinances, adopting the annual budget, appointing committees and hiring the government's manager, clerk and attorney. The manager is responsible for carrying out the policies and ordinances of the Board, overseeing the day-to-day operations of the government and appointing the heads of the various departments.

The City provides its citizens with a full range of services that include public safety, parks & recreation, utilities, planning, public works, engineering and general administration. This report includes all the City's activities in maintaining these services. The City also extends financial support to certain boards, agencies, and commissions to assist their efforts in serving citizens.

A city's budget is an integral part of the unit's accounting system and daily operations. Annual budgets are adopted for the General and Enterprise Funds. Project ordinances are adopted for the Capital Projects Fund.

City management is responsible for the accounting system and for establishing and maintaining an internal control structure. The internal control structure is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements in conformity with GAAP and maintaining

accountability for assets; and (3) compliance with applicable laws and regulations related to federal and state financial assistance programs. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately protect assets and provide reasonable assurance of the proper recording of financial transactions. As part of the City's audit, the independent auditor performed a review of the City's internal control structure. This review was not an audit and no opinion was issued on the internal control structure.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economic Condition and Outlook

The direct effect of Covid-19 Pandemic on the local economy will linger longer and spread further to all levels and all areas of businesses. The net effect of the pandemic on local government revenues will bring shortfalls, to what extent, only time will tell. However, at the fiscal year ended June 30, 2021 the unemployment rate for Granville County was 3.9%, which was slightly lower than both the State average of 4.3% and also last year's figure of 5.7 % for Granville County.

Major Initiatives (and associated FY 2021-Expenditures)

- Water & Sewer Fund reflects $66,143 worth of Capital Outlay improvements and Equipment acquisitions.
- General Fund Investments in Other Fixed Assets over $5K & Equipment (had expenditures of $522,790)
- 750K Water Tank $2,741,225.28 expended to date
- 2017 USDA – RD W&S Improvement – Contract 1 (a $7,256,000 project -- $6,649,183 expended)
- 2017 Water Main Replacements (a $7,464,060 project -- $6,607,675 expended)
- 2017 Sewer Main Replacements (a $6,024,716 project -- $4,218,415 expended)
- 2018 CWSRF Sewer Main Replacements (a $4,790,423 project -- $327,157 expended)
- 2018 DWSRF Water Main Replacements (a $5,363,011 project -- $376,491 expended)
- 2017 B DWI Water Main Replacements (a $2,764,710 project -- $201,132 expended)
- 2017 B DWI Sewer Main Replacements (a $3,537,360 project -- $766,051 expended)

General Long-Term Liabilities

The City's net debt increased by $3,161,284 or 11.65% during the past fiscal year. In the General Fund, the key factor in this was the increase in the OPEB liability. Including Compensated Absences, Other Post Retirement Benefits, Net Pension Liability and Net Pension Obligations increased from $6,772,185 on July 1, 2020 to $8,490,476 on June 30, 2021. In comparison, the Proprietary Fund/Business Type Activities for these same General Long-Term Liabilities has a balance of $12,446,059 for installment purchase financing and $5,000,000 in bonds payable to upgrade the City's Waste Water Treatment Plant and upgrade water and sewer lines to major infrastructure improvement Water & Sewer Capital Projects.

Long-Term Financial Planning

The City's Board of Commissioners and staff are dedicated to managing the City's financial affairs in a professional and prudent manner, and to maintaining the City in sound financial condition. The City Board of Commissioners has taken a general position that it will try to increase fund balance over the long term. For the last five fiscal years, the City's fund balance has increased, as the close of the current fiscal year, governmental funds reported combined ending balances of 67.82 percent or $6,815,612 far above the minimum mandated by North Carolina state law of 8%.

The City maintains a multi-year Capital Improvement Plan as a part of its annual budget process. The Board of Commissioners, in collaboration with the City staff, establishes a set of goals as part of the annual budget process, to provide high quality and desirable public services to all who rely on them. These goals are discussed annually at the Board retreat, documents are made available for annual budget meetings, and are posted to the City's website (www.oxfordnc.org).

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Oxford for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2020. This was the twentieth times (18th consecutive) that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Annual Comprehensive Financial Report on a timely basis could not have been accomplished without the efforts and dedication of the staff of the Finance

Department. I would also like to express appreciation to the dedicated efforts of the City's Independent Public Accountants, Winston, Williams, Creech, Evans and Co., LLP. Special thanks go to Carleen P. Evans, who compiled much of the statistical data. Also, I would like to thank the Mayor and the City of Oxford Board of Commissioners for their interest and support in planning and conducting the financial operations of the City in a dedicated and responsible manner.

Sincerely,

Hak Ung
Hak Ung
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Oxford
North Carolina

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

OXFORD CITY GOVERNMENT

ELECTED OFFICIALS

Jackie Sergent	Mayor	114 High Street Oxford, NC 27565
Calvin "CJ" Harris, Jr.	Mayor Pro Tem/ Commissioner	210 New College Street Oxford, NC 27565
James D. "Danny" Currin	Commissioner	100 Hunters Road Oxford, NC 27565
S. Quon Bridges	Commissioner	223 Saddletree Road Oxford, NC 27565
Patricia Fields	Commissioner	104 Jones Street Oxford, NC 27565
Ron Bullock	Commissioner	304 Tranquil Drive Oxford, NC 27565
John Tovey	Commissioner	114 Saddletree Road Oxford, NC 27565
Teresa Gilreath	Commissioner	915 Williamsboro Street Oxford, NC 27565

CITY OF OXFORD, NORTH CAROLINA
APPOINTED AND ADMINISTRATIVE STAFF
JUNE 30, 2021

M. Alan Thornton *
City Manager

Amy Ratliff
City Engineer

Hak Ung
Finance Director

Stephen Blasko
Public Works Director

Ronald Parker
Water and Sewer Superintendent

J. Thomas Burnette *
City Attorney

Cynthia Bowen*
City Clerk

Roger Elliott
Street Superintendent

Tina Cheek
Parks/Recreation Director

Alvin "Al" Coley
Chief of Police

David Cottrell III
Fire Chief

Melissa LaBar
Human Resources Director

Cheryl Hart
Planning & Zoning

Kenny Manning
Facility Maintenance Supervisor

Antoine Lewis
WWTP Superintendent

Vacant
DOEDC Director

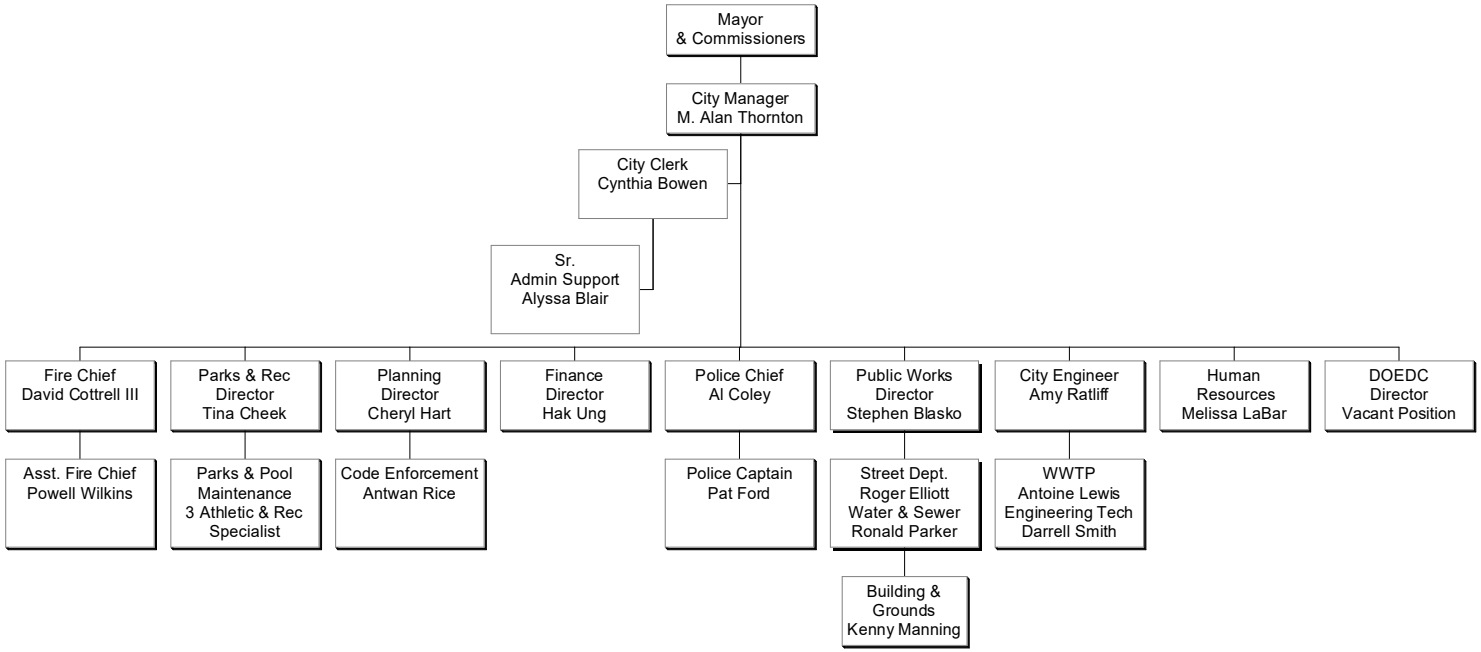
* Appointed by Board of Commissioners

HISTORIC • WALKABLE • FRIENDLY

Oxford

NORTH CAROLINA

City of Oxford
Organizational Chart
September 2021



HISTORY OF THE CITY OF OXFORD, NORTH CAROLINA

The information that follows has been obtained from several sources known to be factual. Voluminous written material is available in the North Carolina Room in the R. H. Thornton Library in Oxford.

What eventually became North Carolina was first known as the Lost Colony. Virginia was the first colony settled and others followed with help from the First Families of Virginia (The FFV's).

Of the eight original Lords Proprietors of land in the New World all but one agreed to sell (in 1720) their land holdings to the King of England; John Carteret, Earl of Granville; his portion was the north part of North Carolina. The Earl of Granville never laid eyes or foot on his holdings in Carolina. He made grants to various people in pre-revolutionary days.

The Earl of Granville granted to William Willis on December 1, 1760, some 508 acres, which Willis sold to Samuel Benton. The 508 acres in the area includes the original Oxford city limit area. On March 12, 1760, Willis sold 200 acres to Samuel Benton. Benton called his land "Oxford Plantation". Benton purchased other tracts as well. By tradition William Willis settled the first land in what is now Oxford in December 1760.

In the early days the first known settlement for trading and court activities was Harrisburg which was located on what we call Coon Creek in the vicinity of the old Henderson Road where it parallels. Harrisburg was an important supply base during the Revolutionary War.

King Charles II, after regaining the throne after the Cromwell era, rewarded his supporters with land grants. His father Charles I was beheaded after the Civil War in the 1640's (England was without a King for 30 years).

Interstate Highway 85. It is interesting to note that the Interstate Highway system along the U.S. East Coast is about identical in it's location to the old pre-revolutionary war trading paths.

Granville County was formed in 1746 out of Edgecombe County. Harrisburg was the first settlement in Granville and the second was Williamsboro in what is now Vance County on NC 39. The third settlement in Granville was Oxford. In 1764 Samuel Benton was a member of the North Carolina General Assembly and he managed to have a bill ratified making Oxford the County Seat of Granville County. Benton also served as Sheriff of Granville County and was a large land owner and prominent political personage.

Oxford was first called a post town and later it was called Merrittsville. Samuel Benton died in 1770. His descendants moved to Missouri.

In 1764 Benton gave an acre of land to build a Courthouse. The Courthouse at Harrisburg was used until 1820.

On November 29, 1787, Thomas Person (a large landowner of Granville County) asked for leave to introduce a bill in the State General Assembly to Incorporate the Town of Oxford. The bill was introduced in 1789 but was not ratified.

Tradition and the records of the Francis Hays Collection give indication that Samuel Benton sold land to Leonard Henry Bullock who sold the same land to John Walker, Sr. who sold to William Pannill who sold some of the land to Thomas B. Littlejohn; and Littlejohn is considered to be the founder of Oxford by tradition.

Littlejohn subdivided lots in the vicinity of the present Courthouse for the establishment of businesses and he established a hotel himself. Littlejohn laid out the original lots in Oxford and spearheaded another attempt for incorporation of the town of Oxford in 1811 which failed.

Littlejohn was a strict elder of the Presbyterian Church and said that the community was in early days a favorite meeting place for gamblers and sportsmen and he said "no town ever groaned under such a heavy load of sin and it was, "Satan's Nest".

Finally on December 26, 1816 the general Assembly ratified an Act incorporating the Town of Oxford. Several amendments to that act occurred from 1816 until 1831.

The first Oxford Commissioners were appointed by the State General Assembly. They were William M. Sneed, Nathaniel M. Taylor, Thomas Booth, Leslie Gilliam and Thomas B. Littlejohn (in 1816). The act of the General Assembly empowered them to appoint a chairman. The first election of Oxford Commissioners was held in 1830 by direction of the General Assembly who directed the Sheriff to hold the election. The present City records of Board meetings began in 1831.

In early days bartering and trade of goods and staples constituted the main economic base. Land speculation figured prominently in the economy and the year 1760 showed a great upward trend in land trading. Tobacco was one of the most prominent commodities in trade and was commonly used as the currency of the time probably more so than the British pound before and after the Revolution.

The land speculation of the 1760's and after was largely due to movement of second and third generation Virginians into North Carolina. John Penn was a Virginian who settled in Granville and was a North Carolina signer of the Declaration of Independence. He died in Granville County in 1787.

In the year 1839 on the farm of Abisha Slade in Caswell County, North Carolina, a slave built a fire in a tobacco barn where tobacco was being air cured. Having slept in the barn all night and upon awakening the next morning discovered that the tobacco hanging above him had turned to a golden yellow. The slave's name was Stephen (Slade). That was the beginning of the process later to be known as flue curing of tobacco. Burley tobacco grown mostly in Tennessee, Kentucky and Western North Carolina is still air cured and is used almost entirely for pipe smoking. After 1839

charcoal was used for tobacco curing due to the leap upward in demand for yellow cured tobacco (Abisha Slade's tobacco jumped in value from ten dollars to forty dollars per hundred pounds).

In the early 1800's in Maryland a variety of heat curing devices were used for tobacco curing. Dr. Davis G. Tuck of Halifax County, Virginia is credited with development of a flue-cured system that became uniformly used in the old belt which embraced counties in the lower mid counties of Virginia and the North Central Counties in the North Carolina. Major Robert Lispcomb Ragland, of Hyco in Halifax County, Va. (b.1824 d.1893) cultivated, produced and sold the seed from the Abisha Slade tobacco in Caswell County. He established himself as an authority on tobacco and is acknowledged to have "fixed" the curing formula that became standard. In Tilley's book on the history of tobacco he is said to be the forerunner of modern scientific (tobacco) agriculturists.

The rich, sweet, and mellow aroma and taste of the flue cured golden tobacco leaf produced a quantum leap forward for the demand for tobacco. The genius of the flue curing system was that it insulated the tobacco from the wood fired ash and smoke. Of course other crops such as cotton, corn, wheat and so forth figured in the agrarian economy but they all were secondary to tobacco. Tobacco was transported to market in large round wooden barrels called hogsheads. One legacy of the American Civil War was that large numbers of Union troops were introduced to tobacco and when they returned home wanted more.

Francis Hays (Vol. 1) Oxford History says that the first tobacco warehouse for auction sales was built in 1866 by Dr. L.C. Taylor and Oxford claimed to be the oldest auction sale market in the "old belt". The coming of railroads greatly expanded the sale and shipping of tobacco to domestic and foreign markets. Likewise, the industrial revolution propelled the processing, manufacturing and packaging of tobacco forward with a great leap.

In November, 1890 William Henry Snow (b.1825 d.1902) a native of Washington County, Vermont came from High Point, North Carolina to Oxford due to the efforts of Oxford tobacco interests and with $200,000 capital established a factory in the vicinity of West Front, First and Elm Street for the manufacture of wired tobacco curing sticks to be used in a revolutionary curing barn (known as the Snow Barn) that he patented on July 14, 1885. After three years the Snow Barn operation failed but the factory converted to production of tobacco baskets with production of 200,000 yearly. The Snow Barn objective was to reduce curing time by 24 to 48 hours. Although the concept failed at the time it was nevertheless an early prototype of modern curing barns in use today. Granville County natives pioneered the growth of tobacco in Canada and in South Africa.

In the late 1800's other industries appeared in Oxford to balance the economy due to the highly seasonal aspect of agricultural products. Examples were buggy manufactures, wheel factories, and others. Early in this century there were three buggy companies. The largest boasted manufacture and sale of 4000 buggies a year. A soft drink bottling works was operated (behind the present Jones Drug Store) for a time by Josh King who was later president of the Union National Bank.

In the 20's and 30's, a body factory manufactured school bus bodies where the Southern States (Farm Supply) cooperative is now located. A variety of industries operated in Oxford in the late 1800's and early 1900's eventually disappeared. One old industry that did not fade away was the Oxford Cotton Mill which was purchased by Burlington Industries in 1947.

W.A. Adams Co. was established in 1885 and celebrated it's 100 year anniversary in 1985. Adams was a small independent buyer and processor of leaf tobacco, mostly for the international markets. It was a large part of Oxford's economy. They bought and sold tobacco in the far east, South America and Europe. Until shortly after World War II the Oxford market drew tobacco for an eighty mile radius. After the war the draw diminished due to creation of markets in areas where they previously didn't exist. Other significant tobacco buyers and processors with plants in Oxford were the Export Tobacco and the Imperial Tobacco Company of Great Britain. Their plants were closed out in the 1960's. Imperial consolidated in Wilson, NC and later closed out there. Green prize houses in Oxford in former years were owned by Liggett-Myers, R.J. Reynolds, American and others in earlier years (late 1800's early 1900's).

In 1911 the Tobacco Experimental Research Station was established on the west side of Oxford. Since it's beginning it has made extremely important contributions to the control of tobacco plant diseases. In the 1920's and 1930's a plant disease known as "Granville Wilt" brought about devastating situation to many tobacco farmers in Granville County. The "Granville Wilt" problem was so bad that a significant number of farmers either sold their farms or lost them in the depression. Many of those farmers and their families moved to other counties in North Carolina such as southern Wake, Harnett, and Johnston Counties. Farm land values sank drastically because of Granville Wilt. During World War II the Oxford Tobacco Experimental Station, working with it's staff of plant pathologists and related disciplines developed a wilt resistant variety of tobacco plant. That enormous accomplishment effectively eliminated Granville Wilt which by then had migrated to other tobacco growing areas as well. The revolutionary accomplishment of the Research Station enabled tobacco farmers to recover past losses and farm land values appreciated quite significantly.

In the 1950's the decline of the agricultural economy was felt severely and efforts to recruit industry had some moderate success. In 1960 Oxford and Granville County funded a full time industrial recruiter and important new industries located in the County and in Oxford.

During the first half of the twentieth century the automobile and the building of the first National Highways (U.S. 15 and U.S. 158) contributed greatly to Oxford's economy. While the Interstate Highway contributes greatly to industrial recruiting, Oxford has not replenished the lost economic benefit of the old U.S. 15 and U.S. 158 through traffic that patronized local businesses. However, the contribution of local industry has provided an enviable low rate of unemployment which is consistently below that of most of our neighboring counties.

No history, however brief, should overlook the contribution of the important educational and social institutions that were prominent in Oxford's history; they are listed below:

Oxford Academy - 1811 - 1850
NC Literary, Science and Military School - 1830
Oxford Female Academy (later Oxford College) 1850 - 1925
St. John's College - 1850 - 1868
Masonic Home for Children - 1872 (converted from the former St. Johns College and Oxford Orphanage)
Horner Military School - 1855 - 1913
Central Orphanage of NC - 1883
St. Stephen's Institute (later Granville Institute then Hilliard School) 1885 - 1909
Mary Potter School - 1890
Oxford Public Schools - 1902
Fuller School of Business - from the 1940's until about the mid 1960's

Over the post World War II years local financial institutions have grown substantially and we now have 6 banks, a State Employees Credit Union, and the Oxford Credit Union.

Some of our late prominent citizens include W.A. Devin, Chief Justice of the North Carolina Supreme Court; D.G. Brummitt, Former State Attorney General; Frank W. Hancock, Jr., a U.S. Congressman during the 1930's and others. One notable native of Oxford is James Webb, Former Administrator of NASA.

The Oxford City Seal

The City's seal is symbolic of its history and character. The ox in the ford is taken from a similar drawing used as a symbol by Oxford, England. The tobacco leaf is a symbol of Oxford's dependence on the agricultural economic base. The rotating gears are symbolic of the role of industry in the economic base. The two together provide a balance for support of Oxford.

RESPONSIBILITIES OF THE CITY GOVERNMENT

GOVERNING BODY

The Governing Body of the City is the City Board of Commissioners, which is comprised of the Mayor and seven Commissioners. They are elected by the registered voters of the City of Oxford. The Board of Commissioners is vested with the authority and responsibility of establishing policy, enacting all legislation and ordinances, and providing for the general health and welfare of all Oxford citizens.

ADMINISTRATION

The Administration Department, under the Council-Manager form of government, supports the role of the City Manager in implementing the policy decisions of the Council and is responsible for the performance of all City Departments.

The City Clerk, who reports directly to the City Council, is responsible for giving notice of City Council meetings preparing the Council agenda, recording Council proceedings, serving as custodian of all permanent city records, keeping the City Seal, attesting all city documents, updating the city code, keeping records of appointments and terms of the various Boards and Commissions.

The Downtown Oxford Economic Development Corporation Director is the City's representative on the Corporation's board, and leads the Corporation's efforts to develop the downtown as an economic, historical, cultural and family-oriented hub through image and promotional enhancements.

The Human Resource department is responsible for employee recruiting, compensation, benefits, employee relations, training and development, performance evaluation programs, safety programs and personnel records management.

Public Building Maintenance and Landscaping departments are responsible for the upkeep and maintenance of all municipal buildings as well as the appearance of all exterior grounds (except those maintained by the Parks and Recreation department).

FINANCE DEPARTMENT

The purpose of the Finance Department is to administer the financial affairs of the city. This encompasses investing all city funds; maintaining accounting and financial records; billing and collecting all city moneys, including utility accounts and delinquent taxes; preparing the comprehensive Annual Financial Report; reading meters; and performing special projects, such as monthly water reports, monthly financial and statistical reports, cash flow projections, budget preparation, etc.

The Finance Department also provides computer support services to management and user

departments. Specific duties include system analysis, programming, computer operations, training, and user support.

LEGAL DEPARTMENT

The Legal Department consists of the city attorney who performs a wide range of legal services. The attorney, who reports directly to the Council, serves as legal advisor to the Council, the boards and commissioners of the city, and the city staff.

The City attorney also assists staff members in responding to citizen's questions and complaints. In addition to defending and prosecuting lawsuits, the City Attorney drafts legal documents such as resolutions, ordinances, and contracts.

DEPARTMENT OF PLANNING AND ZONING

The Planning and Development Zoning Department consists of three major divisions in serving the citizens of Oxford. Comprehensive Planning is concerned with the short and long range planning of the city. Areas such as land use planning, demographic and population projections, and fiscal impact analysis are all a part of Comprehensive Planning. The Zoning office is concerned with providing all permit applications and information for such items as building permits, rezoning applications, sign permits, etc. Also, records of permits issued and plans approved are maintained in this office. The Building Inspections function is concerned with actual inspections made for new construction, including additions and alterations, and making all building electrical, plumbing and mechanical inspections required by state building codes.

POLICE DEPARTMENT

The mission of the Police Department is to protect the lives and property of the citizens and many visitors of Oxford. In order to accomplish this, the department is divided into five functional areas:

1. Field Services
2. Investigations
3. Crime Prevention
4. Animal Control
5. Records Division

FIRE DEPARTMENT

The primary goal of the Fire Department is to protect the lives and property of Oxford citizens. The department enforces the fire code, maintains all fire equipment and buildings, and does public fire education programs. The City of Oxford has 24 volunteer fireman contracted with the Oxford Fire Company in addition to the full-time employees of the City.

