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STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT

OF

TOWN OF OXFORD

BENTON COUNTY, INDIANA

January 1, 2005 to December 31, 2006

FILED
10/30/2007

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OFFICIALS

Office	Official	Term
Clerk-Treasurer	Christie Hale	01-01-04 to 12-31-07
President of the Town Council	Bill Anderson	01-01-05 to 12-31-07

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF OXFORD, BENTON COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Oxford (Town), for the period of January 1, 2005 to December 31, 2006. The Town's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Town for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

August 27, 2007

TOWN OF OXFORD
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	$ 145,411	$ 348,200	$ 377,531	$ 116,080
Motor Vehicle Highway	35,918	38,152	64,383	9,687
Local Road and Street	10,117	4,243	12,065	2,295
Law Enforcement Continuing Education	150	1,098	-	1,248
Economic Development Income Tax	12,427	4,048	-	16,475
Rainy Day	1,119	56,592	-	57,711
Brush Chipper Grant Fund	-	10,066	10,066	-
Law Enforcement Block Grant	-	3,800	-	3,800
Cumulative Capital Improvement	6,863	3,929	-	10,792
Cumulative Capital Development	37,273	8,260	163	45,370
Cumulative Firefighting Equipment	-	424,418	400,232	24,186
Proprietary Funds:				
Water Utility - Operating	26,169	272,925	295,259	3,835
Water Utility - Bond and Interest GECC	42,338	32,367	31,350	43,355
Water Utility- Bond and Interest 2000/01	65,882	87,902	88,640	65,144
Water Utility - Depreciation	20,582	20,580	4,072	37,090
Water Utility - Customer Deposit	18,025	4,410	2,930	19,505
Water Utility - Construction	-	26,312	-	26,312
Water Utility - Building Fund	4,000	12,000	-	16,000
Water Tank Maintenance	93,173	1,295	-	94,468
Water Debt Service GECC	32,200	-	-	32,200
Water Debt Service 2000/01	65,074	18,623	-	83,697
Wastewater Utility - Operating	5,377	90,917	113,315	(17,021)
Storm Water Operating	-	5,225	-	5,225
Wastewater Utility - Depreciation	107,629	12,000	5,765	113,864
Wastewater Utility - Construction	-	115,677	-	115,677
Wastewater Utility Building Fund	6,000	12,000	-	18,000
Fiduciary Funds:				
Levy Excess	-	4,423	-	4,423
Payroll	-	240,335	240,262	73
Totals	$ 735,727	$ 1,859,797	$ 1,646,033	$ 949,491

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	$ 116,080	$ 401,547	$ 431,288	$ 86,339
Motor Vehicle Highway	9,687	46,061	22,457	33,291
Local Road and Street	2,295	4,099	-	6,394
Law Enforcement Continuing Education	1,248	363	308	1,303
Economic Development Income Tax	16,475	5,406	14,000	7,881
Rainy Day	57,711	7,387	-	65,098
Law Enforcement Block Grant	3,800	-	-	3,800
Riverboat	-	16,028	16,028	-
Snow Plow Truck Loan	-	81,500	81,500	-
Donation	-	1,000	-	1,000
Community Development Block Grant	-	29,700	29,700	-
K-9 Grant	-	7,520	1,700	5,820
Law Enforcement Grant	-	8,399	1,417	6,982
Cumulative Capital Improvement	10,792	4,540	-	15,332
Cumulative Capital Development	45,370	8,626	40,000	13,996
Cumulative Firefighting Equipment	24,186	139,000	157,878	5,308
Proprietary Funds:				
Water Utility - Operating	3,835	280,242	286,324	(2,247)
Water Utility - Bond and Interest GECC	43,355	33,986	31,400	45,941
Water Utility- Bond and Interest 2000/01	65,144	90,065	87,080	68,129
Water Utility - Depreciation	37,090	20,580	6,345	51,325
Water Utility - Customer Deposit	19,505	3,825	2,595	20,735
Water Utility - Construction	26,312	-	-	26,312
Water Utility - Building Fund	16,000	12,000	-	28,000
Water Tank Maintenance	94,468	3,484	1	97,951
Water Debt Service GECC	32,200	-	-	32,200
Water Debt Service 2000/01	83,697	7,480	-	91,177
Wastewater Utility - Operating	(17,021)	68,838	105,016	(53,199)
Storm Water Operating	5,225	7,053	-	12,278
Wastewater Utility - Depreciation	113,864	12,000	6,697	119,167
Wastewater Utility - Construction	115,677	-	-	115,677
Wastewater Utility Building Fund	18,000	12,000	-	30,000
Fiduciary Funds:				
Levy Excess	4,423	-	4,423	-
Payroll	73	233,961	234,034	-
Totals	$ 949,491	$ 1,546,690	$ 1,560,191	$ 935,990

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

TOWN OF OXFORD
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, water, wastewater, health and social services, culture and recreation, and general administrative services.

Note 2. Fund Accounting

The Town uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF OXFORD
SUPPLEMENTARY INFORMATION
SCHEDULE OF LONG-TERM DEBT

For The Year Ended December 31, 2006

Description of Asset	Ending Balance	Due Within One Year
Governmental Activities:		
Notes and loans payable		
Revenue bonds:		
Fire Truck Loan	$ 54,815	$ 17,457
Business-type Activities:		
Water Utility		
Revenue bonds:		
Water Improvement	208,000	21,000
Wastewater Utility		
State Revolving Loan:		
Wastewater Improvement	1,050,000	60,000
Total business-type activities long-term debt:	$ 1,258,000	$ 81,000

TOWN OF OXFORD
EXAMINATION RESULTS AND COMMENTS

FIRE DEPARTMENT CONTRACT

Payments to the Oxford-Oak Grove Volunteer Firefighters for clothing allowance were not supported by a written contract. However, the question has been raised by the Town Council about whether the Oxford-Oak Grove Volunteer Fire Department is a department of the Town of Oxford rather than a separate organization.

We recommended that, if the Fire Department is a separate organization, there be a written contract. If the Fire Department is not a separate organization, the bank account maintained by the Volunteer Fire Department should be turned over to the Clerk-Treasurer who is the legal custodian of all Town funds.

Payments made or received for contractual services should be supported by a written contract. Each governmental unit is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

The clerk-treasurer shall receive and care for all town money and pay the money out only on order of the town legislative body. (IC 36-5-6-6)

OVERDRAWN CASH BALANCES

The cash balance of the Wastewater Utility Operating Fund was overdrawn at December 31, 2005. The cash balances of the Wastewater Utility Operating Fund and the Water Utility Operating Fund were overdrawn at December 31, 2006.

The cash balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Cities and Towns, Chapter 7)

TOWN OF OXFORD
EXIT CONFERENCE

The contents of this report were discussed on August 27, 2007, with Christie Hale, Clerk-Treasurer; and Lowell Gardner, Town Council Member. The officials concurred with our findings.