

FINANCIAL REPORT

CITY OF OXFORD

Oxford, Mississippi

September 30, 2025

CITY OF OXFORD, MISSISSIPPI

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Board of Aldermen
City of Oxford, Mississippi

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxford as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Oxford's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxford as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the City of Oxford Electric Department, which represent 34 percent, and 57 percent, respectively, of the assets and revenues of the Proprietary Fund as of June 30, 2025, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the City of Oxford Electric Department, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Oxford and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Oxford's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Oxford's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Oxford's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the schedule of the City's proportionate share of the net pension liability and the schedule of the City's contributions on pages 62 through 65 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Oxford's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Schedule of Long-Term Debt and Schedule of Surety Bonds for Municipal Officials are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, the Schedule of Long-Term Debt and the Schedule of Surety Bonds for Municipal Officials are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 5, 2026, 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 that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Oxford's 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 City of Oxford's internal control over financial reporting and compliance.

Franks, Franks, Wilemon & Hagood P.A.

FRANKS, FRANKS, WILEMON & HAGOOD, P.A.
Tupelo, Mississippi
June 5, 2026

CITY OF OXFORD, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Required Supplementary Information for the Year ended September 30, 2025

This section of the City of Oxford's Financial Report presents our discussion and analysis of the City's financial performance during the fiscal year ending September 30, 2025. Please read it in conjunction with the City of Oxford financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$208,330,446. Of this amount, \$0 may be used to meet the City of Oxford ongoing obligations to citizens and creditors. This compares to the previous year when assets exceeded liabilities by \$196,660,990, of which \$0 was available to meet the City's ongoing obligations.
- As of the close of the current fiscal year, the City of Oxford's governmental funds reported combined ending fund balances of \$104,265,189, a decrease of \$1,117,275 in comparison to the prior year. Approximately 20% of the combined fund balances, \$21,031,897, is considered unassigned and is available for spending at the City of Oxford's discretion.
- The City's total net position increased by \$11,669,456. This increase is due to the increase in charges for services and grants.
- The City of Oxford's total debt and other long-term obligations is \$67,158,720. New debt in the amount of \$6,072,034 was issued in the current fiscal year. Debt in the amount of \$7,519,029 was repaid/amortized during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for non-major governmental funds. The basic financial statements include two kinds of statements that present different views of the City of Oxford.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City of Oxford's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City of Oxford's operations in more detail than the government-wide statements.

The Governmental Funds statements tell how general government services such as public safety were financed in the short term as well as what remains for future spending. The City has four Governmental Fund types: General, Special Revenue, Capital Projects and Debt Service.

Proprietary fund statements offer short- and long-term financial information about the activities the government operates in a similar manner as businesses, and include the Electric, Water & Sewer and Environmental Services funds.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

CITY OF OXFORD, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

In addition to these required elements, we included combining statements that provide details about non-major governmental funds, each of which are added together and presented in single columns in the financial statements.

Figure A-1 summarizes the major features of the City of Oxford's financial statements, including the portion of the City of Oxford they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-1

Major Features of the City of Oxford's Government-wide and Fund Financial Statements

| | Government-wide Statements | Fund Statements | |
|--|--|--|---|
| | | Governmental Funds | Proprietary Funds |
| Scope | Entire City Government (except fiduciary funds) and the City's component units. | The activities of the City that are not proprietary or fiduciary, such as police, fire, and parks and recreation | Activities the City operates similar to private businesses: Electric Department, Water & Sewer, and Environmental Services. |
| Required financial statements | Statement of Net Position; Statement of Activities | Balance Sheet; Statement of Revenues, Expenditures, and Changes in Fund Balances | Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows |
| Accounting basis and measurement focus | Accrual accounting and economic resources focus | Modified accrual accounting and current financial resources focus | Accrual accounting and economic resources focus |
| Type of Asset/liability information | All assets and liabilities, both financial and capital, and short-term and long-term | Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included | All assets and liabilities, both financial and capital, and short-term and long-term |
| Type of inflow/outflow information | All revenues and expenses during year, regardless of when cash is received or paid | Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter | All revenues and expenses during year, regardless of when cash is received or paid |

CITY OF OXFORD, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Statements

The government-wide statements report information about the City of Oxford as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The government-wide financial statements include not only the City itself (known as the primary government), but also one blended component unit (Oxford Tourism Council). Financial information for the component unit is reported with the financial information from the primary government. The financial statements for the component unit are available from the City Clerk upon request.

The two government-wide statements report the City of Oxford's net position and how they have changed. Net position—the difference between the City of Oxford's assets and liabilities—is one way to measure the City of Oxford's financial health, or position.

- Over time, increases or decreases in the City of Oxford's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City of Oxford, the reader should consider additional non-financial factors such as changes in the City of Oxford's property tax base.
- *Governmental activities* –Most of the City of Oxford's basic services are included here, such as the police, fire, public works, and parks and recreation departments, tourism promotion, transit operation and general administration. Property taxes, sales and use taxes, and state and federal grants finance most of these activities.
- *Business-type activities* – The City of Oxford charges fees to customers to help it cover the costs of certain services it provides. The City of Oxford's water and sewer systems, electric department services, and environmental services are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the City of Oxford's most significant funds—not the City as a whole. The "fund" level is where the basic unit of financial organization and operation within the City of Oxford exists. Funds are accounting tools that are used to keep track of specific sources of funding and spending for particular purposes. They are the basic budgetary and accounting entities.