ENGINEERING DEPARTMENT

The Engineering Department monitors the construction of all improvements which are slated for public maintenance which affect the health, safety and welfare of the general public. These include, but are not limited to, water, sewer, streets, storm drainage and sidewalk improvements. The department also has the responsibility for the planning, design, contract management, and construction observation of all the city's utility and transportation projects. This includes inspection, approval and acceptance for maintenance of all waterlines, sewer lines, sidewalks, streets, storm drainage construction, erosion control, and flood plain management.

PUBLIC WORKS DEPARTMENT

The Public Works Department is composed of six divisions with the following responsibilities:

1. Administration - This division is responsible for department coordination, response to citizens, budget preparation, expenditure system control, inventory maintenance, parts and supplies procurement, report and study preparation, and record keeping.

2. Cemetery - This division is responsible for cutting grass and maintaining the cemetery.

3. Water and Sewer Line Maintenance - This division handle major water and sewer projects too time consuming for the regular utility crews. These projects include building curbs and gutter, sidewalks, storm drain-age structures, buildings, and other related projects.

4. Sanitation - The primary duty is the removal of garbage and trash for residential and small commercial customers. The division is also responsible for picking up used large appliances and dead animals, chipping limbs, and emptying downtown litter containers, and operating a recycling center.

5. Streets - Responsibilities include the general maintenance and repair of streets and associated storm drainage structures, street sweeping, maintenance of the city limb and leaf disposal area, raw material hauling, ice and snow removal, and emergency services.

6. Utilities - This division is responsible for providing water and sewer services to customers both inside and outside the city; billing monthly fees for water, sewer and garbage services; providing clean water to the citizens of Oxford; and treatment of waste water. The division is divided into the following sections:

a. General operations
b. Meter Service
c. Water Supply, Pumping and Filtering
d. Waste Water Treatment Plant
e. Pretreatment Program

PARKS AND RECREATION DEPARTMENT

The Parks and Recreation Department is made up of four divisions with the following duties:

1. Recreation - This division organizes, plans and implements athletic programs for adults and children of the city, including basketball, tennis, softball, and baseball programs and special events.

2. Parks - This division is responsible for the maintenance, repair, and small construction of the city parks and ball fields, and the grounds around certain city buildings, planting flowers alongside city streets and in city parks, mowing grass in city parks, and Christmas decorations.

3. Swimming Pool - This division is responsible for cleaning and maintenance of the public swimming pool at Rucker Park and for providing lifeguard services during pool hours.

4. Lake Devin Facilities - This division is responsible for maintaining the city's shelter at Lake Devin and collecting rent and coordinating schedule for use of the facility.

FINANCIAL SECTION

Winston, Williams, Creech, Evans, & Company, LLP

Certified Public Accountants

America Counts on CPAs

Gary L. Williams, CPA
Carleen P. Evans, CPA
Jennifer T. Reese, CPA
Tara H. Roberson, CPA

Curtis G. Van Horne, CPA

Independent Auditor's Report

To the Honorable Mayor and Board of Commissioners
City of Oxford, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Oxford, North Carolina, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards,* issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of Oxford Parking Authority and Downtown Oxford Economic Development Corporation were not audited in accordance with *Governmental Auditing Standards.*

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

appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based upon our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Oxford, North Carolina as of June 30, 2021, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 24-34, the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Liability and Contributions, on pages 97 and 98, respectively, the Firefighters' and Rescue Squad Workers' Pension Fund's Schedule of the Proportionate Share of Net Pension Liability on page 99, the Law Enforcement Officers' Special Separation Allowance Schedules of Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll on pages 100-101, respectively, and the Other Postemployment Benefits' Schedule of Changes in the Total OPEB Liability and Related Ratios, on page 102, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the City of Oxford. The introductory information, combining and individual fund statements, budgetary schedules, other schedules, statistical section, and the Schedule of Expenditures of Federal and State awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200,* Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the State Single Audit Implementation Act are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from

and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures; including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund statements, budgetary schedules, other schedules and Schedule of Expenditures of Federal and State Awards, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory information and the statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 22, 2021 on our consideration of the City of Oxford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Oxford's internal control over financial reporting and compliance.

Winston, Williams, Creech, Evans & Co., LLP
Winston, Williams, Creech, Evans and Co., LLC
Oxford, North Carolina
November 22, 2021

Management's Discussion and Analysis

As management of the City of Oxford, we offer readers of the City of Oxford's financial statements this narrative overview and analysis of the financial activities of the City of Oxford for the fiscal year ended June 30, 2021. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

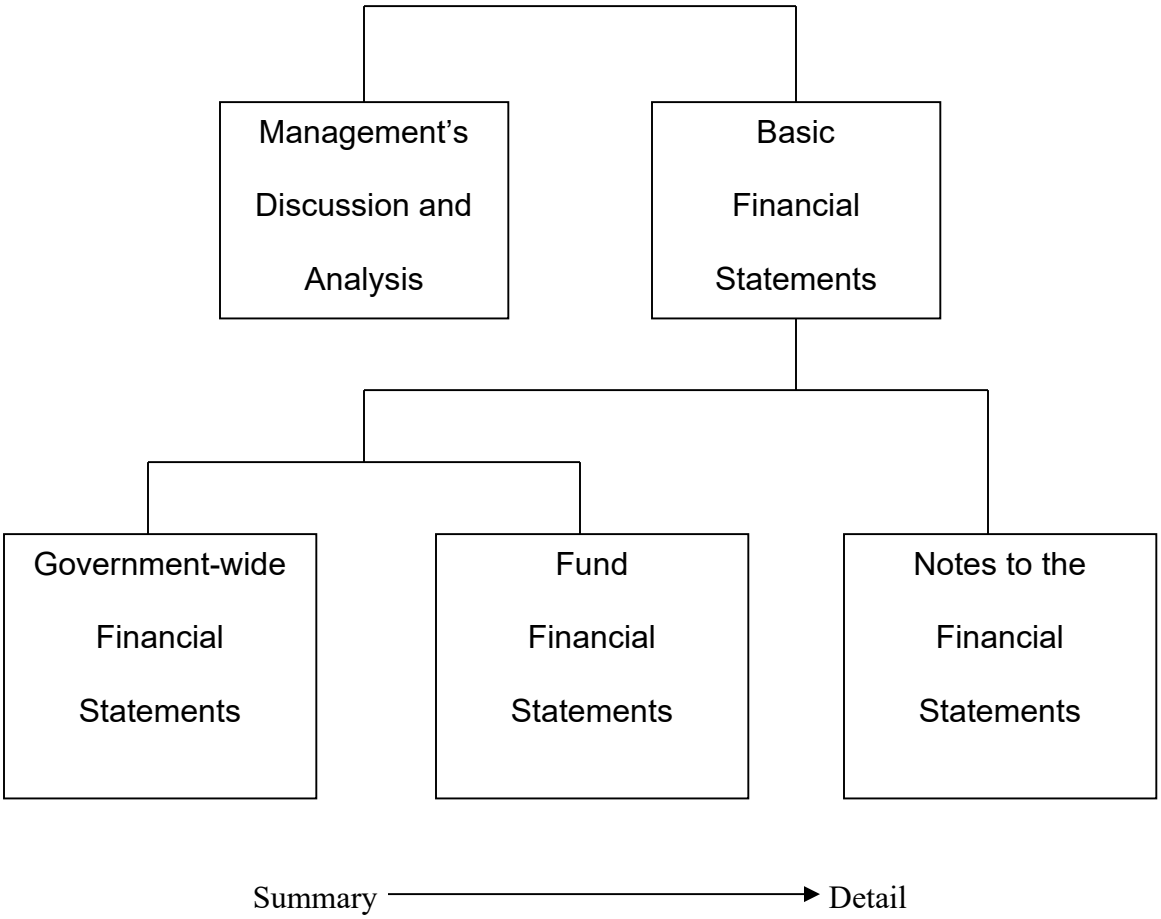
- The assets and deferred outflows of the City of Oxford exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $42,285,111 (net position).
- The government's total net position increased by $5,680,512 primarily due to increases in business-type activities net position.
- As of the close of the current fiscal year, the City of Oxford's governmental funds reported combined ending fund balances of $7,710,067 an increase of $1,192,775 in comparison with the prior year. Approximately 81.61 percent of this total amount or $6,292,226 is unassigned**.**
- At the end of the current fiscal year, fund balance available for appropriation in the General Fund was $6,815,612 or 67.82 percent of total general fund expenditures for the fiscal year.
- The City of Oxford's total debt increased by $3,161,284 (11.65%) during the current fiscal year. The key factor in this was the increase in the OPEB liability.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to City of Oxford's basic financial statements. The City's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City of Oxford.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the City's financial status.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the City government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the City's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements report the City's net position and how they have changed. Net position is the difference between the City's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the City's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the City's basic services such as public safety, parks and recreation, and general administration. Property taxes, sales taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the City of Oxford charges customers to provide. These include the water and sewer services offered by the City of Oxford. The final category is the component units. Although legally separate from the City of Oxford, the Oxford Parking Authority and Downtown Oxford Economic Development Corporation are important to the City of Oxford because the City exercises control over the Board by appointing its members. Funding is provided by special tax districts for these defined areas.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Fund Financial Statements

The fund financial statements (see Figure 2) provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Oxford, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the City's budget ordinance. All of the funds of City of Oxford can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at

year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The City of Oxford adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the City and the management of the City and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

Proprietary Funds – City of Oxford has two different kinds of proprietary funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. City of Oxford uses enterprise funds to account for its Water and Sewer activity and for Storm Water Management operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 50-95 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City of Oxford's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 96 of this report.

Government-Wide Financial Analysis

The City of Oxford's Net Position

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	$ 8,441,968	$ 7,087,981	$ 12,954,966	$ 16,173,262	$ 21,396,934	$ 23,261,243
Capital assets	6,237,472	6,435,551	45,476,625	36,096,264	51,714,097	42,531,815
Total assets	14,679,440	13,523,532	58,431,591	37,251,030	73,111,031	65,793,058
Deferred outflows of resources	2,411,918	1,162,137	386,430	191,478	2,798,348	1,353,615
Long-term liabilities outstanding	10,981,542	8,071,732	17,839,826	13,659,129	28,821,368	21,730,861
Other liabilities	893,210	623,274	3,130,906	7,135,746	4,024,116	7,759,020
Total liabilities	11,874,752	8,695,006	20,970,732	20,794,875	32,845,484	29,489,881
Deferred inflows of resources	688,116	920,469	90,668	131,724	778,784	1,052,193
Net position:						
Net investment in capital assets	4,419,935	5,797,072	28,030,566	18,449,485	32,450,501	24,246,557
Restricted	1,113,140	1,036,563	76,163	-	1,189,303	1,036,563
Unrestricted	(1,004,585)	(1,763,441)	9,649,892	13,084,920	8,645,307	11,321,479
Total net position	$ 4,528,490	$ 5,070,194	$ 37,756,621	$ 31,534,405	$ 42,285,111	$ 36,604,599

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of the City exceeded liabilities and deferred inflows by $42,285,111 as of June 30, 2021. The City's net position increased by $5,680,512 for the fiscal year ended June 30, 2021. However, the largest portion (76.74%) reflects the City's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. The City of Oxford uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Oxford's net investment in capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the City of Oxford's net position (2.81%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of $8,645,307 (20.45%) is unrestricted.

Several particular aspects of the City's financial operations influenced the total unrestricted governmental net position:

- Receipt of the annual payment from the execution of the agreement with Granville County regarding Triangle North Industrial Park was $805,231.

City of Oxford Changes in Net Position
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	$ 2,413,513	$ 2,474,884	$ 7,197,253	$ 7,204,168	$ 9,610,766	$ 9,679,052
Operating grants and contributions	485,047	336,810	-	-	485,047	336,810
Capital grants and contributions	24,170	139,372	4,222,191	912,283	4,246,361	1,051,655
General revenues:						
Property taxes	3,756,534	3,644,084	-	-	3,756,534	3,644,084
Other taxes	3,097,107	2,796,873	-	-	3,097,107	2,796,873
Other	20,827	94,849	22,493	106,285	43,320	201,134
Total revenues	9,797,198	9,486,872	11,441,937	8,222,736	21,239,135	17,709,608
Expenses:						
General government	1,624,143	1,562,580	-	-	1,624,143	1,562,580
Public safety	4,340,020	4,233,145	-	-	4,340,020	4,233,145
Highways/streets	2,710,684	2,002,819	-	-	2,710,684	2,002,819
Sanitation	1,111,548	1,086,986	-	-	1,111,548	1,086,986
Culture and recreation	778,481	811,326	-	-	778,481	811,326
Interest on long-term debt	1	-	-	-	1	-
Water and sewer	-	-	4,993,746	4,825,158	4,993,746	4,825,158
Total expenses	10,564,877	9,696,856	4,993,746	4,825,158	15,558,623	14,522,014
Increase in net position before transfers	(767,679)	(209,984)	6,448,191	3,397,578	5,680,512	3,187,594
Transfers	225,975	225,950	(225,975)	(225,950)	-	-
Increase in net position	(541,704)	15,966	6,222,216	3,171,628	5,680,512	3,187,594
Net position, July 1	5,070,194	5,054,228	31,534,405	28,362,777	36,604,599	33,417,005
Net position, June 30	$ 4,528,490	$ 5,070,194	$ 37,756,621	$ 31,534,405	$ 42,285,111	$ 36,604,599

Governmental activities: Governmental activities decreased the City's net position by $541,704 thereby accounting for (9.54)% of the total increase in the net position of the City of Oxford. Key elements of this slight increase are as follows:

- Receipt of Sales Tax increased from prior year $306,746
- Receipts of Special Use Permits $21,180
- Receipts for Parks and Recreation $49,421

Business-type activities: Business-type activities increased the City of Oxford's net position by $6,222,216 thereby accounting for 109.54% of the total increase in the net position of the City of Oxford. Key elements of this increase are as follows:

- Receipt of the annual payment of $805,231 for the execution of the agreement with the County regarding Triangle North Industrial Park.
- Receipt of Water & Sewer Tap fees increased $45,587

Financial Analysis of the City's Funds

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

Governmental Funds. The focus of the City of Oxford's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City of Oxford's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the City of Oxford. At the end of the current fiscal year, unassigned fund balance of the General Fund was $6,292,226, while total fund balance reached $7,646,950. The City currently has an available fund balance of 67.82% of general fund expenditures, while total fund balance represents 76.09% of the same amount.

At June 30, 2021, the governmental funds of City of Oxford reported a combined fund balance of $ 7,710,067, an 18.3 percent increase over last year.

General Fund Budgetary Highlights: During the fiscal year, the City revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

General Fund revenues were more than budgeted primarily due to higher than anticipated ad valorem tax collection and sales tax revenues.

General Fund actual expenditures were less than budgeted due to less than anticipated expenses in salaries and benefits for Human Resources, Central Garage, and Finance Department, and utilizing NCCHIP health insurance.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water and Sewer Fund at the end of the fiscal year amounted to $8,759,628 and those for the Storm Water Management Fund amounted to $890,264. The net position of the

Water and Sewer fund increased by $6,075,787, whereas the Storm Water Fund increased by $146,429, respectively.

Capital Asset and Debt Administration

Capital assets. The City of Oxford's investment in capital assets for its governmental and business–type activities as of June 30, 2021, totals $ 51,714,097 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include the following:

- Purchase of nine vehicles for Public Safety: $379,574
- Purchase of generator for lift station: $ 31,993
- Purchase of JD reel mower for Parks & Rec: $ 21,990
- Purchase of Oculus recorder for Public Safety: $ 10,015
- Purchase of StarWitness Interviewer for Public Safety: $ 10,081

City of Oxford's Capital Assets
Figure 4
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	$ 1,447,329	$ 1,447,329	$ 217,472	$ 217,472	$ 1,664,801	$ 1,664,801
Buildings and systems	567,099	670,588	21,398,547	22,315,208	21,965,646	22,985,796
Improvements other than buildings	1,819,992	1,887,033	691,130	755,319	2,511,122	2,642,352
Vehicles and motorized equipment	1,626,599	1,656,356	563,363	658,181	2,189,962	2,314,537
Infrastructure	469,833	500,755	-	-	469,833	500,755
Construction in progress	306,620	273,490	22,606,113	12,150,084	22,912,733	12,423,574
Total	$ 6,237,472	$ 6,435,551	$45,476,625	$ 36,096,264	$ 51,714,097	$ 42,531,815

Additional information on the City of Oxford capital assets can be found in note 4 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2021, the City had capital lease debt of $567,537 and installment purchase financing of $1,250,000 related to governmental activities. Regarding business-type activities, the City has a balance of $12,446,059 for installment purchase financing and $5,000,000 in revenue bonds payable to upgrade the City's Waste Water Treatment Plant and upgrade water and sewer lines. The City's net debt increased by $3,161,284 or 11.65% during the past fiscal year.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8 percent of assessed value of taxable property located within that government's boundaries. The legal debt limit for the City of Oxford is $27,927,404.

Additional information regarding the City of Oxford's long-term debt can be found in Note 10 beginning on page 88 of this report.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth of the City of Oxford.

- The collection of the execution fee for the Triangle North Project continues to increase of net position in the current year. The normal annual fee will be collected in the next fiscal year as well.
- The Downtown Master Plan is still underway. It continues to be a priority for the City's overall vision.
- The City has more than $18MM worth of major infrastructure improvement projects anticipated for FY 2021-2022 as part of a larger nearly $110MM in the ten-year plan.
- COVID-19 Pandemic and its resultant have financial impact weighted heavily upon the economy. The City of Oxford took a very conservative approach in the development of the FY 2021-2022 Budget,

Budget Highlights for the Fiscal Year Ending June 30, 2022

Governmental Activities:

Total budgeted revenues and expenses for FY 2021-22 are balanced at $9,642,850 which is an $43,820 increase from FY 2020-21. A 4% Cost of Living Adjustment (COLA) is proposed for all City of Oxford full-time employees.

The proposed Ad Valorem tax rate for FY 2021-2022 is recommended to remain at .64 per $100 valuation of $560,929,367 with a collection rate of 98.22%. A revaluation of Real Property was completed in FY 2017-2018 by Granville County. The Revaluation by

the County of Granville initially reflected a growth of $54,833,132 in Ad Valorem taxable property in the City of Oxford between Fiscal Year 2017-2018 to FY 2020-2021.

The City of Oxford's FY 2021-2022 budget has been constructed in a conservative mindset that fully recognizes the lingering impact of the Covid-19 Pandemic.

The Powell Bill Fund continues to allow City of Oxford to maintain streets and sidewalks renovation and resurfacing needs. Funding in the amount of $1,457,875 has been initiated with NCDOT for Street Resurfacing Program aimed at some of the City's streets that are in the greatest need of attention.

Explanation of the remainder of the difference by functional area:

General Government	**$55,000**
Building & Grounds Mower Replacement	$15,000
Building & Grounds Roof Repairs	$15,000
Technology – New Email Server	$25,000
Recreation & Culture	**$33,700**
OP & R Z-Turn Mower	$9,100
OP & R Hix Gym AC Unit	$8,600
OP & R New Municipal Aquatic Center	$5,000
Public Safety (Oxford Police)	**$300,000**
OPD Vehicle Replacement Plan	$245,000
OPD APX 4000 Portable Radios	$75,000
Public Safety (Oxford Fire Dept)	**$48,820**
OFD Cutter/Spreader Tool	$12,000
OFD Wall Mounted Gear Lockers	$7,600
OFD Command Work Station	$5,100
OFD I-PLAN Review Table/ Software	$13,900
OFD Viper Radios	$10,300
Streets & Transportation	**$8,000**
OPW Lawn Mower	$8,000
Community Development	**$750,000**
CMAQ Phase II	$250,000
CDBG – Housing Rehab	$500,000

Business – Type Activities:

The Water and Sewer Fund for the City of Oxford in Fiscal Year 2021-2022 is balanced between anticipated revenues and expenditures at $6,252,160. This figure includes an anticipated appropriation of $1,076,635 to the Water and Sewer Fund Balance, which continues to strengthen the City's financial position to meet future financial needs such as debt services. The City will receive the last payment in the partnership with Granville County to provide water to the Triangle North Industrial Park. Due to the completion of a number of Infrustrature Initiative projects and the need to meet debt service payment obligations, Management concluded a 5% increase in Water & Sewer utility rates is necessarily for the FY 2021-2022 City of Oxford Budget.

Water & Sewer	**$706,500**
Knott's Grove Pump Station Upgrade	$30,000
W & S Vehicle Replacement	$36,500
W & S Backhoe Replacement	$140,000
WWTP Improvement	$500,000

Requests for Information

This report is designed to provide an overview of the City of Oxford's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Hak Ung Finance Director, City of Oxford, NC, P.O. Box 506, Oxford, North Carolina 27565; phone (919) 603-1125.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

EXHIBIT 1

CITY OF OXFORD, NORTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2021

	PRIMARY GOVERNMENT			Component Unit	Component Unit
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	Oxford Parking Authority	Downtown Oxford Economic Development Corporation
ASSETS					
CURRENT ASSETS					
Cash and investments	$ 7,203,443	$ 11,289,517	$ 18,492,960	$ 118,721	$ 159,345
Restricted cash	241,122	-	241,122	-	-
Taxes receivable	138,961	-	138,961	63	2,083
Accrued interest receivable on taxes	26,499	-	26,499	11	209
Accounts receivable	824,611	648,542	1,473,153	202	534
Assessments receivable	3,928	33,769	37,697	-	-
Loan receivable	-	43,556	43,556	-	-
Note receivable	-	815,297	815,297	-	-
Inventories	3,404	124,285	127,689	-	-
Prepaid items	-	-	-	-	110
Total current assets	8,441,968	12,954,966	21,396,934	118,997	162,281
NON-CURRENT ASSETS					
CAPITAL ASSETS (NOTE 1)					
Land, non-depreciable improvements, and construction in progress	1,753,949	22,823,585	24,577,534	-	-
Other capital assets, net of depreciation	4,483,523	22,653,040	27,136,563	-	-
Total capital assets	6,237,472	45,476,625	51,714,097	-	-
Total noncurrent assets	6,237,472	45,476,625	51,714,097	-	-
					-
Total assets	14,679,440	58,431,591	73,111,031	118,997	162,281
DEFERRED OUTFLOWS OF RESOURCES					
Pension deferrals	1,304,968	185,701	1,490,669	-	-
OPEB deferrals	1,106,950	200,729	1,307,679	-	-
Total deferred outflows of resources	2,411,918	386,430	2,798,348	-	-
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities	406,666	971,078	1,377,744	-	98
Accrued interest payable	1	-	1	-	-
Wages payable	159,775	25,252	185,027	-	-
Current portion of vacation pay	142,397	34,023	176,420	-	-
Current portion of long-term debt	184,371	1,202,456	1,386,827	-	-
Current portion of revenue bonds	-	82,800	82,800	-	-
Current portion of unearned revenue	-	815,297	815,297	-	12,100
Total current liabilities	893,210	3,130,906	4,024,116	-	12,198
LONG-TERM LIABILITIES					
Customer deposits	-	156,638	156,638	-	-
Noncurrent portion of vacation pay	142,639	10,359	152,998	-	-
Noncurrent portion of long-term debt	1,633,166	11,243,603	12,876,769	-	-
Noncurrent portion of revenue bonds	-	4,917,200	4,917,200	-	-
Total pension liabilityLGERS	1,865,156	338,218	2,203,374	-	-
Total OPEB liability	6,341,279	1,149,895	7,491,174	-	-
Unearned revenues	-	23,913	23,913	-	-
Net Pension Liability-LEO	999,302	-	999,302	-	-
Total long-term liabilities	10,981,542	17,839,826	28,821,368	-	-
Total liabilities	11,874,752	20,970,732	32,845,484	-	12,198
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals	220,010	5,784	225,794	-	-
OPEB deferrals	468,106	84,884	552,990	-	-
Total deferred inflows of resources	688,116	90,668	778,784	-	-
NET POSITION					
Net Investment in capital assets	4,419,935	33,030,566	37,450,501	-	-
Restricted for:					
Stabilization by State Statute	827,934	-	827,934	202	534
Streets	222,089	-	222,089	-	-
Infrastructure	63,117		63,117	-	-
System development fees	-	76,163	76,163	-	-
Unrestricted	(1,004,585)	4,649,892	3,645,307	118,795	149,549
Total net position	$ 4,528,490	$ 37,756,621	$ 42,285,111	$ 118,997	$ 150,083

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

CITY OF OXFORD, NORTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT 2

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit Oxford Parking Authority	Component Unit Downtown Economic
Primary government:									
Governmental Activities:									
General government	$ 1,624,143	$ 231,545	$ 23,000	$ 16,570	$ (1,353,028)	$ -	$ (1,353,028)		
Public Safety	4,340,020	540,753	237,773	-	(3,561,494)	-	(3,561,494)		
Transportation	2,710,684	12,834	217,911	7,600	(2,472,339)	-	(2,472,339)		
Environmental protection	1,111,548	1,540,608	6,363	-	435,423	-	435,423		
Cultural and recreation	778,481	87,773	-	-	(690,708)	-	(690,708)		
Interest on long-term debt	1	-	-	-	(1)	-	(1)		
Total governmental activities	10,564,877	2,413,513	485,047	24,170	(7,642,147)	-	(7,642,147)		
Business-type activities:									
Water and sewer	4,817,842	6,875,051	-	4,222,191	-	6,279,400	6,279,400		
Stormwater Management	175,904	322,202	-	-	-	146,298	146,298		
	4,993,746	7,197,253	-	4,222,191	-	6,425,698	6,425,698		
Total primary government	15,558,623	9,610,766	485,047	4,246,361	(7,642,147)	6,425,698	(1,216,449)		
Component units:									
Oxford Parking Authority	11,520	-	-	-				11,520	-
Downtown Oxford EDC	55,359	-	-	-				-	55,359
Total component units	$ 66,879	$ -	$ -	$ -				11,520	55,359
General revenues:									
Taxes:									
Property taxes, levied for general purpose					3,756,534	-	3,756,534	16,535	39,533
Sales tax					2,401,809	-	2,401,809	-	-
Alcoholic beverage tax					25,416	-	25,416	-	-
Privilege license tax					565	-	565	-	-
Utility franchise tax					632,657	-	632,657	-	-
Beer and wine tax					36,660	-	36,660	-	-
Grants and contributions not restricted to specific programs					-	-	-	-	23,000
Unrestricted investment earnings					2,463	22,493	24,956	6	19
Miscellaneous					18,364	-	18,364	-	6,135
Total general revenues not including transfers					6,874,468	22,493	6,896,961	16,541	68,687
Transfers					225,975	(225,975)	-	-	-
Change in net position					(541,704)	6,222,216	5,680,512	5,021	13,328
Net position - beginning					5,070,194	31,534,405	36,604,599	113,976	136,755
Net position - ending					$ 4,528,490	$ 37,756,621	$ 42,285,111	$ 118,997	$ 150,083

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

FUND FINANCIAL STATEMENTS

CITY OF OXFORD, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

EXHIBIT 3

	MAJOR GENERAL	TOTAL NON-MAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and investments	$ 7,136,296	$ 67,147	$ 7,203,443
Restricted cash	241,122	-	241,122
Taxes receivable	138,961	-	138,961
Accounts receivable	824,611	-	824,611
Assessments receivable	3,928	-	3,928
Inventories	3,404	-	3,404
Total assets	8,348,322	67,147	8,415,469
LIABILITIES			
Accounts payable and accrued liabilities	402,636	4,030	406,666
Wages payable	159,775	-	159,775
Total liabilities	562,411	4,030	566,441
DEFERRED INFLOWS OF RESOURCES			
Property taxes receivable	138,961	-	138,961
Total deferred inflows of resources	138,961	-	138,961
Fund Balances:			
Non Spendable			
Inventories	3,404	-	3,404
Restricted			
Stabilization by State Statute	827,934	-	827,934
Streets	222,089	-	222,089
Infrastructure	-	63,117	63,117
Committed			
State Forfeiture	5,342	-	5,342
Cultural, recreation and parks	65,000	-	65,000
Assigned	230,955	-	230,955
Unassigned	6,292,226	-	6,292,226
Total fund balances	7,646,950	63,117	7,710,067
Total liabilities, deferred inflows of resources, and fund balances	$ 8,348,322	$ 67,147	$ 8,415,469

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

CITY OF OXFORD, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

EXHIBIT 3

Amounts reported for governmental activities in the statement of net assets (Exhibit 1) are different because:

Total fund balance, Governmental Funds (Exhibit 4)	$	7,710,067
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		6,237,472
Pension related adjustments		
Pension Related Deferral		(688,116)
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Position		383,617
Deferred Outflows of resources are not reported in the funds		2,028,301
Other long-term assets (accrued interest receivable) are not available to pay for current-period expenditures and therefore are deferred.		26,499
Liabilities for earned revenues considered deferred inflows in fund statements		138,961
Some liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in the fund statements.		(11,308,311)
Net position of governmental activities	$	4,528,490

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

CITY OF OXFORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT 4

	MAJOR FUND	TOTAL NON-MAJOR	TOTAL GOVERNMENTAL
	GENERAL	FUNDS	FUNDS
REVENUES			
Ad valorem taxes	$ 3,744,667	$ -	$ 3,744,667
Other taxes and licenses	2,427,790	-	2,427,790
Unrestricted intergovernmental revenues	669,317	-	669,317
Restricted intergovernmental revenues	483,246	24,170	507,416
Permits and fees	56,194	-	56,194
Sales and services	2,353,447	-	2,353,447
Investment earnings	2,463	-	2,463
Miscellaneous	4,090	-	4,090
Total revenues	9,741,214	24,170	9,765,384
EXPENDITURES			
Current:			
General government	1,407,854	16,570	1,424,424
Public safety	4,239,985	-	4,239,985
Transportation and utilities	2,537,207	-	2,537,207
Environmental protection	1,094,988	16,560	1,111,548
Cultural, recreation and parks	682,624	-	682,624
Debt service:			
Principal retirement	70,942	-	70,942
Total expenditures	10,033,600	33,130	10,066,730
Excess of revenues over expenditures	(292,386)	(8,960)	(301,346)
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	225,975	16,207	242,182
Transfer to other funds	(16,207)	-	(16,207)
Sale of capital assets	18,146	-	18,146
Proceeds of capital lease	1,250,000	-	1,250,000
Total other financing sources (uses)	1,477,914	16,207	1,494,121
Net Change in fund balanace	1,185,528	7,247	1,192,775
Fund balance, Beginning of year - July 1	6,461,422	55,870	6,517,292
Fund balance, End of year - June 30	$ 7,646,950	$ 63,117	$ 7,710,067

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

CITY OF OXFORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT 4

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:		
Net changes in fund balances - total governmental funds (Exhibit 4)	$	1,192,775
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over the life of the asset		544,056
The allocation of the costs of assets over the life of the assets through depreciation is not a current financial use in the funds; therefore, depreciation expense is not recorded in these statements		(742,135)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		383,617
OPEB benefit payments and administrative costs made in the current fiscal year are not included on the Statement of Activities		177,311
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		11,867
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	.	(1,179,059)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(930,136)
Total changes in net position of governmental activities	$	(541,704)

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

CITY OF OXFORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND			
	ORIGINAL	FINAL	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET-POSITIVE (NEGATIVE)
REVENUES				
Ad valorem taxes	$ 3,422,000	$ 3,422,000	$ 3,744,667	$ 322,667
Other taxes and licenses	1,950,000	1,950,000	2,427,790	477,790
Unrestricted intergovernmental revenues	715,000	715,000	669,317	(45,684)
Restricted intergovernmental revenues	273,500	273,500	483,246	209,746
Permits and fees	51,000	51,000	56,194	5,194
Sales and services	2,332,100	2,329,750	2,353,447	23,697
Investment earnings	55,000	55,000	2,463	(52,537)
Miscellaneous	24,950	10,850	4,090	(6,760)
Total revenues	8,823,550	8,807,100	9,741,214	934,114
EXPENDITURES				
Current:				
General government	1,583,315	1,585,465	1,407,854	177,611
Public safety	4,360,625	4,303,725	4,239,985	63,740
Transportation and utilities	2,496,780	2,741,880	2,537,207	204,673
Environmental protection	1,052,500	1,095,700	1,094,988	712
Cultural, recreation and parks	844,860	844,860	682,624	162,236
Debt service:				
Principal retirement	70,950	70,950	70,942	8
Interest and fees	-	-	-	-
Total expenditures	10,409,030	10,642,580	10,033,600	608,979
REVENUES OVER (UNDER) EXPENDITURES	(1,585,480)	(1,835,480)	(292,386)	1,543,094
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	225,975	225,975	225,975	-
Transfers to other funds	(107,875)	(107,875)	(16,207)	91,668
Sale of assets	-	-	18,146	18,146
Proceeds from capital lease	1,000,000	1,250,000	1,250,000	-
Total other financing sources (uses)	$ 1,118,100	$ 1,368,100	$ 1,477,914	$ 109,814

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

CITY OF OXFORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	GENERAL FUND			
	ORIGINAL	FINAL	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET-POSITIVE (NEGATIVE)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	$ (467,380)	$ (467,380)	$ 1,185,528	$ 1,652,908
APPROPRIATED FUND BALANCE	467,380	467,380	-	(467,380)
REVENUES, OTHER SOURCES AND APPROPRIATED FUND BALANCE OVER (UNDER) EXPENDITURES AND OTHER USES	$ -	$ -	1,185,528	$ 1,185,528
Fund balance, Beginning of year - July 1,			6,461,422	
Fund balance, End of year - June 30			$ 7,646,950	

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

CITY OF OXFORD, NORTH CAROLINA **EXHIBIT 6**
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2021

	MAJOR FUND	NONMAJOR FUND	
	WATER AND SEWER	STORMWATER MANAGEMENT	TOTAL
ASSETS			
CURRENT ASSETS			
Cash and investments	$ 10,418,884	$ 870,633	$ 11,289,517
Inventory	124,285	-	124,285
Accounts receivable	619,388	29,154	648,542
Loan receivable	43,556	-	43,556
Note receivable	815,297	-	815,297
Assessments receivable	33,769	-	33,769
Total current assets	12,055,179	899,787	12,954,966
NONCURRENT ASSETS			
CAPITAL ASSETS (NOTE 1)			
Land, non-depreciable improvements, and construction in progress	22,823,585	-	22,823,585
Other capital assets, net of depreciation	22,087,395	565,645	22,653,040
Capital assets (net)	44,910,980	565,645	45,476,625
Total noncurrent assets	44,910,980	565,645	45,476,625
Total assets	56,966,159	1,465,432	58,431,591
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals	185,701	-	185,701
OPEB deferrals	200,729	-	200,729
Total deferred outflows of resources	386,430	-	386,430
LIABILITIES			
CURRENT LIABILITIES			
Salaries payable	25,252	-	25,252
Accounts payable and accrued liabilities	969,055	2,023	971,078
Current portion of accrued vacation pay	34,023	-	34,023
Current portion of long-term debt	1,202,456	-	1,202,456
Current portion of revenue bonds	82,800	-	82,800
Current portion of unearned revenue	815,297	-	815,297
Total current liabilities	3,128,883	2,023	3,130,906
NONCURRENT LIABILITIES			
Customer deposits	149,138	7,500	156,638
Noncurrent portion of accrued vacation pay	10,359	-	10,359
Noncurrent portion of long-term debt	11,243,603	-	11,243,603
Noncurrent portion of revenue bonds	4,917,200	-	4,917,200
Net Pension Liability	338,218	-	338,218
OPEB liability	1,149,895	-	1,149,895
Unearned revenues	23,913	-	23,913
Total noncurrent liabilities	17,832,326	7,500	17,839,826
Total liabilities	20,961,209	9,523	20,970,732
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	5,784	-	5,784
OPEB deferrals	84,884		84,884
Total deferred inflows of resources	90,668	-	90,668
NET POSITION			
Net Investment in capital assets	32,464,921	565,645	33,030,566
Restricted - system development fees	76,163	-	76,163
Unrestricted	3,759,628	890,264	4,649,892
Total Net Position	$ 36,300,712	$ 1,455,909	$ 37,756,621

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

CITY OF OXFORD, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

EXHIBIT 7

	MAJOR FUND WATER AND SEWER FUND	NONMAJOR FUND STORMWATER MANAGEMENT	TOTAL
OPERATING REVENUES			
Charges for services	$ 5,785,491	$ 322,202	$ 6,107,693
Other operating revenues	1,089,560	-	1,089,560
Total operating revenues	6,875,051	322,202	7,197,253
OPERATING EXPENSES			
General operations	760,392	160,465	920,857
Meter service	109,430	-	109,430
Water supply, pumping, and filtering	900,065	-	900,065
Water and sewer line maintenance	641,902	-	641,902
Lift Station Master	122,370	-	122,370
Stovall water line	11,936	-	11,936
Industrial waste treatment	774,689	-	774,689
Depreciation	1,126,372	15,439	1,141,811
Total operating expenses	4,447,156	175,904	4,623,060
Operating income (loss)	2,427,895	146,298	2,574,193
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	22,362	131	22,493
Interest on long-term debt	(370,686)	-	(370,686)
Total nonoperating revenue (expenses)	(348,324)	131	(348,193)
Income (loss) before contributions and transfers	2,079,571	146,429	2,226,000
Capital Contribution	4,222,191	-	4,222,191
Transfers to other funds	(225,975)	-	(225,975)
Change in net position	6,075,787	146,429	6,222,216
Total net position - beginning - July 1	30,224,925	1,309,480	31,534,405
Total net position - ending - June 30	$ 36,300,712	$ 1,455,909	$ 37,756,621

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

CITY OF OXFORD, NORTH CAROLINA **EXHIBIT 8**
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	MAJOR FUND	NONMAJOR FUND	
	WATER AND SEWER FUND	STORMWATER MANAGEMENT	TOTAL
Cash Flows from Operating Activities:			
Cash received from customers	$ 6,599,066	$ 322,202	$ 6,921,268
Cash paid for goods and services	(1,469,172)	(149,624)	(1,618,796)
Cash paid to employees	(660,148)	-	(660,148)
Customer deposits received	22,633	-	22,633
Net Cash Provided (Used) By Operating Activities	4,492,379	172,578	4,664,957
Cash Flows From Noncapital Financing Activities			
Transfers to general fund	(225,975)	-	(225,975)
Increase in Due to other funds	-	-	-
Total cash flows from noncapital financing activities	(225,975)	-	(225,975)
Cash Flow from Capital and Related Financing Activities:			
Acqusition and construction of capital assets	(10,522,172)	-	(10,522,172)
Proceeds from sale of assets	-	-	-
Capital Contribution	4,222,191	-	4,222,191
Proceeds from debt	852,724	-	852,724
Principal paid on debt	(1,053,444)	-	(1,053,444)
Principal received on loan	812,985	-	812,985
Interest paid on debt	(370,686)	-	(370,686)
Net Cash Provided (Used) by Capital and Related Financing Activities	(6,058,402)	-	(6,058,402)
Cash Flows from Investing Activities			
Interest on investments	22,362	131	22,493
Net Cash Flows from Investing Activities	22,362	131	22,493
Net Increase (Decrease) in Cash and Cash Equivalents	(1,769,636)	172,709	(1,596,927)
Cash and Cash Equivalents - Beginning of the Year	12,188,520	697,924	12,886,444
Cash and Cash Equivalents - End of the Year	$ 10,418,884	$ 870,633	$ 11,289,517
Reconciliation of Operating Income to Net Cash Provided By Operating Activities:			
Operating Income	$ 2,427,895	$ 146,298	$ 2,574,193
Adjustments to Reconcile Operating Income to Net Cash Provided By Operating Activities:			
Depreciation	1,126,372	15,439	1,141,811
Change in assets, deferred outflows of resources and liabilities:			
(Increase) decrease in accounts receivable	813,575	1,318	814,893
(Increase) decrease in inventory	(6,509)	-	(6,509)
(Increase) decrease in deferred outflows of resources-pensions	(29,450)	-	(29,450)
(Increase) decrease in deferred outlfows of resources-OPEB	(165,502)	-	(165,502)
Increase (decrease) in net pension liability	74,387	-	74,387
Increase in OPEB liability	253,827	-	253,827
Increase (decrease) in deferred inflows of resources-pensions	1,935	-	1,935
Increase (decrease) in deferred inflows of resources-OPEB	(42,991)	-	(42,991)
Increase (decrease) in Salaries payable	4,361	-	4,361
Increase (decrease) in Accounts payable	813,687	2,023	815,710
Increase (decrease) in Customer deposits	22,633	7,500	30,133
Increase (decrease) in unearned revenue	(805,231)	-	(805,231)
Increase (decrease) in Accrued vacation payable	3,390	-	3,390
Total Adjustments	2,064,484	26,280	2,090,764
Net Cash Provided By Operating Activities	$ 4,492,379	$ 172,578	$ 4,664,957

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

NOTES TO FINANCIAL STATEMENTS

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Oxford and its discretely presented component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The City of Oxford is a municipal corporation that is governed by an elected mayor and a seven-member Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the City and its component units, legally-separate entities for which the City is financially accountable. The discretely presented component units presented below are reported in a separate column in the City's financial statements in order to emphasize that they are legally separate from the City.

Discretely Presented Component Units

Oxford Parking Authority
All members of the Oxford Parking Authority's governing board are appointed by the City. Oxford Parking Authority is fiscally dependent on the City because the City approves the tax levy, collects the ad valorem taxes and remits them to the Oxford Parking Authority. Oxford Parking Authority is presented in the City of Oxford's audit report as a discretely presented component unit. Complete financial statements for the Oxford Parking Authority may be obtained from the finance office of the City of Oxford, 300 Williamsboro St., Oxford, North Carolina.

Downtown Oxford Economic Development Corporation
The Downtown Oxford Economic Development Corporation is a special tax district within the City of Oxford. The City has the ability to appoint, hire, reassign and dismiss the Executive Director, who is an employee of the City. Downtown Oxford Economic Development Corporation is fiscally dependent on the City because the City approves the tax levy, collects the ad valorem taxes and remits them to the Downtown Oxford Economic Development Corporation. The Downtown Oxford Economic Development Corporation is presented in the City of Oxford's audit report as a discretely presented component unit. Complete financial statements for the Downtown Oxford Economic Development Corporation may be obtained from the finance office of the City of Oxford, 300 Williamsboro St., Oxford, North Carolina.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about primary government and its component units. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business*-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, State grants, and various other taxes and licenses. The primary expenditures are for public safety, street maintenance and construction, and sanitation services.

The City reports the following major enterprise funds:

Water and Sewer Fund – This fund is used to account for the City's water and sewer operations.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the City are maintained during the year using the modified accrual basis of accounting.

Government-wide and Proprietary Fund Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City enterprise funds are charges to customers for sales and

services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The City considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the City are recognized as revenue. Sales taxes are considered a shared revenue for the City of Oxford because the tax is levied by Granville County and then remitted to and distributed by the State. Most intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues which are unearned at year-end are recorded as unearned revenues. Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues.

Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary Data

The City's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and Enterprise Funds. All annual appropriations lapse at the fiscal-year end. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than $2,500. All amendments must be approved by the governing board and must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Equity

1. Deposits and Investments

All deposits of the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation are made in board-designated official depositories and are secured as required by State law (G.S. 159-31). The City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law (G.S. 159-30(c)) authorizes the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies, certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT). The city's investments are reported at fair value. The NCCMT-Government portfolio, a SEC-registered (2a-7) money market mutual fund, is measured at fair value. The NCCMT-Term Portfolio is a bond fund, has no rating and is measured at fair value. As

of June 30, 2021, the term portfolio has a duration of .15 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

In accordance with State law, the City has invested in securities which are callable and which provide for periodic interest rate increases in specific increments until maturity. These investments are reported at fair value as determined by quoted market prices.

2. Cash and Cash Equivalents

The City pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The Oxford Parking Authority and Downtown Oxford Economic Development Corporation's Boards considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents.

3. Restricted Assets

The unexpended bond proceeds of Water and Sewer Fund serial bonds issued by the City are classified as restricted assets for the enterprise fund because their use is completely restricted to the purpose for which the bonds were originally issued. At June 30, 2021, there were no unexpended bond proceeds. Customer deposits held by the City before any services are supplied are restricted to the service for which the deposit was collected. Powell Bill funds are classified as restricted cash because it can be expended only for the purposes of maintaining, repairing, constructing, reconstructing or widening of local streets per G.S. 136-41.1 through 136-41.4.

City of Oxford Restricted Cash

Governmental Activities	
General Fund	
Employee Flexible Spending Account	$ 19,033
Streets	222,089
Total Restricted Cash	$ 241,122

4. Ad Valorem Taxes Receivables

In accordance with State law (G.S. 105-347 and G.S. 159-13(a)), the City levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2020. As allowed by State law, the City has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the City's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Allowance for Doubtful Accounts

The City maintains an allowance for doubtful accounts on its accounts receivable. The amount on the balance sheet is shown net of this allowance for doubtful accounts.

6. Inventory and Prepaid Items

The inventories of the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation are valued at cost (first-in, first-out), which approximates market. The City's General Fund inventory consists of expendable supplies that are recorded as expenditures as used rather than when purchased.

The inventories of the City's enterprise fund consist of materials and supplies held for subsequent use. The costs of these inventories are expensed when held for resale (consumed) rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used in accordance with the consumption method.

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years. Minimum capitalization costs are as follows: Land, buildings, improvements, furniture, equipment, computer software, vehicles and other plant and distribution systems, $5,000; infrastructure, $50,000. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital

assets received after June 30, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimate Useful Lives
Infrastructure	30
Buildings	40
Improvements	10
Vehicles	7
Furniture and equipment	10
Computer software	5
Computer equipment	7

Property, plant, and equipment of the Oxford Parking Authority are depreciated over their useful lives on a straight-line basis as follows:

Asset Class	Estimate Useful Lives
Leasehold improvements	15

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The City has two items that meet this criterion – pension related deferrals and OPEB deferral. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The City has three items that meet the criterion for this category – property taxes receivable, pension deferrals, and OPEB deferrals.

9. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums

and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Compensated Absences

The vacation policy of the City provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the City's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The City has assumed a last-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The City's sick leave policy provides for an accumulation of 30 days earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the City has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

11. Net Position/Fund Balances

Net Position

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form of (b) legally or contractually required to be maintained intact.

Inventories – portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Restricted Fund Balance – This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State statute – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

Restricted for Streets – Powell Bill portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents the balance of the total unexpended Powell Bill funds.

Restricted for Infrastructure – portion of fund balance that is restricted for use for CDBG Infrastructure Project.

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by resolution of City of Oxford's Board of Commissioners (highest level of decision-making authority). Any changes or removal of specific purpose requires resolution by the Board of commissioners.

Committed for State Forfeiture – portion of fund balance committed by the Board for Equitable Sharing Agreement for State Forfeiture.

Committed for Cultural, Recreation and Parks – portion of fund balance committed by the board for recreation and parks.

Assigned Fund Balance – portion of fund balance that City of Oxford intends to use for a specific purpose. The City Manager makes a recommendation to the governing board regarding any revenue streams or fund balance to be assigned for a particular purpose. The assigned fund balance has been budgeted by the governing board.

Assigned for Subsequent Year's Expenditures – portion of fund balance that has been appropriated in the subsequent year's annual budget. The Board of Commissioners approves the appropriation as part of the annual budget process and would have to take formal action to change the appropriation.

Unassigned fund balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The General Fund is the only fund that reports positive unassigned fund balance amount. Other governmental funds may have a negative unassigned fund balance if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned for those purposes.

The City has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city funds, city funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the City.

12. Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between fund balance-total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. The net adjustment of ($3,181,577) consists of several elements as follows:

Description		Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	$18,750,347	
Less Accumulated Depreciation	(12,512,875)	
Net capital assets		$ 6,237,472
Deferred inflows of resources related to pensions are not reported in the funds		
Deferred inflows - LGERS	(31,898)	
Deferred inflows – LEOSSA	(188,112)	
Deferred inflows – OPEB	(468,106)	
		(688,116)
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Position		383,617
Deferred Outflows of resources related to pensions are not reported in the funds		
Deferred outflows - LGERS	640,462	
Deferred outflows - LEOSSA	280,889	
Deferred outflows – OPEB	1,106,950	
		2,028,301

Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are not available and therefore deferred in the fund statements		26,499
Liabilities for revenue deferred but earned and therefore recorded in the fund statements but not the government-wide		138,961
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:		
Bonds, leases, and installment financing	(1,817,537)	
Compensated absences	(285,036)	
Total Pension liability	(999,302)	
Net Pension Obligation (LGERS)	(1,865,156)	
OPEB liability	(6,341,279)	
Accrued interest payable	(1)	
		(11,308,311)
Total adjustment		($ 3,181,577)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

The government fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of ($1,734,479) as follows:

Description		Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities		$ 544,056
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements		(742,135)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities		383,617
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements		
Compensated absences	(14,420)	
Pension obligations (LEO)	26,499	
Pension (expense) income (LGERS)	(620,411)	
OPEB plan expense	(321,804)	
		(930,136)
Benefit payments paid and administrative expenses paid for the LEOSSA are not included on the Statement of Activities		(3,886)
Benefit payments paid and administrative expenses paid for retirees are not included on the Statement of Activities		181,197
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.		

Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items		
New long-term debt	(1,250,000)	
Principal payments on long-term debt	70,942	
Increase in accrued interest payable	(1)	
		(1,179,059)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements		
Reversal of deferred tax revenue recorded at 7-1-20		(127,043)
Recording of tax receipts deferred in the fund statements as of 6-30-21		138,961
Decrease in accrued taxes receivable for the year ended 6-30-20		(51)
Total adjustment		($ 1,734,479)

13. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The City of Oxford's employer contributions are recognized when due and the City of Oxford has a legal requirement to provide the contributions. Benefits and refunds re recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

For purposes of measuring the net pension expense, information about the fiduciary net position of the Firefighters' and Rescue Squad Workers' Pension Fund (FRSWPF) and additions to/deductions from FRSWPF's fiduciary net position have been determined on the same basis as they are reported by FRSWPF. For this purpose, benefit payments (including refunds of employee

contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

NOTE II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Significant Violations of Finance-Related Legal and Contractual Provisions

1. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2021, the expenditures made in the City's Water and Sewer Fund exceeded the authorized appropriations made by the governing board for lift station master by $1,270. This over-expenditure occurred because of higher than anticipated utility costs. While this over-expenditure is small, Management and the Board will monitor expenditures to the budget in the future to ensure compliance in future years.

NOTE III. DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All of the deposits of the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation agents in these unit's names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation, these deposits are considered to be held by the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation agents in their names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation under the Pooling Method, the potential exists for

under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The City has no policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. Oxford Parking Authority and Downtown Oxford Economic Development Corporation have no policy regarding custodial credit risk for deposits.

At June 30, 2021, the City's deposits had a carrying amount of $8,982,628 and a bank balance of $8,970,817. Of the bank balance, $250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. The carrying amount of deposits for the Oxford Parking Authority was $85,847 and the bank balance was $85,847. The carrying amount of deposits for Downtown Oxford Economic Development Corporation was $94,263 and the bank balance was $96,994. All of the bank balances of the City, Oxford Parking Authority, and Downtown Oxford Economic Development Corporation were fully covered by federal depository insurance. At June 30, 2021, the City's petty cash fund totaled $2,700.

2. Investments

At June 30, 2021, the City's investment balances were as follows:

Investment By Type	Valuation Measurement Method	Book Value at 6/30/21	Maturity	Rating
NC Capital Management Trust Fund-Government Portfolio	Fair Value Level 1	$9,748,754	N/A	AAAm

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1 debt securities are valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2 debt securities are valued using a matrix pricing technique. Matrix

pricing is used to value securities based on the securities' benchmark quoted prices.

Interest Rate Risk: The City has no formal investment policy regarding interest rate risk.

At June 30, 2021, the Oxford Parking Authority had $32,874 and the Downtown Economic Development Corporation had $65,082 invested with the North Carolina Capital Management Trust's Government Portfolio, which carried a credit rating of AAAm by Standard and Poor's. The Oxford Parking Authority and the Downtown Oxford Economic Development Corporation have no policy regarding credit risk.

3. Receivables

Receivables at the government-wide level at June 30, 2021, were as follows:

General Fund		
Taxes Receivable	$ 138,961	
Accrued interest receivable	26,499	
Accounts Receivable	824,611	
Assessments Receivable	3,928	
Total General Funds		$ 993,999
Enterprise Funds:		
Service Receivable	$ 648,542	
Assessments Receivable	33,769	
Note Receivable-Granville Co	815,297	
Loan to the Town of Stovall	43,556	
		1,541,164
Total		$ 2,535,163

4. Capital Assets

Capital asset activity for the Primary Government for the year ended June 30, 2021 was as follows:

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Governmental activities					
Capital assets not being depreciated:					
Construction in progress	$ 273,490	33,130	-	-	$ 306,620
Land	1,447,329	-	-	-	1,447,329
Assets not being Depreciated	1,720,819	33,130	-	-	1,753,949
Capital Assets being depreciated:					
Buildings	4,788,136	-	-	-	4,788,136
Other improvements	3,378,863	19,298	-	-	3,398,161
Equipment and vehicles	7,417,550	491,628	(117,707)	-	7,791,471
Infrastructure	1,018,630	-	-	-	1,018,630
Total capital assets being depreciated	16,603,179	510,926	(117,707)	-	16,996,398
Less accumulated depreciation for:					
Buildings	4,117,548	103,489	-	-	4,221,037
Other improvements	1,491,830	86,339	-	-	1,578,169
Equipment and vehicles	5,761,194	521,385	(117,707)	-	6,164,872
Infrastructure	517,875	30,922	-	-	548,797
Total accumulated depreciation	11,888,447	742,135	(117,707)	-	12,512,875
Total capital assets being depreciated, net	4,714,732				4,483,523
Government activity capital assets, net	$ 6,435,551				$ 6,237,472

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

General government	$ 145,644
Public safety	358,721
Transportation	150,760
Recreational and parks	87,010
Total depreciation expense	$ 742,135

	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Business-type activities					
Water and Sewer Fund:					
Capital assets not being depreciated:					
Land	$ 217,472	$ -	$ -	$ -	$ 217,472
Construction in progress	12,150,084	10,456,029	-	-	22,606,113
Total capital assets not being depreciated	12,367,556	10,456,029	-	-	22,823,585
Capital Assets being depreciated:					
Plant & distribution system	37,961,480	-	-	-	37,961,480
Improvements	869,269	5,157	-	-	874,426
Furniture and equipment	3,310,642	60,986	-	-	3,371,628
Total capital assets being depreciated	42,141,391	66,143	-	-	42,207,534
Less accumulated depreciation for:					
Plant & distribution system	15,646,272	916,661	-	-	16,562,933
Improvements	113,950	69,346	-	-	183,296
Furniture & equipment	2,652,461	155,804	-	-	2,808,265
Total accumulated depreciation	18,412,683	1,141,811	-	-	19,554,494
Total capital assets being depreciated, net	23,728,708				22,653,040
Enterprise Fund capital assets, net	$ 36,096,264				$ 45,476,625

Construction commitments

The government has active construction projects as of June 30, 2021. At year-end, the government's commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
General Capital Projects	$ 16,570	$ 483,430
Water & Sewer Capital Projects	$ 22,182,320	$ 22,893,500

Discretely presented component units

Activity for the Oxford Parking Authority for the year ended June 30, 2021 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets being depreciated:				
Other improvements	$ 10,635	-	-	$ 10,635
Less accumulated depreciation for:				
Other improvements	10,635	-	-	10,635
Oxford Parking Authority capital assets, net	$ -	$ -	$ -	$ -

The Downtown Economic Development Corporation did not have any capital asset activity for the year ended June 30, 2021.

B. Liabilities

1. Local Governmental Employees' Retirement System

Plan Description: The City is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G. S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30

years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The City employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City's contractually required contribution rate for the year ended June 30, 2021, was 10.84% of compensation for law enforcement officers and 10.23% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City were $450,356 for the year ended June 30, 2021.

Refunds of Contributions – The City employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a

refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the City reported a liability of $2,203,374 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of The City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2020, (the measurement date) the City's proportion was .06166%, which was .00266% lower than its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the City recognized pension expense of $739,764. At June 30, 2021 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 278,248	$ -
Changes of assumptions	163,974	-
Net difference between projected and actual earnings on pension plan investments	310,066	-
Changes in proportion and differences between the City contributions and proportionate share of contributions	7,136	37,682
The City contributions subsequent to the measurement date	450,356	-
Total	$1,209,780	$ 37,682

$450,356 reported as deferred outflows of resources related to pensions resulting from The City contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30:	
2022	197,463
2023	276,335
2024	156,181
2025	91,763
2026	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 to 8.10 percent, including inflation productivity factor
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple

year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies; return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2019 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension asset to changes in the discount rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension liability or net pension liability would be if it were calculated using a discount

rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
The City's proportionate share of the net pension liability (asset)	$4,470,407	$2,203,374	$319,311

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

2. Law Enforcement Officers Special Separation Allowance

a. Plan Description

The City of Oxford administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the City's qualified sworn law enforcement officers. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time law enforcement officers of the City are covered by the Separation Allowance. At December 31, 2019, the Separation Allowance's membership consisted of:

Retirees receiving benefits	4
Terminated plan members entitled to but not yet receiving benefits	-
Active Plan members	30
Total	34

b. Summary of Significant Accounting Policies:

Basis of Accounting. The City has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the criteria which are outlined in GASB Statement 73.

c. Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2019 valuation. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	1.93 percent

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2019.

Mortality rates are based on the RP-2000 Mortality tables with adjustments for mortality improvements based on Scale AA.

d. Contributions

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The City paid $63,269 as benefits came due for the reporting period.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the City reported a total pension liability of $999,302. The total pension liability was measured as of December 31, 2020 based on a December 31, 2019 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2020 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2021, the City recognized pension expense of $67,155.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,690	$ 168,550
Changes of assumptions	247,700	19,562
City benefit payments and plan administrative expense made subsequent to the measurement date	26,499	-
Total	$ 280,889	$ 188,112

$26,499 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2022	(2,109)
2023	3,479
2024	15,662
2025	23,179
2026	26,067
Thereafter	-

Sensitivity of the City's total pension liability to changes in the discount rate. The following presents the City's total pension liability calculated using the discount rate of 1.93 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (.93 percent) or 1-percentage-point higher (2.93 percent) than the current rate:

	1% Decrease (.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total pension liability	$ 1,086,836	$ 999,302	$ 919,826

Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance

	2021
Beginning balance	$ 806,350
Service Cost	44,008
Interest on the total pension liability	25,256
Differences between expected and actual experience in the measurement of the total pension liability	(74,987)
Changes of assumptions or other inputs	261,944
Benefit payments	(63,269)
Ending balance of the total pension liability	$ 999,302

The plan currently uses mortality tables that vary by age, and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Total Expense, Liabilities, and Deferred Outflows and Inflows of Resources of Related to Pensions

Following is information related to the proportionate share and pension expense for all pension plans:

	LGERS	LEOSSA	Total
Pension Expense	$ 739,764	$ 67,155	$ 806,919
Pension Liability	2,203,374	999,302	3,202,676
Proportionate share of the net pension liability	.06166%	n/a	
Deferred of Outflows of Resources			
Differences between expected and actual experience	278,248	6,690	284,938
Changes of assumptions	163,974	247,700	411,674

	LGERS	LEOSSA	Total
Net difference between projected and actual earnings on plan investments	310,066	-	310,066
Changes in proportion and differences between contributions and proportionate share of contributions	7,136	-	7,136
Benefit payments and administrative costs paid subsequent to the measurement date	450,356	26,499	476,855
Deferred of Inflows of Resources			
Differences between expected and actual experience	-	168,550	168,550
Changes of assumptions	-	19,562	19,562
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	37,682	-	37,682

3. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The City contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the City. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the City to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan.

Contributions for the year ended June 30, 2021 were $190,686, which consisted of $68,454 from the City and $122,232 from the law enforcement officers.

4. Firefighter's and Rescue Squad Workers' Pension Fund

Plan Description. The State of North Carolina contributes, on behalf of the City of Oxford, to the Firefighter's and Rescue Squad Workers' Pension Fund (Fund), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the State of North Carolina. The Fund provides pension benefits for eligible fire and rescue squad workers the have elected to become members of the fund. Article 86 of G.S. Chapter 58 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Firefighter's and Rescue Squad Workers' Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statement and required supplementary information for the Firefighter's and Rescue Squad Workers' Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454 or at www.osc.nc.gov.

Benefits Provided. FRSWPF provides retirement and survivor benefits. The present retirement benefit is $170 per month. Plan members are eligible to receive the monthly benefit at age 55 with 20 years of creditable service as a firefighter or rescue squad worker, and have terminated duties as a firefighter or rescue squad worker. Eligible beneficiaries of members who die before beginning to receive the benefit will receive the amount paid by the member and contributions paid on the member's behalf into the plan. Eligible beneficiaries of members who die after beginning to receive benefits will be paid the amount the member contributed minus the benefits collected.

Contributions. Plan members are required to contribute $10 per month to the plan. The State, a non-employer contributor, funds the plan through appropriations. The City does not contribute to the plan. Contribution provisions are established by General Statute 58-86 and may be amended only by the North Carolina General Assembly. The State's contributions recognized for accounting purposes for the fiscal year ending June 30, 2021 were $18,652,000. The City of Oxford's proportionate share of the State's contribution is $2,319.

Refunds of Contributions – Plan members who are no longer eligible or choose not to participate in the plan may file an application for a refund of their contributions. Refunds include the member's contributions and contributions paid by others on the member's behalf. No interest will be paid on the amount of the refund. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by FRSWPF.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the City reported no liability for its proportionate share of the net pension liability, as the State provides 100% pension support to the City through its appropriations to the FRSWPF. The total portion of the net pension liability that was associated with the City and supported by the State was $4,499. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The City' proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. As the City is not projected to make any future contributions to the plan, its proportionate share at June 30, 2021 and at June 30, 2020 was 0%.

For the year ended June 30, 2021, the City recognized pension expense of $1,801 and revenue of $1,801 for support provided by the State. At June 30, 2021, the City reported no deferred outflows of resources and no deferred inflows of resources related to pensions.

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	Not applicable
Investment rate of return	7.00 percent, net of pension plan
investment	expense, including inflation

For more information regarding actuarial assumptions, including mortality tables, the actuarial experience study, the consideration of future ad hoc COLA amounts, the development of the projected long-term investment

returns, and the asset allocation policy, refer to the discussion of actuarial assumptions for the LGERS plan in Section a. of this note.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

5. Other Post-employment Benefits

Healthcare Benefits

Plan Description: According to a City resolution, the City provides a single-employer defined benefit plan that is used to provide post-employment health care benefits to retirees of the City, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least five years of creditable service with the City. The City pays the full cost of coverage for these benefits. Also, the City's retirees can purchase coverage for their dependents at the City's group rates. Currently 24 retirees are eligible for and receiving post-employment health benefits. The City obtains health care coverage through private insurers. The City pays the full cost of coverage for employees' benefits through private insurers and employees have the option of purchasing dependent coverage at the City's group rates. Retirees who qualify for coverage receive the same benefits as active employees. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental plan after qualifying for Medicare. Health care, prescription drug benefits, dental and vision coverage are provided by the City. Employees hired after July 1, 2010 are not eligible for OPEB benefits.

Age at retirement	Years of full-time service	Eligibility
65 or older	20 or more	Full coverage
62 or older	22 or more	Full coverage
55 or older	25 or more	Full coverage
Any	30 or more	Full coverage

Membership under this current plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	18	6
Active Plan Members	23	8
Total OPEB Liability	41	14

The City's total OPEB liability of $7,491,174 was measured as of June 30, 2020 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Salary increases	3.5 – 7.75 percent, average, including inflation for general employees and firefighters 3.5 – 7.35 percent, average, including inflation for law enforcement officers
Discount rate	2.21 percent
Healthcare cost trend rates	Pre-medicare – 7.0% for 2019 decreasing to an ultimate rate of 4.50% by 2026 Medicare – 5.0% for 2019 decreasing to an ultimate rate of 4.50% by 2021
Dental	4.00%
Vision	2.50%

The discount rate is based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by the Bond Buyer.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2020	$ 5,965,835
Changes for the year	
Service cost	109,196
Interest	209,335
Changes of benefit terms	-
Differences between expected and actual experience	(16,506)
Changes in assumptions or other inputs	1,412,985
Benefit payments	(189,671)
Net changes	1,525,339
Balance at June 30, 2021	$ 7,491,174

Changes in assumptions and other inputs reflect a change in the discount rate from 3.5% to 2.21%.

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2010 – December 31, 2014, adopted by the LGERS.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2019 valuation were based on a review of recent plan experience done concurrently with the June 30, 2019 valuation.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	$8,952,031	$7,491,174	$6,358,438

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the city's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1 % Decrease	Current	1% Increase
Total OPEB liability	$6,220,100	$7,491,174	$9,158,770

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the City recognized OPEB expense of $364,096. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 27,064	$ 251,298
Changes of assumptions	1,070,858	301,692
Benefit payments and administrative costs made subsequent to the measurement date	209,757	-
Total	$ 1,307,679	$ 552,990

$209,757 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease in the total OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and deferred inflows or resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2022	$ 45,565
2023	142,229
2024	313,179
2025	43,959
2026	-
Thereafter	-

Death Benefit Plan

The City provides death benefits to law enforcement officers through the Death Benefit Plan for members of the Local Government Employees' Retirement System (Death Benefit Plan), a multi-employer, State-administered, cost-sharing plan funded on a one-year cost basis. The beneficiaries of those officers who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest month's salary in a row during the 24 months prior to the employee's death,

but the benefit may not exceed $50,000 or be less than $25,000. All death benefit payments are made from the Death Benefit Plan. Because all death benefit payments are made from the Death Benefit Plan and not by the City, the City does not determine the number of eligible participants. The City has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The City considers these contributions immaterial.

6. Unearned Revenues

The balance in unearned revenues at year-end is composed of the following elements:

Water Fund	Unearned Revenue
Assessments Receivable	$ 23,913
Unavailable Revenue	$ 815,297

The unavailable revenue results from a note receivable from Granville County due to a settlement regarding the supply of water and sewer to the Triangle North Granville Industrial Park.

7. Deferred Outflows and Inflows of Resources

Deferred outflows of resources at year-end is comprised of the following:

Benefit payments made and administrative expenses for LEOSSA made subsequent to measurement date	$ 26,499
Benefit payments made and administrative expenses for OPEB made subsequent to measurement date	209,757
Differences between expected and actual experience	312,002
Changes of assumptions	1,482,532
Net difference between projected and actual	310,066
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,136
Contributions to pension plan in current fiscal year	450,356
Total	$2,798,348

Deferred inflows of resources at year-end is comprised of the following:

	Statement of Net Position	General Fund Balance Sheet
Taxes Receivable (General Fund)	$ -	$ 138,961
Differences between expected and actual experience	419,848	-
Changes of assumptions	321,254	-
Changes in proportion and differences between the City contributions and proportionate share of contributions	37,682	-
	$ 778,784	$ 138,961

8. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in three self-funded risk-financing pools administered by the North Carolina League of Municipalities. Through these pools, the City obtains general liability and auto liability coverage of $5 million per occurrence, property coverage up to $18.2 million per building per occurrence, workers compensation coverage up to the statutory limits, and employee health coverage up to a $1 million lifetime limit. The pools are reinsured through commercial companies for single occurrence claims against general liability, and auto liability in excess of $500,000, up to $500,000 for property, and $250,000 up to $5 million for worker's compensation. The pools are reinsured for annual employee health claims in excess of $150,000. The property liability pool has an aggregate limit for the total property losses in a single year, with the reinsurance limit based upon a percentage of the total insurance values.

The City carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

As part of its property and liability coverage, the City carries general flood insurance coverage of up to $5,000,000 with the NCLM. The City had no claims from flood damage in the recent past.

In accordance with G.S. 159-29, the City's employees that have access to $100 or more at any given time of the City's funds are performance bonded through a commercial surety bond. The finance officer is individually bonded for $250,000. The remaining employees that have access to funds are bonded under a blanket bond for $100,000.

Oxford Parking Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. At June 30, 2021 the Oxford Parking Authority had no insurance. Oxford Parking Authority carries a surety bond on the finance officer in the amount of $50,000.

Downtown Oxford Economic Development Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. At June 30, 2021 the Downtown Economic Development Corporation had no insurance. Downtown Oxford Economic Development Corporation does carry a surety bond on the finance officer in the amount of $50,000.

9. Claims, Judgments and Contingent Liabilities

During the year ended June 30, 2021, the City consulted attorneys on various legal matters. In the opinion of the City's management and the City attorney, the ultimate effect of these legal matters will not have a material adverse effect on the City's financial position.

10. Long-Term Obligations

a. Capital Leases

The City has entered into agreements to lease certain equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

1. An agreement was entered into on September 27, 2018 for the purchase of a fire truck. The lease requires 10 annual payments of $70,942 at 0% interest per annum.

The following is an analysis of the assets recorded under capital leases at June 30, 2021:

Classes of Property	Cost	Accumulated Depreciation	Net Book Value
Equipment	$ 25,164	$ 25,164	$ -
Vehicles	779,305	441,606	337,699
Total	$ 804,469	$ 466,770	$ 337,699

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021, were as follows:

Year Ending June 30	Governmental Activities
2022	$ 70,942
2023	70,942
2024	70,942
2025	70,942
2026	70,942
2027-2030	212,827
Total minimum lease payments	$ 567,537
Less: amount representing interest	(-)
Present value of minimum lease payments	$ 567,537

b. Installment Purchases

On April 9, 2002 the City entered into a direct placement contract for the financing of the Foundry Branch II Outfall Project. The total contract authorization was $813,514. This contract requires 20 annual payments of $40,675 plus semi-annual payments of interest at the rate of 2.87% per annum.

During the June 30, 2005 fiscal year, the City entered into two direct placement contracts to finance expansion and upgrades to the waste water treatment plant.

One contract requires annual principal payments and semi-annual interest payments beginning May 2006 with an interest rate of 2.205%. The total contract authorization is $ 1,823,148, and as of June 30, 2021 the City had drawn down a total of $ 1,521,358.

The second contract requires annual principal payments and semi-annual interest payments beginning May 2006 with an interest rate of 2.42%. The total contract authorization is $ 8,434,580, and as of June 30, 2021 the City had drawn down a total of $8,269,309.

During the June 30, 2019 fiscal year, the City entered into a direct placement contract to finance the water storage tank. This contract requires annual payments of $152,347 with an interest rate of 1.4% per annum. The contract authorization is $3,046,942, and as of June 30, 2021, the City had drawn down a total of $3,046,942.

During the June 30, 2019 fiscal year, the City entered into a direct placement contract for state drinking water improvements. This contract requires annual payments of $220,800 with an interest rate of 0% per annum. The contract authorization is $2,916,000, and as of June 30, 2021, the City had drawn down a total of $4,416,000.

During the June 30, 2020 fiscal year, the City entered into a direct placement contract for sewer main replacements. This contract requires annual payments of $149,013 with an interest rate of 0% per annum. The contract authorization is $2,980,250 and as of June 30, 2021, the City had drawn down a total of $919,028.

During the June 30, 2021 fiscal year, the City entered into a direct placement contract for street resurfacing in the amount of $1,250,000. This contract requires an annual payment of $140,179.44 with an interest rate of 2.14% per annum.

Annual debt service payments of the installment purchase as of June 30, 2021, including $3,006,093 of interest are as follows:

	Governmental Type Activities		Business Type Activities	
Year ending June 30	Principal	Interest	Principal	Interest
2022	$113,429	$26,750	$ 1,202,456	$ 97,973
2023	115,857	24,323	1,161,781	82,991
2024	118,336	21,843	1,161,781	69,176
2025	120,869	19,311	1,161,781	55,358
2026	123,455	16,724	1,161,783	41,543
2027-2031	658,054	42,843	2,790,147	117,307
2032-2036	-	-	2,466,089	63,986
2037-2041	-	-	1,340,241	12,797
Total	$1,250,000	$151,794	$ 12,446,059	$ 541,131

c. Revenue Bond

$5,000,000 Water and Sewer Revenue Bonds, Series 2019, issued for water and sewer system improvements. Annual installments of $182,800 including interest at 2.0% are due annually on January 20.	$5,000,000

The future payments of the revenue bond are as follows:

Year Ending June 30	Principal	Interest
2022	$ 82,800	$ 100,000
2023	84,456	98,344
2024	86,145	96,655
2025	87,608	95,192
2026	89,620	93,180
2027-2031	475,465	438,535
2032-2036	524,969	389,030
2037-2041	579,459	334,541
2042-2046	640,005	273,995
2047-2051	706,645	207,355
2052-2056	780,225	133,775
2057-2061	861,457	52,543
2062-2066	1,146	23
Total	$5,000,000	$2,313,168

The City issued its $5,000,000 Water and Sewer System Revenue Bond (the "Bond") on January 20, 2021, which was purchased by United States Department of Agriculture, Rural Development (formerly Farmers Home Administration) ("USDA") pursuant to a Bond Order adopted on October 15, 2019 and a Series Resolution adopted on January 12, 2021. The Bond is payable from the gross revenues of the City's water and wastewater treatment system, net of operating expenses. Proceeds of the Bond provided financing for capital improvements to the water and sewer system within the City, including, approximately 30,000 linear feet of water main lines and 2,100 linear feet of sanitary sewer lines. Annual principal and interest payments on the Bond are expected to require less than 8.79 % of net revenues. The total principal and interest remaining to be paid on the Bond is $7,313,168.

In the Bond Order, the City covenants to fix, charge and collect rates, fees, rentals and charges for the use of and for services furnished or to be furnished by the System in order that for each Fiscal Year the Net Revenues (calculated in accordance with generally accepted accounting principles) will not be less than one hundred and ten percent (110%) of the Debt Service Requirement for such Fiscal Year. For the Fiscal Year ended June 30, 2021, the Debt Service Requirement (i.e. principal and interest paid on the Bond) was $119,603 and Net Revenues were $ 2,079,571, resulting in a coverage ratio of 1,739%.

d. Changes in General Long-Term Liabilities

	Balance 7-1-20	Additions	Retirements	Balance 6-30-21	Current Portion of Balance
Governmental activities:					
Capitalized Leases	$ 638,479	$ -	$ 70,942	$ 567,537	$70,942
Direct Placement Installment Purchases	-	1,250,000	-	1,250,000	113,429
Compensated absences	270,616	156,817	142,397	285,036	142,397
Total OPEB liability	5,069,767	1,271,512	-	6,341,279	-
Net Pension liability (LGERS)	1,492,698	372,458	-	1,865,156	-
Total Pension Liability (LEO)	806,350	192,952	-	999,302	-
Total governmental activities	$8,277,910	$3,243,739	$ 213,339	$11,308,310	$326,768
Business-type activities:					
Direct Placement Installment Purchases	17,646,779	852,724	6,053,444	12,446,059	1,202,456
Revenue bonds	-	5,000,000	-	5,000,000	82,800
Compensated absences	40,992	37,413	34,023	44,382	34,023
Net pension liability (LGERS)	263,831	74,387	-	338,218	-
Total OPEB liability	896,068	253,827	-	1,149,895	-
Total business-type activities	$ 18,847,670	$ 6,218,351	$6,087,467	$18,978,554	$1,319,279

For the governmental activities, claims and judgments, the net pension liability, total other post-employment benefit liability and compensated absences are generally liquidated by the general fund.

e. Interfund Balances and Activity

Transfers to/from other funds at June 30, 2021 consist of the following:

Transfer from the Water and Sewer fund to the General Fund	$ 225,975
Transfer from General fund to the General Capital Projects fund	16,207
Transfer from the Water and Sewer fund to the Water and Sewer Capital Projects fund	133,547

Transfers are used to move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided matching funds for various grant programs.

11. Net Investment in Capital Assets

	Governmental	Business-Type
Capital assets	$ 6,237,472	$ 45,476,625
Less: Current portion of Debt	184,371	1,202,456
Less: Long term Debt	1,633,166	16,243,603
Net investment in capital asset	$ 4,419,935	$ 28,030,566

12. Fund Balance

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation:

Total fund balance-General Fund	$7,646,950
Less:	
Inventories	3,404
Stabilization by State Statute	827,934
Streets - Powell Bill	222,089
State Forfeiture	5,342
Cultural, recreation and parks	65,000
Appropriated Fund Balance in 2022 budget	230,955
Remaining Fund Balance	6,292,226

NOTE IV. JOINTLY GOVERNED ORGANIZATION

The City, in conjunction with five counties and fifteen other municipalities, established the Kerr-Tar Regional Council of Governments (Council). The participating governments established the Council to coordinate various funding received from Federal and State agencies. Each participating government appoints one member to the Council's governing board. The City

paid membership fees of $5,415 to the Council during the fiscal year ended June 30, 2021.

NOTE V. JOINT VENTURES

The City, in conjunction with Granville and Vance County, and the City of Henderson, participates in a regional airport. Each participating government appoints one member to the four-member board. The Airport is a joint venture and improves the quality of life for its citizens. The City has an ongoing financial responsibility for the Airport because it and the other governmental entities are legally obligated under the intergovernmental agreement that created the Airport to honor any deficiencies in the event that proceeds from other default remedies are insufficient. The City contributed $28,750 to the Airport during the fiscal year ended June 30, 2021. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2021. Complete financial statements for the Airport can be obtained from the Aeronautics Authority's Administrative offices.

The City and the members of the City's fire department each appoint two members to the five-member local board of trustees for the Firemen's Relief Fund. The State Insurance Commissioner appoints one additional member to the local board of trustees. The Firemen's Relief Fund is funded by a portion of the fire and lightening insurance premiums that insurers remit to the State. The State passes these moneys to the local board of the Firemen's Relief Fund. The funds are used to assist firefighters in various ways. The City obtains an ongoing financial benefit from the Fund for the on-behalf of payments for salaries and fringe benefits made to members of the City's fire department by the board of trustees. During the fiscal year ended June 30, 2021 the City reported revenues and expenditures for the payments of $0 made through the Firemen's Relief Fund. The participating governments do not have any equity interest in the joint venture, so no equity has been reflected in the financial statements at June 30, 2021. The Firemen's Relief Fund does not issue separate audited financial statements. Instead the local board of trustees files an annual financial report with the State Firemen's Association. This report can be obtained from the Association at Post Office Box 188, Farmville, NC 27828.

NOTE VI. RELATED ORGANIZATION

The five-member board of the City of Oxford Housing Authority is appointed by the mayor of the City of Oxford. The City is accountable for the Housing Authority because it appoints the governing board; however, the City is not financially accountable for the Housing Authority. The City of Oxford is also disclosed as a related organization in the notes to the financial statements for the City of Oxford Housing Authority.

NOTE VII. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Federal and State Assisted Programs

The City has received proceeds from several Federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

Coronavirus Disease (COVID-19)

During the fiscal year 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic has had significant effects on global markets, supply chains, businesses, and communities. Specific to the City, COVID-19 is expected to impact various parts of its fiscal year 2021-22 operations and financial results. Management believes the City is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknow and cannot be reasonable estimated as events associated with the pandemic continue to develop.

NOTE VIII. SIGNIFICANT EFFECTS OF SUBSEQUENT EVENTS

The City has evaluated events and transactions that occurred between June 30, 2021 and November 22, 2021, which is the date that the financials were available to be issued, for possible recognition or disclosure in the financial statements. There were no events that occurred during this time that were deemed to be significant enough to be disclosed.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains additional information required by generally accepted accounting principles.

- Schedule of Proportionate Share of Net Pension Asset for Local Government Employees' Retirement System
- Schedule of Contributions to Local Government Employees' Retirement System
- Schedule of Proportionate Share of Net Pension Liability for Firefighters' and Rescue Squad Workers' Pension Plan
- Schedule of Changes in Total Pension Liability – Law Enforcement Officers' Special Separation Allowance
- Schedule of Total Pension Liability as a Percentage of Covered Payroll – Law Enforcement Officers' Special Separation Allowance
- Schedule of Changes in the Total OPEB Liability

EXHIBIT A-1

CITY OF OXFORD, NORTH CAROLINA
CITY OF OXFORD'S PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS *

Local Government Employees' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014
Oxford's proportion of the net pension liability (asset) (%)	0.06166%	0.06432%	0.06501%	0.06343%	0.06989%	0.07187%	0.06761%	0.06690%
Oxford's proportion of the net pension liability (asset) ($)	2,203,374	1,756,529	1,542,260	969,035	1,483,300	322,548	(398,729)	806,402
Oxford's covered payroll	4,319,096	4,334,863	4,186,465	4,055,543	3,943,494	3,936,416	3,827,115	3,932,648
Oxford's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	51.01%	40.52%	36.84%	23.89%	37.61%	8.19%	-10.42%	19.55%
Plan fiduciary net position as a percentage of the total pension liability **	91.63%	94.18%	81.47%	98.09%	99.07%	102.64%	9435.00%	96.45%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

**This will be the same percentage for all participant employers in the LGERS plan.

Information included above is intended to include ten years; however, only the years above have information available.
Additional years will be included as information becomes available.

EXHIBIT A-2

CITY OF OXFORD, NORTH CAROLINA
CITY OF OXFORD'S CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST EIGHT FISCAL YEARS

Local Government Employees' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 450,356	$ 399,691	$ 348,820	$ 326,288	$ 307,171	$ 273,153	$ 282,704	$ 273,090
Contributions in relation to the contractually required contribution	450,356	399,691	348,820	326,288	307,171	273,153	282,704	273,090
Contribution deficiency (excesss)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Oxford's covered payroll	$ 4,320,380	4,319,096	4,334,863	4,186,465	4,055,543	3,943,494	3,936,416	3,827,115
Contributions as a percentage of covered payroll	10.42%	9.25%	8.05%	7.79%	7.57%	6.93%	7.18%	7.14%

Information included above is intended to include ten years; however, only the years above have information available.
Additional years will be included as information becomes available.

EXHIBIT A-3

CITY OF OXFORD, NORTH CAROLINA
CITY OF OXFORD'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION
LAST SEVEN FISCAL YEARS *

Firefighters' and Rescue Squad Workers' Pension

	2021	2020	2019	2018	2017	2016	2015
Oxford's proportionate share of the net pension liability (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Oxford's proportionate share of the net pension liability ($)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's proportionate share of the net pension liability associated with City of Oxord	4,499	6,472	8,949	6,858	-	3,744	4,947
Total	$ 4,499	$ 6,472	$ 8,949	$ 6,858	$ -	$ 3,744	$ 4,947
Oxford's covered payroll	$ 610,076	$603,305	$570,168	$558,416	$478,295	$488,206	$445,406
Oxford's proportionate share of the net pension liability as a percentage of its covered payroll	0.74%	1.07%	1.57%	1.23%	0.00%	0.77%	1.11%
Plan fiduciary net position as a percentage of the total pension liabiity	89.69%	89.35%	84.94%	91.40%	93.42%	92.76%	91.45%

* The amounts presented are for the prior fiscal year.

Information included above is intended to include ten years; however, only the years above have information available.
Additional years will be included as information becomes available.

EXHIBIT A-4

CITY OF OXFORD, NORTH CAROLINA
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
June 30, 2021

	2021	2020	2019	2018	2017
Beginning balance	$ 806,350	$ 874,356	$ 881,989	$ 939,330	$ 932,001
Service Cost	44,008	38,792	40,101	33,197	41,553
Interest on the total pension liability	25,256	30,807	26,985	35,261	32,486
Differences between expected and actual experience in the measurement of the total pension liability	(74,987)	(104,964)	14,412	(124,736)	-
Changes of assumptions or other inputs	261,944	23,400	(33,090)	50,613	(22,605)
Benefit payments	(63,269)	(56,041)	(56,041)	(51,676)	(44,105)
Other changes	-	-	-	-	-
Ending balance of the total pension liability	$ 999,302	$ 806,350	$ 874,356	$ 881,989	$ 939,330

The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31.

Information included above is intended to include ten years; however, only the years above have informationavailable.
Additional years will be included as information becomes available.

EXHIBIT A-5

CITY OF OXFORD, NORTH CAROLINA
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
June 30, 2021

	2021	2020	2019	2018	2017
Total pension liability	$ 999,302	$ 806,350	$ 874,356	$ 881,989	$ 939,330
Covered payroll	1,561,215	1,372,206	1,329,047	1,294,630	1,555,259
Total pension liability as a percentage of covered payroll	64.01%	58.76%	65.79%	68.13%	60.40%

Notes to the schedules:

The City of Oxford has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

Information included above is intended to include ten years; however, only the years above have informationavailable. Additional years will be included as information becomes available.

EXHIBIT A-6

CITY OF OXFORD, NORTH CAROLINA
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
June 30, 2021

Total OPEB Liability	2021	2020	2019	2018
Service Cost	$ 109,196	$ 133,120	$ 142,672	$ 164,267
Interest	209,335	240,151	225,732	204,287
Differencees between expected and actual experience	(16,506)	(463,005)	33,370	58,243
Changes of assumptions	1,412,985	(11,501)	(356,372)	(652,029)
Benefit payments	(189,671)	(210,949)	(214,460)	(227,599)
Net change in total OPEB liability	1,525,339	(312,184)	(169,058)	(452,831)
Total OPEB liability - beginning	5,965,835	6,278,019	6,447,077	6,899,908
Total OPEB liability - ending	$ 7,491,174	$ 5,965,835	$ 6,278,019	$ 6,447,077
Covered payroll	$ 1,532,777	$ 1,532,777	$ 1,948,888	$ 1,948,888
Total OPEB liability as a percentage of covered payroll	488.73%	389.22%	322.13%	330.81%

Notes to Schedule

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

Fiscal Year	Rate
2018	3.56%
2019	3.89%
2020	3.50%
2021	2.21%

Information included above is intended to include ten years; however, only the years above have information available. Additional years will be included as information becomes available.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

General Fund: This fund is used to account for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.

CITY OF OXFORD, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
REVENUES				
Ad valorem taxes				
Taxes	$ 3,414,500	$ 3,730,338	$ 315,838	$ 3,611,412
Interest	7,500	14,329	6,829	12,068
Total	3,422,000	3,744,667	322,667	3,623,480
Other taxes and licenses:				
Local option sales taxes	1,935,000	2,401,809	466,809	2,095,063
Privilege license tax	-	565	565	-
Local ABC revenues	15,000	25,416	10,416	21,886
Total	1,950,000	2,427,790	477,790	2,116,949
Unrestricted intergovernmental				
Utility franchise tax	675,000	632,657	(42,343)	642,633
Beer and wine tax	40,000	36,660	(3,340)	37,291
Total	715,000	669,317	(45,684)	679,924
Restricted intergovernmental				
"State Street Aid" grant	230,000	217,911	(12,089)	228,707
Historic Preservation Committee grant	-	-	-	-
Solid Waste Disposal Tax	6,500	6,363	(137)	6,471
BAND NC grant	-	5,000	5,000	-
Firefighters relief fund	-	-	-	-
Safety grant	-	3,381	3,381	-
CARES Act funding	-	229,530	229,530	-
FEMA storm debris	-	3,061	3,061	61,224
Tourism Funds Granville County	25,000	10,000	(15,000)	25,000
Economic Development position funding	12,000	8,000	(4,000)	12,000
Total	273,500	483,246	209,746	333,403
Permits and fees				
Special use permits	50,500	56,032	5,532	49,347
Auto tags	500	162	(338)	451
Total	$ 51,000	$ 56,194	$ 5,194	$ 49,797

CITY OF OXFORD, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
Sales and Services				
Recreation	$ 62,750	$ 58,921	$ (3,829)	$ 92,696
Refuge collections	1,462,650	1,522,779	60,129	1,484,886
Mowing charges	6,000	10,654	4,654	8,275
Cemetery interment	10,000	7,175	(2,825)	7,660
Federal forfeiture	-	-	-	-
Fire protection	92,250	98,384	6,134	98,574
Special fire protection	450,000	413,611	(36,389)	459,464
Police Masonic home fees	5,000	-	(5,000)	3,813
Police undercover fund	-	5,448	5,448	1,145
Recreation Granville Co.	28,800	28,852	52	28,852
Engineering fees	10,000	12,834	2,834	8,200
Rental income	184,800	175,513	(9,287)	202,429
Police Fees - Housing Authority	17,500	19,276	1,776	22,754
Total	2,329,750	2,353,447	23,697	2,418,748
Investment earnings				
General Fund	50,000	2,232	(47,768)	67,803
Powell Bill	5,000	231	(4,769)	10,739
Total	55,000	2,463	(52,537)	78,542
Miscellaneous				
Court fees and charges	9,950	4,034	(5,916)	6,789
Miscellaneous	900	56	(844)	15,437
Insurance proceeds	-	-	-	420
Total	10,850	4,090	(6,760)	22,646
Total revenues	$ 8,807,100	$ 9,741,214	$ 934,114	$ 9,323,489

CITY OF OXFORD, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
EXPENDITURES				
General Government				
Governing Body				
Salaries and employee benefits	$ 67,025	$ 67,363	$ (338)	$ 63,462
Membership dues	17,450	16,095	1,355	17,479
Other operating expenditures	325,655	301,008	24,647	335,506
Capital Outlay	-	-	-	-
Reimbursements - Enterprise Fund	(476,500)	(475,000)	(1,500)	(463,792)
Total	(66,370)	(90,534)	24,164	(47,345)
Administration				
Salaries and employee benefits	378,050	366,232	11,818	349,395
Capital Outlay	-	-	-	14,529
Other operating expenditures	53,870	41,869	12,001	44,669
Total	431,920	408,100	23,820	408,593
Downtown Oxford Economic Development				
Salaries and employee benefits	104,100	95,928	8,172	89,462
Other operating expenditures	35,480	27,733	7,747	9,723
Total	139,580	123,661	15,919	99,185
Finance				
Salaries and employee benefits	244,420	237,165	7,255	232,775
Capital outlay	-	-	-	-
Other operating expenditures	90,795	80,525	10,270	79,084
Total	$ 335,215	$ 317,690	$ 17,525	$ 311,859
Planning and Zoning				

CITY OF OXFORD, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
Salaries and employee benefits	$ 165,700	$ 160,461	$ 5,239	$ 158,684
Other operating expenditures	50,325	45,089	5,236	40,851
Total	216,025	205,550	10,475	199,535
Legal fees				
Contracted services	18,600	21,025	(2,425)	18,424
Other operating expenditures	6,800	6,814	(14)	3,356
Total	25,400	27,839	(2,439)	21,780
Public Buildings				
Salaries and employee benefits	136,500	129,783	$ 6,717	134,217
Capital Outlay	40,000	-	40,000	41,661
Other operating expenditures	60,250	68,518	(8,268)	48,876
Total	236,750	198,300	38,450	224,754
Landscape & Beautification				
Salaries and employee benefits	71,950	44,947	27,003	52,910
Capital Outlay	15,000	-	15,000	-
Other operating expenses	43,135	44,165	(1,030)	38,547
	130,085	89,112	40,973	91,457
Public Works Administration				
Salaries and employee benefits	114,220	108,333	5,887	100,708
Capital outlay	-	-	-	-
Other operating expenditures	22,640	19,803	2,837	15,729
Total	136,860	128,136	8,724	116,437
Total General Government	$ 1,585,465	$ 1,407,854	$ 177,611	$ 1,426,255
Public Safety				
Police				

CITY OF OXFORD, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
Salaries and employee benefits	$ 2,397,125	$ 2,076,467	$ 320,658	$ 2,396,899
Vehicle maintenance	37,500	30,429	7,071	33,477
Other operating expenditures	423,250	628,605	(205,355)	360,948
Capital outlay	263,000	383,117	(120,117)	36,770
Total	3,120,875	3,118,618	2,257	2,828,094
Fire				
Salaries and employee benefits	898,750	844,836	53,914	851,768
Vehicle maintenance	29,600	30,146	(546)	23,945
Capital outlay	69,277	88,374	(19,097)	133,058
Other operating expenditures	185,223	158,011	27,213	126,037
Total	1,182,850	1,121,367	61,483	1,134,808
Total public safety	4,303,725	4,239,985	63,740	3,962,902
Transportation:				
Streets and highways:				
Salaries and employee benefits	527,425	451,147	76,278	488,823
Vehicle maintenance	49,500	50,405	(905)	27,573
Asphalt and gravel	5,000	-	5,000	-
Other operating expenditures	1,818,000	1,754,145	63,855	1,006,250
Capital outlay	-	11,450	(11,450)	380,057
Sidewalks	20,000	4,650	15,350	4,065
Total	2,419,925	2,271,797	148,128	1,906,768
Airport				
Donation to VGHO Airport	28,750	28,750	-	28,750
Total	$ 28,750	$ 28,750	$ -	$ 28,750
City Garage				
Salaries and employee benefits	$ 48,060	$ -	$ 48,060	$ 11,917
Capital Outlay	6,300	5,995	305	18,870

CITY OF OXFORD, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
Other operating expenditures	16,350	15,617	733	23,008
Total	70,710	21,612	49,098	53,795
Engineering				
Salaries and employee benefits	202,445	198,995	3,450	193,653
Capital outlay	-	-	-	-
Other operating expenditures	20,050	16,052	3,998	14,701
Total	222,495	215,048	7,447	208,354
Total transportation & utilities	2,741,880	2,537,207	204,673	2,197,667
Environmental Protection				
Sanitation				
Contracted services	1,020,000	1,020,651	(651)	982,511
Other operating expenditures	39,700	42,337	(2,637)	37,922
Total	1,059,700	1,062,988	(3,288)	1,020,433
Cemetery				
Other operating expenditures	36,000	32,000	4,000	32,000
Total	36,000	32,000	4,000	32,000
Total environmental protection	1,095,700	1,094,988	713	1,052,433
Culture and recreation:				
Parks and recreation:				
Salaries and employee benefits	549,925	447,636	102,289	452,615
Other operating expenditures	158,565	129,200	29,365	154,236
Capital outlay	22,000	21,990	10	116,077
Total	$ 730,490	$ 598,826	$ 131,664	$ 722,928
Swimming Pool				
Salaries and employee benefits	$ 24,185	$ 15,716	$ 8,469	$ 15,171

CITY OF OXFORD, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
Other operating expenditures	22,975	16,849	6,126	20,299
Total	47,160	32,565	14,595	35,470
Lake Devin Facilities				
Salaries and employee benefits	90	-	90	-
Other operating expenditures	8,700	4,377	4,323	9,057
Utilities	2,850	2,688	162	2,338
Total	11,640	7,065	4,575	11,395
Oxford Athletic Park Operations				
Other operating expenditures	55,570	44,168	11,402	47,693
Total	55,570	44,168	11,402	47,693
Total culture and recreation	844,860	682,624	162,237	817,486
Debt service:				
Principal retirement	70,950	70,942	8	87,900
Interest and other charges	-	-	-	-
Total debt service	70,950	70,942	8	87,900
Total expenditures	10,642,580	10,033,600	608,981	9,544,643
Revenues over (under) expenditures	(1,835,480)	(292,386)	1,543,093	(221,156)
Other Financing Sources (uses)				
Transfers from other funds				
Water and Sewer	225,975	225,975	-	225,950
Transfer to Capital Projects	(107,875)	(16,207)	91,668	(21,000)
Sale of capital assets	-	18,146	18,146	-
Proceeds of Capital lease	1,250,000	1,250,000	-	-
Total other financing sources (uses)	$ 1,368,100	$ 1,477,914	$ 109,814	$ 204,950
APPROPRIATED FUND BALANCE	$ 467,380	$ -	$ (467,380)	$ -
EXCESS OF REVENUES AND OTHER				

CITY OF OXFORD, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
SOURCES OVER EXPENDITURES AND OTHER USES	$ -	1,185,528	$ 1,185,527	$ (16,204)
FUND BALANCES:				
Beginning of year - July 1		6,461,422		
End of year - June 30		$ 7,646,950		

EXHIBIT B-2

CITY OF OXFORD, NORTH CAROLINA
GENERAL CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	BUDGET	ACTUAL PRIOR YEARS	ACTUAL CURRENT YEAR	ACTUAL TOTAL TO DATE	VARIANCE POSITIVE (NEGATIVE)
Revenues					
CMAQ Sidewalk-State grant	$ 495,000	$ 294,829	$ -	$ 294,829	$ (200,171)
CMAQ #2 Sidewalk-State grant	-	48,556	7,600	56,156	56,156
DOT Sidewalk-County grant	-	23,400	-	23,400	23,400
Orphan Landfill grant	170,000	69,756	-	69,756	(100,244)
CDBG	500,000	-	16,570	16,570	(483,430)
Investment earnings	600	6,239	-	6,239	5,639
Total Revenues	1,165,600	442,780	24,170	466,950	(698,650)
Expenditures					
CMAQ Sidewalk	360,000	387,738	$ -	387,738	(27,738)
CMAQ #2-Sidewalk grant	300,000	66,857	16,560	83,417	216,583
Orphan Landfill	70,000	206,633	-	206,633	(136,633)
CDBG	500,000	-	16,570	16,570	483,430
Total Expenditures	1,230,000	661,228	33,130	694,358	535,642
Revenues over (under) expenditures	(64,400)	(218,448)	(8,960)	(227,408)	(163,008)
Other Financing Sources (uses)					
Transfer from General Fund	64,400	274,318	16,207	290,525	226,125
Net Change in Fund Balance	$ -	$ 55,870	7,247	$ 63,117	$ 63,117
Fund Balances:					
Beginning of year - July 1			55,870		
End of year - June 30			$ 63,117		

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the government's council is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; where the government's council has decided that the periodic determination of net income is appropriate for accountability purposes

Water and Sewer Fund: This fund is used to account for the operations of the City's water and sewer operations.

Stormwater Management Fund: This fund is used to account for the operations of the City's stormwater management operations.

Water and Sewer Capital Projects Fund: This fund is used to account for capital projects of the City related to the water and sewer funds.

CITY OF OXFORD, NORTH CAROLINA
WATER AND SEWER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
REVENUES				
Water Sales	$ 3,200,000	$ 2,826,441	$ (373,559)	$ 2,972,388
Sewer charges	2,974,250	2,852,495	(121,755)	2,897,887
Hydrants and sprinklers	70,000	72,750	2,750	70,149
Water and sewer taps	65,000	33,805	(31,195)	21,629
Total	6,309,250	5,785,491	(523,759)	5,962,053
Triangle North Allocation fee	767,731	767,731	-	757,790
Other operating revenues	186,500	321,829	135,329	178,889
Total operating revenues	7,263,481	6,875,051	(388,430)	6,898,732
Nonoperating revenues				
Interest on investments	90,000	22,362	(67,638)	101,244
Total nonoperating revenues	90,000	22,362	(67,638)	101,244
Total revenues	7,353,481	6,897,413	(456,068)	6,999,976
EXPENDITURES				
Water and sewer administration:				
Salaries and employee benefits	148,835	112,804	36,031	139,072
Retiree Health Insurance	8,955	8,932	23	8,736
Rent	-	-	-	36,000
Other operating expenditures	591,280	577,981	13,299	567,111
Total water and sewer administration	749,070	699,717	49,353	750,919
Meter Service				
Salaries and employee benefits	105,360	83,890	21,470	102,293
Other operating expenditures	34,250	21,894	12,356	31,269
Total	139,610	105,784	33,826	133,562
Water Supply, Pumping and				
Water Purchases	943,950	853,169	90,781	923,403
Contracted services	7,050	6,929	121	6,880
Other operating expenditures	40,350	39,967	383	37,614
Total	$ 991,350	$ 900,065	$ 91,285	$ 967,897

CITY OF OXFORD, NORTH CAROLINA
WATER AND SEWER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
Water and Sewer Line				
Salaries and employee benefits	$ 478,650	$ 434,666	$ 43,984	$ 459,869
Supplies	63,000	57,979	5,021	65,987
Utilities	7,250	6,076	1,174	6,658
Contracted services	4,500	3,196	1,304	4,850
Other operating expenditures	135,250	124,857	10,393	141,110
Total	688,650	626,774	61,876	678,474
Lift Station Master				
Contracted services	15,800	15,765	35	615
Utilities	42,900	44,820	(1,920)	45,915
Repairs and maintenance	47,000	46,575	425	25,191
Lift Station other operating	15,400	15,210	190	8,332
Total	121,100	122,370	(1,270)	80,053
Stovall Water Line				
Other operating expenses	5,250	4,490	760	240
Repairs and maintenance	8,000	2,780	5,220	9,384
Utitlites	5,750	4,666	1,084	6,400
Total	19,000	11,936	7,064	16,024
Industrial Waste Treatment				
Salaries and employee benefits	339,695	312,097	27,598	316,105
Contracted services	31,900	26,274	5,626	36,495
Utilities	170,000	142,983	27,017	161,939
Land application sludge	165,000	71,443	93,557	204,283
Repairs and maintenance	156,650	139,556	17,094	66,416
Other operating expenditures	77,100	69,579	7,521	72,662
Total	940,345	761,932	178,413	857,900
Debt service:				
Interest and other charges	112,959	112,958	1	124,552
Principal retirement	1,053,444	1,053,444	-	832,645
Total debt service	1,166,403	1,166,402	1	957,197
Capital Outlay				
Miscellanous water	93,675	66,143	27,532	345,839
Total expenditures	$ 4,909,203	$ 4,461,123	$ 448,080	$ 4,787,865

CITY OF OXFORD, NORTH CAROLINA
WATER AND SEWER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
Other financing sources (uses):				
Transfer to other fund:				
General Fund	$ (225,975)	$ (225,975)	$ -	$ (225,950)
Water Capital Projects	(133,547)	(133,547)	-	(1,038,657)
Proceeds of sale of equipment	-	-	-	-
Fund Balance Appropriated	(2,084,756)	-	2,084,756	-
Total other financing sources (uses)	(2,444,278)	(359,522)	2,084,756	(1,264,607)
Revenues and other sources over expenditures and other uses	$ -	2,076,768	$ 2,076,768	$ 947,504
Reconciliation from budgetary basis (modified accrual) to full accrual basis:				
Principal retirement		1,053,444		
Capital outlay		10,522,172		
Book value of assets sold		-		
Water & Sewer capital projects fund revenues over (under) expenditures		(5,505,295)		
Proceeds of loan		(852,724)		
Increase (Decrease) in deferred outflows of resources - pensions		29,450		
Increase (Decrease) in deferred outflows of resources - OPEB		165,502		
(Increase) Decrease in net pension liability		(74,387)		
(Increase) Decrease in OPEB liability		(253,827)		
(Increase) Decrease in deferred inflows of resources - pensions		(1,935)		
(Increase) Decrease in deferred inflows of resources - OPEB		42,991		
Depreciation		(1,126,372)		
Change in net position		$ 6,075,787		

CITY OF OXFORD, NORTH CAROLINA
STORMWATER MANAGEMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2021
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30,2020

	2021			2020
	BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	ACTUAL
REVENUES				
Operating Revenues				
Charges for Services	303,000	$ 322,202	$ 19,202	$ 305,436
Nonoperating Revenues				
Interest earnings	3,000	131	(2,869)	5,041
Total Revenues	306,000	322,333	16,333	$ 310,477
EXPENDITURES				
General Operations	306,000	160,465	145,535	58,087
Capital Outlay	-	-	-	-
Total Expenditures	306,000	160,465	145,535	58,087
Revenues over (under) expenditures	-	161,868	161,868	252,390
Other Financing Sources (Uses)				
Fund Balance Appropriated	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
EXCESS OF REVENUES, OTHER SOURCES AND FUND BALANCE OVER EXPENDITURES AND OTHER USES	$ -	161,868	$ 161,868	$ 252,390
Reconciliation from budgetary basis (modified accrual) to full accrual basis:				
Depreciation		(15,439)		
Capital outlay		-		
Change in net position		$ 146,429		

EXHIBIT C-3

CITY OF OXFORD, NORTH CAROLINA
WATER AND SEWER CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	PROJECT AUTHORIZATION	ACTUAL PRIOR YEARS	ACTUAL CURRENT YEAR	ACTUAL TOTAL TO DATE	VARIANCE POSITIVE (NEGATIVE)
Revenues					
USDA Grant	$ 1,600,000	$ -	967,063	$ 967,063	$ (632,937)
USDA	5,000,000	5,000,000	-	5,000,000	-
AIA grant	255,000	259,695	39,435	299,130	44,130
Additional Water Storage	3,046,942	2,600,988	94,669	2,695,657	(351,285)
2017 State drinking water reserve	7,332,000	5,520,276	562,159	6,082,435	(1,249,565)
2017 State clean water reserve	2,980,250	66,304	852,724	919,028	(2,061,222)
2017 State clean water reserve	2,940,750	198,911	2,558,172	2,757,083	(183,667)
2017B DWI water main replacements	2,710,500	-	-	-	(2,710,500)
2017B DWI sewer main replacements	3,468,000	-	-	-	(3,468,000)
2018 CWSRF clean water sewer main replacements	4,696,493	-	-	-	(4,696,493)
2018 DWSRF drinking water main replacements	5,257,854	-	-	-	(5,257,854)
2021 DWI WWTP improvements	6,062,000	-	-	-	(6,062,000)
Investment earnings	-	43,450	693	44,143	44,143
Total Revenues - water project	45,349,789	13,689,624	5,074,915	18,764,539	(26,585,250)
Expenditures - Water Project:					
Additional Water Storage	3,107,881	2,741,225	183,562	2,924,787	183,094
AIA-asset inventory & assessment	284,325	320,905	7,550	328,455	(44,130)
Miscellaneous water/sewer improvements	100,000	56,733	38,273	95,006	4,994
2017 USDA w/s improvements	7,256,000	2,043,132	4,606,051	6,649,183	606,817
2017 Water main replacements	7,464,060	5,668,933	938,742	6,607,675	856,385
2017 Sewer main replacements	6,024,716	498,042	3,720,373	4,218,415	1,806,301
2018 DWSRF water main replacements	5,363,011	372,398	4,093	376,491	4,986,520
2018 CWSRF sewer main replacements	4,790,423	322,422	4,736	327,158	4,463,265
2017B DWI water main replacements	2,764,710	104,131	97,001	201,132	2,563,578
2017B DWI sewer main replacements	3,537,360	22,164	743,887	766,051	2,771,309
USDA Contract 2	-	-	333	333	(333)
2021 DWI WWTP improvements	6,062,000	-	111,428	111,428	5,950,572
Debt Service-interest	-	-	257,728	257,728	(257,728)
Total expenditures - water project	46,754,486	12,150,085	10,713,757	22,863,842	23,890,644
Revenues over (under) expenditures	(1,404,697)	1,539,539	(5,638,842)	(4,099,303)	(2,694,606)
Other Financing Sources (uses)					
Proceeds from financing	-	3,001,772	-	3,001,772	3,001,772
Transfer from Stormwater Management	-	195,851	-	195,851	195,851
Transfer from Water Fund	1,404,697	8,344,458	133,547	8,478,005	7,073,308
Total Other Financing Sources(uses)	1,404,697	11,542,081	133,547	11,675,628	10,270,931
Revenues and other sources over(under) expenditure	$ -	$ 13,081,620	$ (5,505,295)	$ 7,576,325	$ 7,576,325

OTHER SCHEDULES

- Schedule of Ad Valorem Taxes Receivable

- Analysis of Current Year Tax Levy

EXHIBIT D-1

CITY OF OXFORD, NORTH CAROLINA
SUPPLEMENTARY INFORMATION
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
June 30, 2021

FISCAL YEAR	UNCOLLECTED BALANCE JUNE 30, 2020	ADDITIONS	COLLECTIONS AND CREDITS	UNCOLLECTED BALANCE JUNE 30, 2021
2020-2021	$ -	$ 3,775,280	$ 3,698,982	$ 76,298
2019-2020	65,218	-	41,729	23,489
2018-2019	28,485	-	12,378	16,107
2017-2018	6,677	-	2,750	3,927
2016-2017	4,179	-	2,131	2,048
2015-2016	1,700	-	132	1,568
2014-2015	1,082	-	66	1,016
2013-2014	4,287	-	245	4,042
2012-2013	6,489	-	164	6,325
2011-2012	4,189	-	48	4,141
2010-2011	4,737	-	4,737	-
	$ 127,043	$ 3,775,280	$ 3,763,362	$ 138,961

Reconcilement with revenues:

Ad valorem taxes - General Fund	$ 3,744,667
Reconciling items:	
Interest collected	(14,329)
Discounts allowed	28,287
Taxes written off	4,737
Subtotal	18,695
Total collections and credits	$ 3,763,362

EXHIBIT D-2

CITY OF OXFORD, NORTH CAROLINA
SUPPLEMENTARY INFORMATION
ANALYSIS OF CURRENT TAX LEVY
FOR THE YEAR ENDED JUNE 30, 2021

	City-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at curent year's rate	$ 508,255,938	0.64	$ 3,252,838	$ 3,252,838	$ -
Registered motor vehicles taxed at current year's rate	64,648,750	0.64	413,752	-	413,752
Total	572,904,688		3,666,590	3,252,838	413,752
Discoveries:					
Current year taxes	17,588,125	0.64	112,564	112,564	-
Abatements	(605,313)	0.64	(3,874)	(3,874)	-
Total Property Valuation	$ 589,887,500				
Net levy			3,775,280	3,361,528	413,752
Uncollected at June 30, 2021			(76,298)	(74,859)	(1,439)
Current year taxes collected			$ 3,698,982	$ 3,286,669	$ 412,313
Current levy collection percentage			97.98%	97.77%	99.65%

STATISTICAL SECTION

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

City of Oxford
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

TABLE 1

	Years Ended									
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Govermental activities										
Net Investment in capital assets	$ 5,154,718	$ 5,125,040	$ 4,829,076	$ 4,432,493	$ 4,883,668	$ 5,172,617	$ 5,605,248	$ 5,673,377	$ 5,797,072	$ 4,419,935
Restricted	472,938	488,932	607,496	810,729	2,270,485	2,583,892	2,671,904	1,571,729	1,036,563	1,113,140
Unrestricted	522,827	611,397	967,334	1,358,025	(414,308)	(579,292)	(4,222,474)	(2,190,878)	(1,763,441)	(1,004,585)
Total govermental activities net position	$ 6,150,483	$ 6,225,369	$ 6,403,906	$ 6,601,247	$ 6,739,845	$ 7,177,217	$ 4,054,678	$ 5,054,228	$ 5,070,194	$ 4,528,490
Business-type activities										
Net Investment in capital assets	$ 14,528,674	$ 16,275,698	$ 16,599,276	$ 16,407,171	$ 16,813,478	$ 18,557,660	$ 20,250,346	$ 21,486,492	$ 18,449,485	$ 28,030,566
Restricted	-	-	-	-	-	-	-	-	-	76,163
Unrestricted	2,849,208	2,478,146	2,418,330	3,179,915	5,643,396	5,832,471	5,771,476	6,876,285	13,084,920	9,649,892
Total business-type activities net position	$ 17,377,882	$ 18,753,844	$ 19,017,606	$ 19,587,086	$ 22,456,874	$ 24,390,131	$ 26,021,822	$ 28,362,777	$ 31,534,405	$ 37,756,621
Primary government										
Net Investment in capital assets	$ 19,683,392	$ 21,400,738	$ 21,428,352	$ 20,839,664	$ 21,696,146	$ 23,730,277	$ 25,855,594	$ 27,159,869	$ 24,246,557	$ 32,450,501
Restricted	472,938	488,932	607,496	810,729	2,270,485	2,583,892	2,671,904	1,571,729	1,036,563	1,189,303
Unrestricted	3,372,035	3,089,543	3,385,664	4,537,940	5,229,088	5,253,179	1,549,002	4,685,407	11,321,479	8,645,307
Total primary government net position	$ 23,528,365	$ 24,979,213	$ 25,421,512	$ 26,188,333	$ 29,195,719	$ 31,567,348	$ 30,076,500	$ 33,417,005	$ 36,604,599	$ 42,285,111

City of Oxford
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

TABLE 2

	Years Ended									
Expenses	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Governmantal activities:										
General government	$ 1,168,874	$ 1,323,461	$ 1,397,199	$ 1,378,973	$ 1,627,050	$ 1,436,719	$ 1,225,305	$ 1,593,008	$ 1,562,580	$ 1,624,143
Public safety	3,381,617	3,634,090	3,861,636	3,758,490	3,780,818	3,634,026	3,723,830	3,996,724	4,233,145	4,340,020
Transportation	1,052,579	986,646	979,736	1,187,232	1,322,795	1,171,944	1,507,336	1,223,591	2,002,819	2,710,684
Environmental protection	1,023,588	1,080,544	1,126,846	1,015,021	1,037,643	1,172,881	1,148,171	1,049,276	1,086,986	1,111,548
Cultural and recreation	842,919	852,346	886,270	999,298	948,224	852,655	816,534	880,442	811,326	778,481
Interest on long-term debt	50,582	30,753	28,477	23,238	30,645	16,199	7,643	346	-	1
Total governmental activities expenses	7,520,159	7,907,840	8,280,164	8,362,252	8,747,175	8,284,424	8,428,819	8,743,387	$ 9,696,856	$ 10,564,877
Business-type activities										
Water and Sewer	4,046,107	4,208,161	4,469,703	4,614,651	4,496,460	4,707,519	4,457,485	4,898,081	4,751,631	4,817,842
Stormwater Management	46,979	42,276	39,642	39,596	56,409	61,243	59,276	86,144	73,527	175,904
Total business-type activities expenses	4,093,086	4,250,437	4,509,345	4,654,247	4,552,869	4,768,762	4,516,761	4,984,225	4,825,158	4,993,746
Total primary government expenses	$ 11,613,245	$ 12,158,277	$ 12,789,509	$ 13,016,499	$ 13,300,044	$ 13,053,186	$ 12,945,580	$ 13,727,612	$ 14,522,014	$ 15,558,623
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	$ 189,614	$ 186,851	$ 189,468	$ 209,725	$ 241,854	$ 245,703	$ 243,832	$ 256,911	$ 251,776	$ 231,545
Public Safety	346,735	475,957	461,246	478,073	492,765	510,310	537,601	612,387	592,539	540,753
Transportation	-	-	-	237,535	-	232,558	235,345	230,818	8,200	12,834
Environmental protection	1,154,924	1,213,446	1,295,555	1,439,616	1,440,436	1,492,879	1,456,879	1,505,563	1,500,821	1,540,608
Culture and recreation	148,199	163,808	158,121	269,288	234,447	194,685	164,571	160,562	121,548	87,773
Operating grants and contributions	313,600	316,300	303,735	125,113	340,636	97,303	239,327	89,415	336,810	485,047
Capital grants and contributions	1,818	1,322	6,686	-	52,126	69,756	5,000	-	139,372	24,170
Total governmental activities program revenues	2,154,890	2,357,684	2,414,811	2,759,350	2,802,264	2,843,194	2,882,555	2,855,656	$ 2,951,066	$ 2,922,730
Business-type activities										
Charges for services:										
Water and Sewer	4,517,702	4,468,141	4,626,873	4,894,814	7,152,344	6,691,034	6,647,697	7,001,881	6,898,732	6,875,051
Stormwater Management	157,836	164,222	162,389	168,031	163,627	167,917	192,220	263,070	305,436	322,202
Operating grants and contributions										
Water and Sewer	-	-	-	-	-	-	-	-	-	-
Stormwater Management	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions										
Water and Sewer	299,600	991,000	163,782	450,000	-	-	44,130	203,965	912,283	4,222,191
Total business-type activities program revenues	4,975,138	5,623,363	4,953,044	5,512,845	7,315,971	6,858,951	6,884,047	7,468,916	8,116,451	11,419,444
Total primary government program revenues	$ 7,130,028	$ 7,981,047	$ 7,367,855	$ 8,272,195	$ 10,118,235	$ 9,702,145	$ 9,766,602	$ 10,324,572	$ 11,067,517	$ 14,342,174
Net (expenses)/revenue										
Governmental activities	$ (5,365,269)	$ (5,550,156)	$ (5,865,353)	$ (5,602,902)	$ (5,944,911)	$ (5,441,230)	$ (5,546,264)	$ (5,887,731)	$ (6,745,790)	$ (7,642,147)
Business-type activities	882,052	1,372,926	443,699	858,598	2,763,102	2,090,189	2,367,286	2,484,691	3,291,293	6,425,698
Total primary government net expenses	$ (4,483,217)	$ (4,177,230)	$ (5,421,654)	$ (4,744,304)	$ (3,181,809)	$ (3,351,041)	$ (3,178,978)	$ (3,403,040)	$ (3,454,497)	$ (1,216,449)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 3,094,027	$ 3,154,864	$ 3,329,931	$ 3,349,639	$ 3,372,913	$ 3,512,461	$ 3,539,563	$ 3,604,478	$ 3,644,084	$ 3,756,534
Other taxes	278,445	458,139	315,268	340,596	108,015	60,733	51,869	53,114	59,177	62,641
Franchise taxes	556,118	561,041	566,829	668,878	687,749	672,407	674,849	682,315	642,633	632,657
Sales taxes	1,299,179	1,332,610	1,385,544	1,512,634	1,582,238	1,829,825	1,916,707	2,010,348	2,095,063	2,401,809
Unrestricted grants and contributions										
Investment earnings	5,280	901	2,710	582	4,989	19,975	83,747	157,057	78,542	2,463
Gain (Loss) on sale of capital assets			(11,745)	-	-	-	-	-	-	
Miscellaneous	171,615	117,487	243,193	169,019	193,205	53,274	16,574	154,019	16,307	18,364
Transfers		-	212,160	212,160	212,160	225,975	225,975	225,950	225,950	225,975
Total governmental activities	5,404,664	5,625,042	6,043,890	6,253,508	6,161,269	6,374,650	6,509,284	6,887,281	$ 6,761,756	$ 7,100,443
Business-type activities:										
Investment earnings	3,308	1,692	2,468	1,183	72,824	69,043	76,081	84,600	106,285	22,493
Miscellaneous	8,239	1,344	-	-	-	-	-	-	-	-
Gain (Loss) on sale of capital assets	-	-	29,755	1,471	109,022	-	-	(2,386)	-	-
Transfers	-	-	(212,160)	(212,160)	(212,160)	(225,975)	(225,975)	(225,950)	(225,950)	(225,975)
Total business-type activities	11,547	3,036	(179,937)	(209,506)	(30,314)	(156,932)	(149,894)	(143,736)	(119,665)	(203,482)
Total primary government	$ 5,416,211	$ 5,628,078	$ 5,863,953	$ 6,044,002	$ 6,130,955	$ 6,217,718	$ 6,359,390	$ 6,743,545	$ 6,642,091	$ 6,896,961
Changes in Net Position										
Governmental activities	$ 39,395	$ 74,886	$ 178,537	$ 650,606	$ 216,358	$ 933,420	$ 963,020	$ 999,550	$ 15,966	$ (541,704)
Business-type activities	893,599	1,375,962	263,762	649,092	2,732,788	1,933,257	2,217,392	2,340,955	3,171,628	6,222,216
Total primary government	$ 932,994	$ 1,450,848	$ 442,299	$ 1,299,698	$ 2,949,146	$ 2,866,677	$ 3,180,412	$ 3,340,505	$ 3,187,594	$ 5,680,512

City of Oxford
Governmental Activities Tax Revenues By Sources
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Alcoholic Beverage Tax	Total
2012	$ 3,094,027	$ 1,299,179	$ 556,118	$ 83,193	$ 5,032,517
2013	3,154,864	1,332,610	561,041	31,719	5,080,234
2014	3,329,931	1,385,544	566,829	40,648	5,322,952
2015	3,349,639	1,512,634	668,878	40,532	5,571,683
2016	3,372,913	1,582,238	687,749	43,975	5,686,875
2017	3,512,461	1,829,825	672,407	21,604	6,036,297
2018	3,539,563	1,916,707	674,849	14,120	6,145,239
2019	3,604,478	2,010,348	682,315	15,532	6,312,673
2020	3,644,084	2,095,063	642,633	21,886	6,403,666
2021	$ 3,756,534	$ 2,401,809	$ 632,657	$ 25,416	$ 6,816,416

City of Oxford
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

TABLE 4

	Years Ended									
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
General fund										
Non Spendable	$ 10,213	$ 10,799	$ 8,560	$ 7,592	$ 7,402	$ 3,806	$ 5,153	$ 5,912	$ 4,097	$ 3,404
Restricted	472,938	488,932	607,496	810,729	2,270,485	2,583,892	2,671,904	1,571,729	1,036,563	1,050,023
Committed	25,000	25,000	140,500	17,792	72,792	77,792	72,792	81,591	87,401	70,342
Assigned	24,736	-	-	190,827	655,645	548,437	-	538,500	467,380	230,955
Unassigned	1,612,311	1,856,222	2,313,395	3,228,099	1,147,500	1,614,108	2,858,823	4,279,894	4,865,980	6,292,226
Total general fund	$ 2,145,198	$ 2,380,953	$ 3,069,951	$ 4,255,039	$ 4,153,824	$ 4,828,035	$ 5,608,672	$ 6,477,626	$ 6,461,421	$ 7,646,950
Non-Major funds										
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 63,117
Unassigned	(1,991)	(1,925)	(1,909)	(1,886)	(7,742)	108,550	(103,141)	(69,949)	55,870	-
	$ (1,991)	$ (1,925)	$ (1,909)	$ (1,886)	$ (7,742)	$ 108,550	$ (103,141)	$ (69,949)	$ 55,870	$ 63,117

City of Oxford
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

TABLE 5

	Years Ended									
	2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Revenues										
Ad valorem Taxes	$ 3,087,881	$ 3,161,519	$ 3,370,403	$ 3,412,284	$ 3,420,538	$ 3,517,205	$ 3,543,071	$ 3,596,292	$ 3,623,480	$ 3,744,667
Other taxes and licenses	1,540,714	1,723,917	1,632,781	1,774,665	1,653,117	1,852,203	1,931,487	2,025,880	2,116,949	2,427,790
Unrestricted intergovernmental	618,455	627,873	634,860	747,443	724,885	710,762	711,938	719,897	679,924	669,317
Restricted intergovernmental	293,746	316,300	310,421	362,648	392,290	397,873	478,171	318,482	472,775	507,416
Permits and fees	144,329	143,864	218,883	175,493	147,783	52,269	45,797	44,761	49,797	56,194
Sales and services	1,803,161	2,006,860	2,068,835	2,358,410	2,390,707	2,392,328	2,346,288	2,470,633	2,418,748	2,353,447
Investment earnings	7,328	614	3,666	605	4,990	19,899	83,747	157,189	78,542	2,463
Miscellaneous	59,842	23,613	52,241	30,334	81,980	34,404	27,240	161,640	22,646	4,090
Total Revenues	7,555,456	8,004,560	8,292,090	8,861,882	8,816,290	8,976,943	9,167,739	9,494,774	9,462,861	9,765,384
Expenditures										
General government	1,105,025	1,198,852	1,274,289	1,245,720	1,526,097	1,392,185	1,489,938	1,448,257	1,370,065	1,407,854
Public safety	3,180,360	3,327,355	3,520,577	3,490,818	3,533,273	3,427,377	3,559,212	3,730,280	3,793,074	3,768,494
Transportation	921,851	906,061	899,042	1,097,624	1,170,005	1,038,823	1,095,846	1,146,121	1,798,740	2,503,202
Environmental protection	1,023,588	1,080,544	1,126,846	1,015,021	1,037,643	1,172,881	1,020,938	1,049,276	1,052,432	1,111,548
Cultural, recreation and parks	729,500	735,881	758,741	879,668	830,430	742,467	731,006	793,080	701,409	660,634
Capital outlay	168,684	310,943	266,773	322,242	609,292	332,577	638,718	1,170,957	775,576	544,056
Debt service										
Principal	186,744	180,191	248,764	248,389	340,342	313,978	281,558	272,522	87,900	70,942
Interest	50,711	30,903	28,592	23,004	30,765	17,077	7,684	366	-	-
Total expenditures	7,366,463	7,770,730	8,123,624	8,322,486	9,077,847	8,437,365	8,824,900	9,610,859	9,579,196	10,066,730
Excess of revenues over (under) expenditures	188,993	233,830	168,466	539,396	(261,557)	539,578	342,839	(116,085)	(116,335)	(301,346)
Other financing sources (uses)										
Transfers	-	-	212,160	212,160	212,160	225,975	225,975	225,950	225,950	225,975
Sale of capital assets	-	-	-	-	22,060	24,950	132	12,975	-	18,146
Capital leases	68,261	-	308,388	435,441	-	-	-	779,306	-	1,250,000
Net change in fund balances	$ 257,254	$ 233,830	$ 689,014	$ 1,186,997	$ (27,337)	$ 790,503	$ 568,946	$ 902,146	$ 109,615	$ 1,192,775
Debt service as a percentage of noncapital expenditures	3.30%	2.83%	3.53%	3.39%	4.42%	4.15%	3.53%	3.25%	1.00%	0.74%

City of Oxford
General Governmental Tax Revenues By Sources
Last Ten Fiscal Years
(modified accrual basis of accounting)
(unaudited)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Alcoholic Beverage Tax
2012	$ 3,087,881	$ 1,299,179	$ 556,118	$ 83,193
2013	3,161,519	1,332,610	561,041	31,719
2014	3,370,403	1,385,544	566,829	40,648
2015	3,412,284	1,512,634	668,878	40,532
2016	3,420,538	1,582,238	687,749	43,975
2017	3,517,205	1,829,825	672,407	21,604
2018	3,543,071	1,916,707	674,849	14,120
2019	3,596,292	2,010,348	682,315	15,532
2020	3,623,480	2,095,063	642,633	21,886
2021	$ 3,744,667	$ 2,401,809	$ 632,657	$ 25,416

City of Oxford
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended June 30	Real Property			Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Net Property	Motor Vehicles	Other					
2012	not available	not available	$484,263,971	$ 42,571,620	-	$ (6,762,591)	$ 520,073,000	0.60	##########	85%
2013	not available	not available	481,500,009	44,822,991	-	(6,554,765)	526,323,000	0.60	619,203,529	85%
2014	not available	not available	485,471,294	59,678,368	-	(6,619,076)	538,530,586	0.62	633,565,395	85%
2015	not available	not available	484,864,209	47,080,000	-	(6,634,209)	525,310,000	0.64	618,011,765	85%
2016	not available	not available	486,043,375	50,102,969	-	(6,801,812)	529,344,532	0.64	622,758,273	85%
2017	not available	not available	506,140,510	52,864,688	-	(6,661,916)	552,343,282	0.64	649,815,626	85%
2018	not available	not available	509,992,060	53,211,406	-	(7,067,060)	556,136,406	0.64	654,278,125	85%
2019	not available	not available	518,235,829	55,677,031	-	(7,692,583)	566,220,277	0.64	666,141,502	85%
2020	not available	not available	522,735,916	56,500,313	-	(6,909,510)	572,326,719	0.64	673,325,552	85%
2021	not available	not available	$532,372,086	$ 64,648,750	-	$ (7,133,336)	$ 589,887,500	0.64	##########	85%

TABLE 8

City of Oxford
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(unaudited)

Fiscal Year	City of Oxford	Granville County	Oxford Parking Authority	Downtown Oxford Economic Development Corporation	Total District & Overlapping Rates
2012	0.60	0.795	0.10	0.10	1.595
2013	0.60	0.795	0.10	0.10	1.615
2014	0.62	0.795	0.10	0.10	1.615
2015	0.64	0.830	0.10	0.10	1.670
2016	0.64	0.830	0.10	0.10	1.670
2017	0.64	0.880	0.10	0.10	1.72
2018	0.64	0.880	0.10	0.10	1.72
2019	0.64	0.880	0.10	0.10	1.72
2020	0.64	0.840	0.10	0.10	1.68
2021	0.64	0.840	0.10	0.10	1.68

Overlapping rates are those of the local municipality and the county government that apply to property owners within the City of Oxford. Two districts in the City of Oxford are also subject to the rates of the component units.

The City does not break down the direct rate between rate for operations and the rate for debt service.

City of Oxford
Principal Property Taxpayers
December 31, 2020
Current year and ten years ago
(unaudited)

	2021			2011		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Walmart Real Estate Business Trust	$ 9,163,422	1	1.55%	9,494,235	1	1.85%
BMA Oxford Apartments LLC	6,418,711	2	1.09%	6,565,956	3	1.28%
Duke Energy Progress	6,338,881	3	1.07%			
WRS Centers LLC	4,101,676	4	0.70%			
TTT Enterprises	3,451,161	5	0.59%			
Universal Propeties	2,878,366	6	0.49%			
Hilltop Village Shopping Center	2,750,457	7	0.47%			
Regency Oxford II LLC	2,726,138	8	0.46%			
The Links at Thorndale	2,642,222	9	0.45%	5,513,493	4	1.08%
Ghanshyam Properties LLC	2,510,554	10	0.43%			
Focused Granville Corners LLC				6,928,686	2	1.35%
Progress Energy Carolina				4,840,860	5	0.95%
Carolina Telephone				4,729,419	6	0.92%
Oxford Retail Investment LLC				3,918,099	7	0.77%
301 Lewis Street LLC				3,373,810	8	0.66%
Walmart Stores East LP				3,162,095	9	0.62%
Sante Fe Natural Tobacco Co				3,072,218	10	0.60%
Totals	$ 42,981,588		7.30%	$ 51,598,871		10.08%

TABLE 10

City of Oxford
Property Tax Levies and Collections
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	$ 3,120,438	$ 2,994,823	95.97%	$ 120,707	$ 3,115,530	99.84%
2013	3,157,938	3,027,777	95.88%	122,788	3,150,565	99.77%
2014	3,335,573	3,254,693	97.58%	75,992	3,330,685	99.85%
2015	3,361,984	3,316,730	98.65%	41,683	3,358,413	99.89%
2016	3,387,805	3,354,823	99.03%	25,974	3,380,797	99.79%
2017	3,534,997	3,493,584	98.83%	39,365	3,532,949	99.94%
2018	3,559,273	3,513,838	98.72%	42,508	3,556,346	99.92%
2019	3,623,810	3,568,265	98.47%	39,438	3,607,703	99.56%
2020	3,662,891	3,597,673	98.22%	41,729	3,639,402	99.36%
2021	$ 3,775,280	$ 3,698,982	97.98%	$ -	$ 3,698,982	97.98%

City of Oxford
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(unaudited)

	Governmental Activities			Business-type Activitites						
Fiscal Year	General Obligation Bonds	Installment Purchases	Capital Leases	General Obligation Bonds	Revenue Bonds	Installment Purchases	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
2012	$ -	$ 325,000	$ 763,988	$ -	$ -	$ 6,853,467	$ 429,635	$ 8,372,090	unavailable	989
2013	-	275,000	633,797	-	-	6,363,934	383,403	7,656,134	unavailable	893
2014	-	225,000	743,421	-	-	5,874,400	538,660	7,381,481	unavailable	849
2015	-	175,000	980,473	-	-	7,943,558	626,202	9,725,233	unavailable	1,116
2016	-	125,000	690,131	-	-	7,744,722	491,587	9,051,440	unavailable	1,035
2017	-	75,000	426,153	-	-	7,310,773	141,866	7,953,792	unavailable	901
2018	-	25,000	194,595	-	-	6,630,475	47,197	6,897,267	unavailable	788
2019	-	-	726,379	-	-	9,972,272	-	10,698,651	unavailable	1,215
2020	-	-	638,479	-	-	17,646,779	-	18,285,258	unavailable	2,147
2021	$ -	$ 1,250,000	$ 567,537	$ -	$ 5,000,000	$ 12,446,059	$ -	$19,263,596	unavailable	2,262

City of Oxford
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021
(unaudited)

Governmental Unit

Debt repaid with property taxes N/A

Granville County

Other debt	General Bonded Debt	City Population	County Population	Percentage of County Debt Applicable To City
Granville County				
General Obligation bonds	$ 51,737,000	8,518	59,328	14.36%
Financing Agreements	815,297	8,518	59,328	14.36%
Installment Purchases	29,393,310	8,518	59,328	14.36%
Certificates of Participation	5,215,000	8,518	59,328	14.36%

City of Oxford direct debt

Total direct and overlapping debt

Sources: Population used to estimate applicable percentages provided by the U S Census Bureau. Debt outstanding provided by the County

Note: Overlapping governments are those that coincide, at least in part with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Oxford. This processrecognizes that, when considering the City's ability to issue and repay long term debt, the entire burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident - and therefore responsible for repaying the debt - of each overlapping government.

The percentage of overlapping debt applicable is estimated using population figures.
Applicable percentages were estimated by determing the City's popluation and dividing it by the County's population.

City of Oxford
Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020
Debt limit	$ 41,605,840	$ 42,105,840	$ 43,082,447	$ 42,024,800	$ 42,347,563	$ 44,187,463	$ 44,490,912	$ 45,297,622	$ 45,786,138	$ 47,191,000
Total net debt applicable to limit	8,372,090	7,656,134	7,381,481	9,725,233	9,051,440	7,953,792	6,897,267	10,698,651	18,285,258	19,263,596
Legal debt margin	$ 33,233,750	$ 34,449,706	$ 50,463,928	$ 32,299,567	$ 33,296,123	$ 36,233,671	$ 37,593,645	$ 34,598,971	$ 27,500,880	$ 27,927,404
Total net debt applicable to the limit as a percentage of debt limit	20.12%	18.18%	17.13%	23.14%	21.37%	18.00%	15.50%	23.62%	39.94%	40.82%

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed value	$ 589,887,500
Add back: exempt real property	-
Total assessed value	$ 589,887,500
Debt limit (8% of total assessed value)	47,191,000
Debt applicable to limit:	
General obligation bonds	-
Lease Financing Agreements-Governmental Activities	567,537
Lease Financing Agreements-Business-Type Activities	
Installment purchases-Governmental Activities	1,250,000
Revenue bonds-Business-Type Activities	5,000,000
Installment purchases-Business-Type Activities	12,446,059
Less: Amount set aside for repayment of general obligation debt	
Total net debt applicable to limit	19,263,596
Legal debt margin	$ 27,927,404

Note: NC Statute G.S.159-55 limits the City's outstanding debt to 8% of the appraised value of property subject to taxation. The legal debt margin is the difference between the debtlimit and the City's debt outstanding applicable to the limit, and represents the City's legal borrowing authority.

Source: Granville County Tax Assessment/Collector's Office

City of Oxford
Demographic and Economic Statistics
Last Ten Fiscal Years
(unaudited)

Fiscal Year	Population	Personal Income	Per Capita Personal Income	School Enrollment	Unemployment Rate
2012	8,469	21,291	3	8,545	10.1%
2013	8,575	22,400	3	9,295	9.80%
2014	8,695	21,670	2	8,037	6.80%
2015	8,713	21,306	2	7,964	5.80%
2016	8,742	21,991	3	7,949	4.9%
2017	8,830	22,239	3	7,633	3.60%
2018	8,752	22,484	3	7,497	3.30%
2019	8,807	35,625	4	7,890	3.90%
2020	8,518	32,456	4	6,955	5.50%
2021	8,518	33,006	4	6,735	4.10%

Data sources:
Worldpopulationreview.com
Homefacts.com
Publicschoolsk12.com

City of Oxford
Principal Employers
Current year and ten years ago
(unaudited)

	2021			2011		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Granville Medical Center	639	1	Unknown	443	2	Unknown
Granville County Schools	376	2	Unknown	526	1	Unknown
County of Granville	311	3	Unknown	211	4	Unknown
Wal-Mart	172	4	Unknown	365	3	Unknown
Universal Healthcare	160	5	Unknown			
Oxford Prepatory School	87	6	Unknown			
City of Oxford	85	7	Unknown	121	6	Unknown
Food Lion (Roxboro Rd)	85	8	Unknown			
Masonic Home for Children	65	9	Unknown	117	7	Unknown
Food Lion (Hilltop Village)	64	10	Unknown			
Food Lion LLC				124	5	Unknown
Lowes Food				79	8	Unknown
Best Care				62	9	Unknown
Waste Industries				37	10	Unknown
Total	2,044			2,085		

Source: Inquiry with individual businesses by the Finance Department of the City

City of Oxford
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years
(unaudited)

	Years Ended										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function											
General Government	22	22	17	17	18	20	20	21	21	20	20
Public Safety											
Police Department	37	38	38	38	35	34	34	34	34	33	33
Fire	10	10	9	10	10	10	10	11	11	11	11
Highways and Streets											
Engineering	2	2	2	2	2	2	2	2	2	2	2
Maintenance	10	9	10	10	8	10	10	11	11	11	11
Environmental Protection	0	0	0	0	0	0	0	0	0	0	0
Culture and recreation	7	7	7	7	7	7	7	7	7	7	7
Water	13	13	13	9	8	8	8	8	8	8	8
Sewer	5	5	5	5	5	5	5	5	5	5	5
Total	106	106	101	98	93	96	96	99	99	97	97

Source: Payroll Department of the City

City of Oxford
Operating Indicators by Function
Last Ten Fiscal Years
(unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Police										
Violent Crime	106	62	83	76	80	72	48	67	71	35
Property Crime	849	651	727	645	715	548	560	437	273	204
Arrests	1,221	921	965	1,016	966	836	883	797	583	487
Calls	11,826	11,841	13,076	16,883	20528	19,151	18516	19405	14951	11823
Fire										
Number of calls answered	291	321	392	410	385	362	391	549	499	575
Inspections	276	165	154	159	73	128	181	151	124	131
Highways and streets										
Street resurfacing (miles)	0.33	0.74	0.336	0.336	0.336	1.100	0	0	2.19	6.32
Miles of city streets	38.31	38.31	38.31	38.31	38.31	19.80	40.1	40.32	40.44	40.36
Miles of state streets	12.92	12.92	12.92	12.92	12.92	20.65	19.33	19.33	19.33	19.33
Sanitation										
Refuse collected (tons/day)	19.70	16.90	19.70	21.77	22.59	17.83	16.57	15.38	11.15	
Culture and recreation										
Number of sports participants	1,922	1,950	880	444	500	536	607	1635	2115	1251
Number of Cultural Particiapnts	-	-	-	5,087	903	980	1200	1236	1384	163
Water										
New Connections	776	686	762	778	769	869	747	691	5	552
Water main breaks	25	30	10	30	15	36	38	22	37	11
Average daily consumption (purchased)	1,146	1,368	1,400	1,500	1164	1,287	1222	1176	1126	2391
Wastewater										
Average daily treated (thousands of gallons)	1,156	1,161	2,000	2,300	1528	472	1040	1370	1294	870
Education										
Public school enrollment	8,484	8,479	8,037	7,964	7949	7,633	7497	7890	6955	6735
Community Services										
Number of building permits issued	59	86	62	68	95	97	94	149	92	100

Sources: Public Safety, Recreation, Water and Engineering Departments of the City
Granville County Schools
Granville County Inspection Department

City of Oxford
Capital Assets Statistics by Function
Last Ten Fiscal Years
(Unaudited)

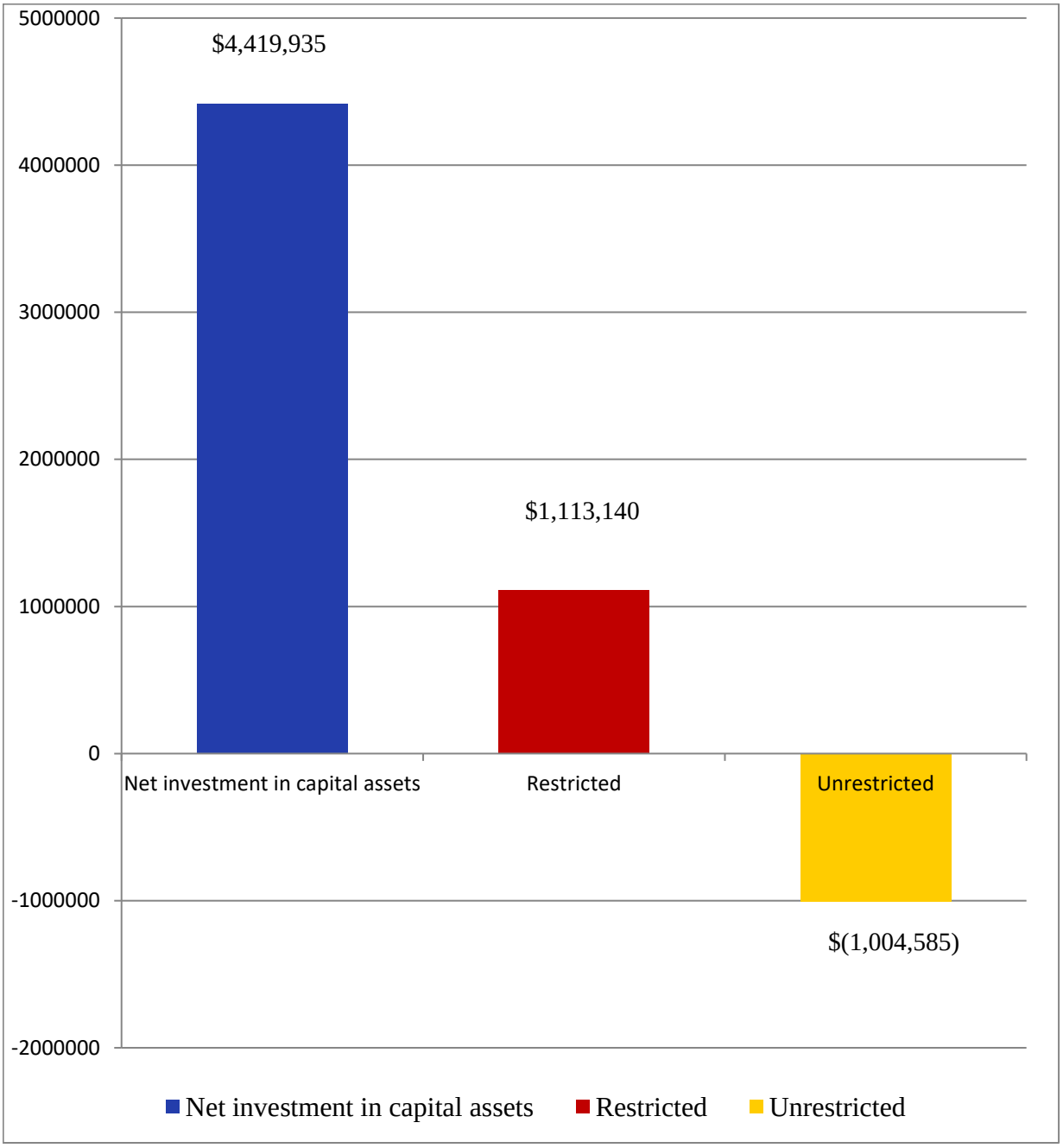
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire stations	1	1	1	1	1	1	1	1	1	1
Highways and streets										
Streets (miles)	38.31	38.31	38.68	38.68	38.68	40.45	60.59	60.57	59.77	59.77
Culture and recreation										
Parks	7	7	7	7	7	7	7	7	7	7
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	3	3	3	3	3	3	3	2	2	2
Water										
Watermains (miles)	50	50	50	50	50	81	93.25	94.21	94.21	95.25
Fire hydrants	764	764	766	766	766	638	638	771	643	689
Maximum daily capacity (thousands of gallons)	2,000	2,000	10,685	10,685	10,685	2,000	2000	2000	2000	2000
Sewer										
Sanitary sewers (miles)	68	68	68	68	68	85	91.06	91.06	91.06	90.06
Maximum daily treatment capacity (thousands of gallons)	3,500	3,500	3,500	3,500	3,500	1,200	3500	3500	3500	3500

Sources: Public Safety, Recreation and Water Departments of the City

GRAPHS

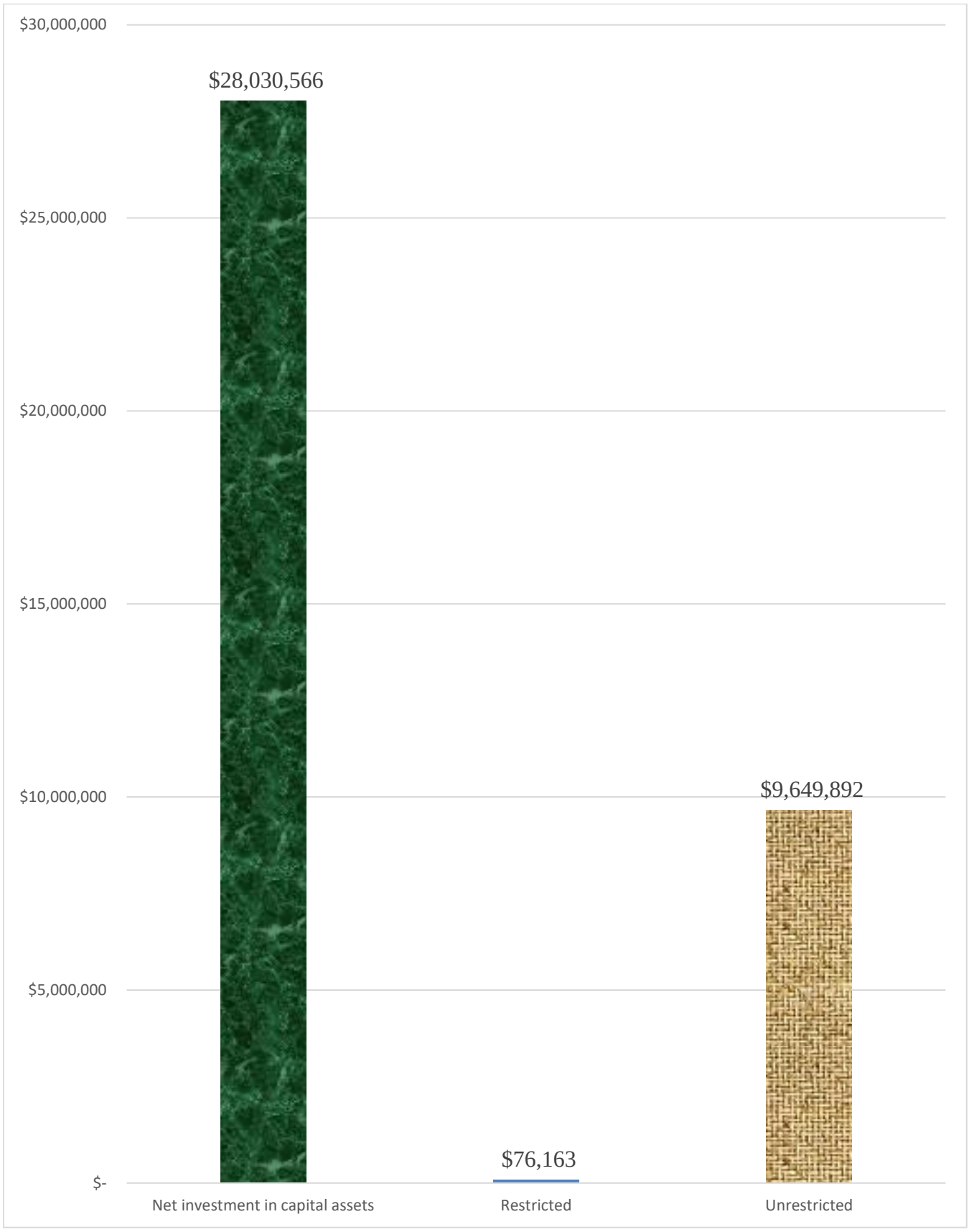
City of Oxford, North Carolina
Net Position by Component
Governmental Activities

Graph A



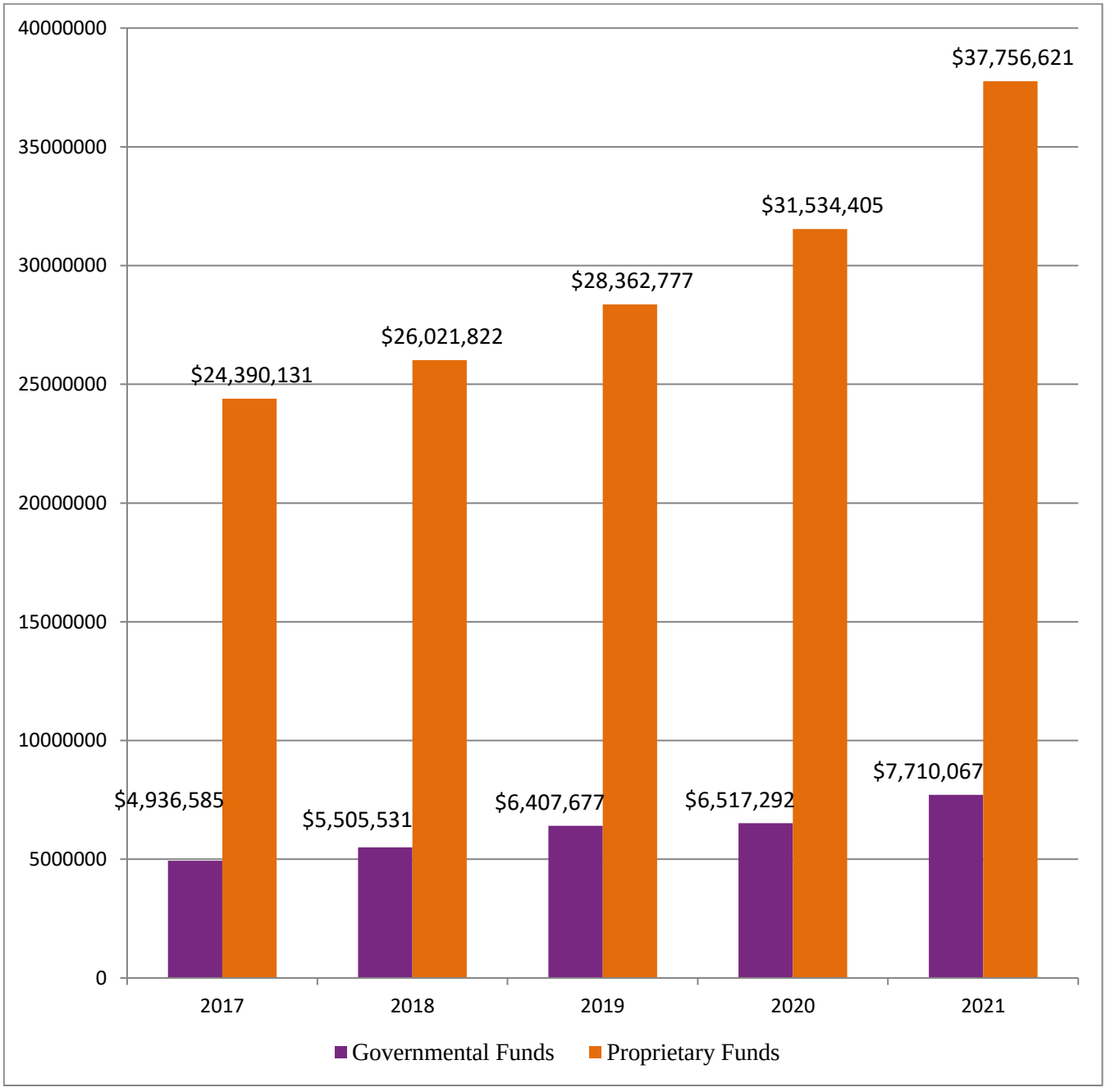
City of Oxford, North Carolina
Net Position by Component
Business-Type Activities

Graph B



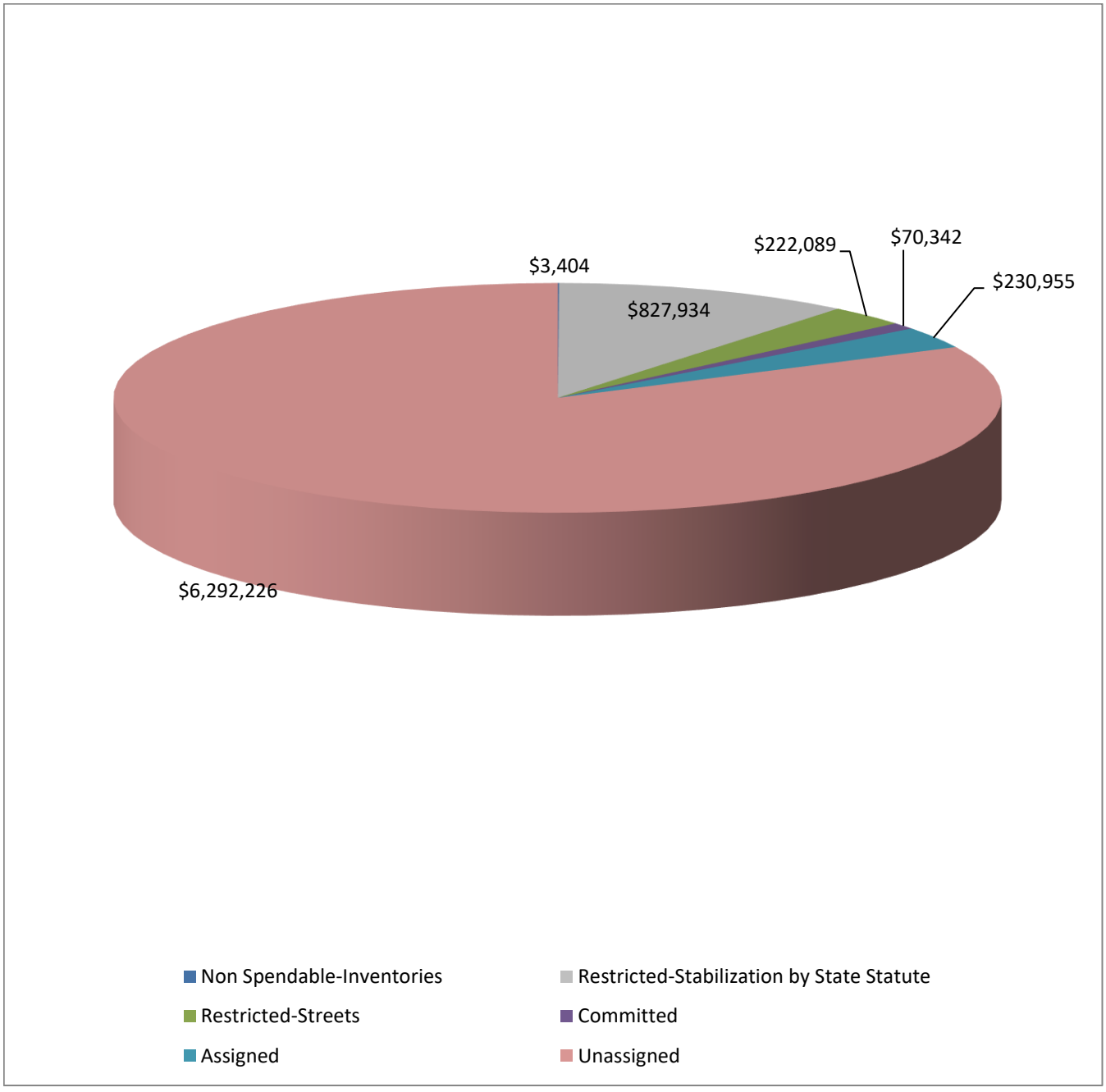
City of Oxford, North Carolina
Net Position/Fund Balance

Graph C



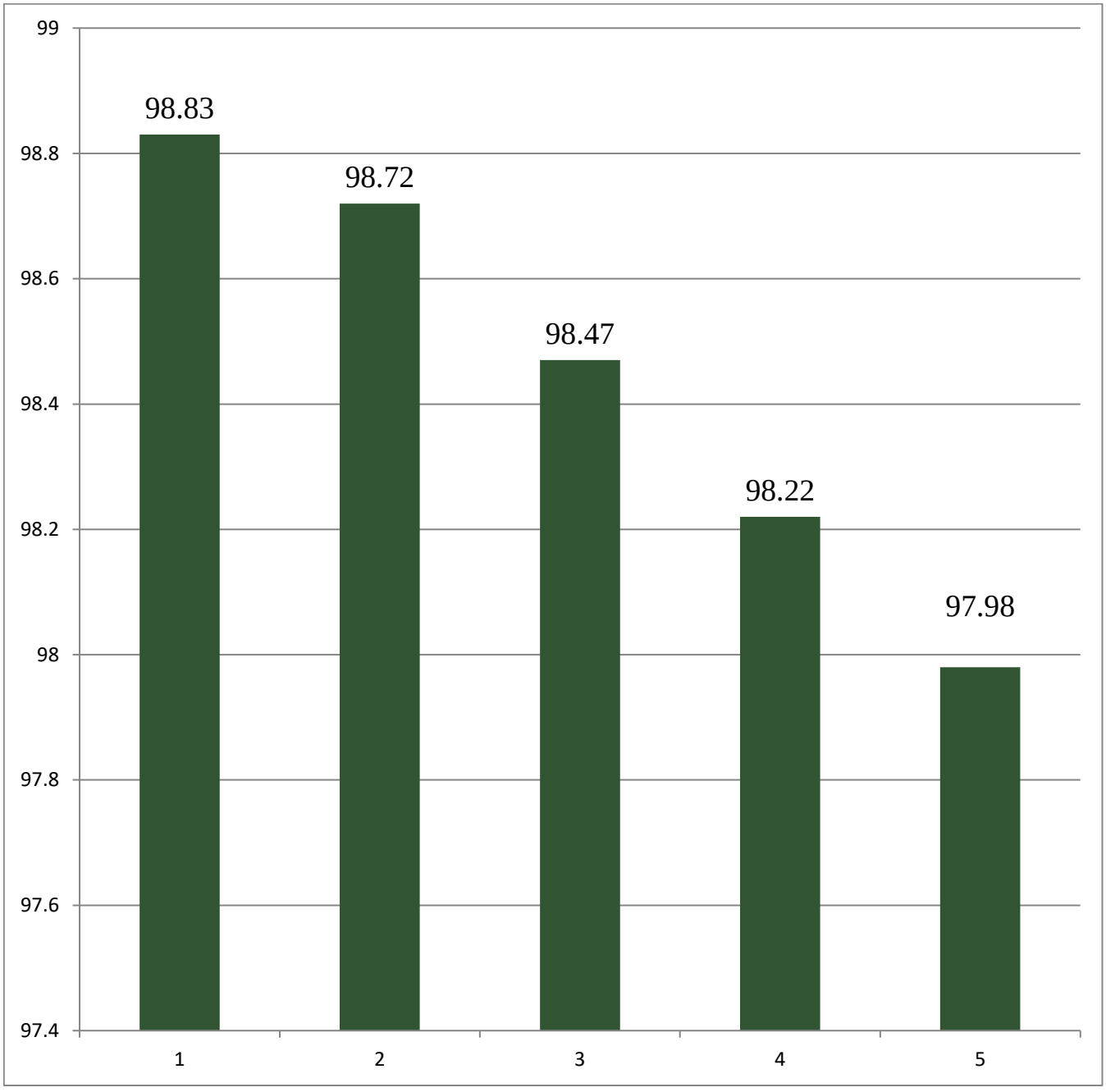
City of Oxford, North Carolina
General Fund - Fund Balance

Graph D



City of Oxford, North Carolina
Tax Collection Percentages
Last Five Years

Graph E



COMPLIANCE SECTION

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Certified Public Accountants

America Counts on CPAs

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Carleen P. Evans, CPA
Jennifer T. Reese, CPA
Tara H. Roberson, CPA

Curtis G. Van Horne, CPA

Report On Internal Control Over Financial Reporting And on Compliance and Other Matters Based On An Audit of Financial Statements Performed In Accordance With *Government Auditing Standards*

Independent Auditor's Report

To the Honorable Mayor and Board of Commissioners
City of Oxford, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Oxford, North Carolina as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprises the City of Oxford's basic financial statements, and have issued our report thereon dated November 22, 2021. The financial statements of Oxford Parking Authority and Downtown Oxford Economic Development Corporation were not audited in accordance with *Government Auditing Standards.*

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether the City of Oxford's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective or our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Winston, Williams, Creech, Evans & Co., LLP

Winston, Williams, Creech, Evans & Co., LLP
Oxford, North Carolina
November 22, 2021

Winston, Williams, Creech, Evans, & Company, LLP

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Report On Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; With OMB Uniform Guidance; and the State Single Audit Implementation Act

Independent Auditor's Report

To the Honorable Mayor and Board of Commissioners
City of Oxford, North Carolina

Report on Compliance for Each Major Federal Program

We have audited the City of Oxford, North Carolina, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Oxford's major federal programs for the year ended June 30, 2021. The City of Oxford's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with Federal and State statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Oxford's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Oxford's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City of Oxford complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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

Winston, Williams, Creech, Evans & Company, LLP

Winston, Williams, Creech, Evans & Company, LLP
Oxford, North Carolina
November 22, 2021

Winston, Williams, Creech, Evans, & Company, LLP

Certified Public Accountants

America Counts on CPAs

Gary L. Williams, CPA
Carleen P. Evans, CPA
Jennifer T. Reese, CPA
Tara H. Roberson, CPA

Curtis G. Van Horne, CPA

Report On Compliance For Each Major State Program; Report on Internal Control Over Compliance; in Accordance with OMB Uniform Guidance; and the State Single Audit Implementation Act

Independent Auditor's Report

To the Honorable Mayor and Board of Commissioners
City of Oxford, North Carolina

Report on Compliance for Each Major State Program

We have audited the City of Oxford, North Carolina, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Oxford's major state programs for the year ended June 30, 2021. The City of Oxford's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Oxford's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and applicable sections of Title 2 US *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina,* and the *State Single Audit Implementation Act*. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the City of Oxford's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, the City of Oxford complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

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

Winston, Williams, Creech, Evans & Company, LLP

Winston, Williams, Creech, Evans & Company, LLP
Oxford, North Carolina
November 22, 2021

CITY OF OXFORD, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

Section I. Summary of Auditor's Resutls

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	____Yes	__X__No
Significant deficiency(s)	____Yes	__X__None reported
Noncompliance material to financial statements noted?	____Yes	__X__No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?	____Yes	__X__No
Significant deficiency(s) identified?	____Yes	__X__None reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____Yes	__X__No

Identification of major federal programs:

CFDA No(s).	Name of Federal Program or Cluster
10.760	Water and Waste Disposal Systems for Rural Communities
66.468	Capitalization Grants for Drinking Water State Revolving Fund

Dollar threshold to distinguish between Type A and Type B Programs	$750,000	
Auditee qualified as low-risk auditee?	__X__Yes	____No

State Awards

Internal control over major State programs

Material weakness(es) identified?	____Yes	__X__No

CITY OF OXFORD, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

Significant deficiency(s) identified? _____Yes __X__None reported

Type of auditors' report issued on compliance for major State programs: Unmodified

Any audit findings disclosed that are required to be reported
in accordance with the State Single Audit Implementation Act _____Yes __X__No

Identification of major State programs:

Program Name

Connect NC Bond
NC Clean Water Revolving Loan and Grant Program

Section II. Financial Statement Findings

None reported

Section III. Federal Award Findings and Questioned Costs

None reported

Section IV. State Award Findings and Questioned Costs

None reported

CITY OF OXFORD, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prior Year Audit Findings:

Section II. Financial Statement Findings

None reported

Section III. Federal Award Findings

None reported

Section IV. State Award Findings

None reported

CITY OF OXFORD, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prior Year Audit Findings:

Section II. Financial Statement Findings

None reported

Section III. Federal Award Findings

None reported

Section IV. State Award Findings

None reported

CITY OF OXFORD
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

	Federal AL#/ CFDA No.	State Pass-through Grantor Number	Federal (Direct & Pass-through) Expenditures	State Expenditures
Federal Awards				
Cash Programs:				
U S Department of Agriculture				
Passed through N C Department of Agriculture and Consumer Services				
Water and Waste Disposal Systems for Rural Communities (No. 1) (Note 3)	10.760		$ 4,606,051	$ -
U S Environmental Protection Agency				
Passed-through the N C Department of Environmental Quality				
Clean Water State Revolving Fund Cluster:				
Capitalization for Drinking State Revolving Funds (Note 3)	66.468		183,562	-
U S Department of Transportation				
Passed through the N C Department of Transportation				
Highway Research and Planning Program	20.205-1CL		16,560	-
N C Department of Housing and Urban Development				
Passed through N C Departement of Commerce				
Community Development Block Grant	14.228		16,570	-
U S Department of Treasurer				
Passed-through the Office of State Budget and Management				
Coronavirus Relief Fund	21.019		229,530	-
State Awards				
Cash Assistance:				
N C Department of Transportation				
Powell Bill		DOT-4	-	275,347
NC Department of Environmental Quality				
Division of Waste Management				
Asset Inventory and Assessment Grant			-	7,550
Connect NC Bond (Note 3)		E-SRP-W.17.0035	-	852,724
Connect NC Bond (Note 3)		H-SRP-D-17.0005	-	836,121
Connect NC Bond		H-SRP-D-17.0005	-	307,547
			-	1,996,392
NC Clean Water Revolving Loan and Grant Program		E-SRP-W.17.0035	-	2,558,172
NC Clean Water Revolving Loan and Grant Program		H-SRP-D-17.0005	-	278,138
			-	2,836,310
Total Federal and State Awards			$ 5,052,273	$ 5,115,599

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of federal and State Awards (SEFSA) includes the federal and State grant activity of the City of Oxford under the programs of the federal government and the State of North Carolina for the year ended June 30, 2021. The information in this SEFSA is presented in accordance with requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the City of Oxford, it is not intended to and does not present the financial position, changes in net assets or cash flows of the City of Oxford.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherin certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Loans Outstanding

The City of Oxford had the following loan balances outstanding at June 30, 2021 for loans that the grantor/pass-through grantor has still imposed continuing compliance requirements. Loans outstanding at the beginning of the year and loans made during the year are included in the SEFSA. The balance of loans outstanding at June 30, 2021 consist of:

	CFDA Number	Project Number	Amount Outstanding
Connect NC Bond		H-SRP-D-17.0005	$ 4,195,200
Capitalization for Drinking State Revolving Funds	66.468		2,742,248
Water and Wastewater Disposal Systems for Rural Communities	10.760		5,000,000
NC Revolving Loan & Grant Program - Water/Sewer Main Replacements		E-SRP-W.17.0035	919,028

Note 4 - Indirect Cost Rate

The City of Oxford has elected not to use the 10-percent de minimus indirect cost rate as allowed under the Uniform Guidance.