- Some funds are required by State law and by bond covenants.
- The Board of Alderman establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

CITY OF OXFORD, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Oxford has two types of funds:

- **Governmental funds**—most of the City of Oxford's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the City of Oxford's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them. The measurement focus of governmental funds is upon determination of financial position and changes in financial position (sources, uses, and balance of financial resources) rather than upon net income determination. These funds are maintained on a modified accrual basis of accounting (explained further in the notes to the financial statements under "Summary of Significant Accounting Policies"). The basic financial statements for governmental funds are the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance. The City of Oxford utilizes four types of governmental funds: the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.

- **Proprietary funds**—Services for which the City of Oxford charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. The City has only one type of proprietary funds—enterprise funds. The City of Oxford's enterprise funds are the same as its business-type activities yet provide more detail and additional information, such as cash flows. The measurement focus of proprietary funds is upon determination of net income, financial position and change in financial position. These funds are maintained on the accrual basis of accounting. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows are all required statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City of Oxford's assets and deferred outflows exceeded liabilities and deferred inflows by \$208,330,446 at the close of the most recent fiscal year.

A large portion, 83%, of the City's net position reflects its investment in capital assets (such as land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; however, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF OXFORD, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-1

City of Oxford's Net Position

| | Governmental | | Business-Type | | Total | |
|--------------------------------|-----------------------|-----------------------|----------------------|----------------------|-----------------------|-----------------------|
| | Activities | | Activities | | | |
| | Restated | | Restated | | Restated | |
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Current and Other Assets | \$108,725,178 | \$112,785,713 | \$35,933,349 | \$38,630,051 | \$144,658,527 | \$151,415,764 |
| Capital Assets | 131,847,043 | 120,489,948 | 107,760,476 | 95,183,224 | 239,607,519 | 215,673,172 |
| Total Assets | 240,572,221 | 233,275,661 | 143,693,825 | 133,813,275 | 384,266,046 | 367,088,936 |
| Deferred Outflows | 6,343,998 | 10,756,400 | 2,303,998 | 3,391,010 | 8,647,996 | 14,147,410 |
| Total Deferred Outflows | 6,343,998 | 10,756,400 | 2,303,998 | 3,391,010 | 8,647,996 | 14,147,410 |
| Current and Other Liabilities | 7,694,144 | 10,246,231 | 17,891,059 | 16,931,132 | 20,159,527 | 22,035,797 |
| Long-Term Liabilities | 112,770,349 | 109,709,933 | 38,311,222 | 41,185,639 | 156,507,247 | 156,037,138 |
| Total Liabilities | 120,464,493 | 119,956,164 | 56,202,281 | 58,116,771 | 176,666,774 | 178,072,935 |
| Deferred Inflows | 5,221,296 | 3,759,164 | 2,695,526 | 2,743,256 | 7,916,822 | 6,502,420 |
| Total Deferred Inflows | 5,221,296 | 3,759,164 | 2,695,526 | 2,743,256 | 7,916,822 | 6,502,420 |
| Net Position: | | | | | | |
| Net Investment in | | | | | | |
| Capital Assets | 86,475,915 | 77,000,426 | 85,972,884 | 70,067,032 | 172,448,799 | 147,067,457 |
| Restricted | 81,861,003 | 76,540,143 | 1,250,110 | 1,219,186 | 83,111,113 | 77,759,329 |
| Unrestricted (Deficit) | (47,106,488) | (33,223,836) | (122,978) | 5,058,040 | (47,229,466) | (28,165,796) |
| Total Net Position | \$ 121,230,430 | \$ 120,316,732 | \$ 87,100,016 | \$ 76,344,258 | \$ 208,330,446 | \$ 196,660,990 |

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used.

Unrestricted net position of our business-type activities was (\$122,978) at the end of the current fiscal year. These resources cannot be used to add to the net position surplus in governmental activities. The City of Oxford generally can only use this net position to finance the continuing operations of the business type activities.

Changes in net position. Approximately 13 percent of the City of Oxford's revenue comes from property taxes and approximately 11 percent from sales tax, with 35 percent of all revenue coming from some type of tax. (See Table A-2.) Another 45 percent comes from fees charged for services, and the balance is from operating and capital grants and contributions, intergovernmental revenue, investment earnings and miscellaneous revenues.

CITY OF OXFORD, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Table A-2 and the narrative that follows consider the operations of governmental and business-type activities separately.

Table A-2

Changes in The City of Oxford's Net Position

| | Governmental | | Business-Type | | Total | |
|--|-----------------------|-------------------------|----------------------|-------------------------|-----------------------|-------------------------|
| | Activities | | Activities | | | |
| | <u>2025</u> | Restated <u>2024</u> | <u>2025</u> | Restated <u>2024</u> | <u>2025</u> | Restated <u>2024</u> |
| Revenues | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 12,507,970 | \$ 10,768,465 | \$ 47,173,609 | \$ 44,904,479 | \$ 59,681,579 | \$ 55,672,944 |
| Operating Grants & Contributions | 8,017,981 | 6,733,200 | 275,656 | 141,842 | 8,293,637 | 6,875,042 |
| Capital Grants & Contributions | 5,416,545 | 2,168,206 | - | - | 5,416,545 | 2,168,206 |
| General Revenues: | | | | | | |
| Property Taxes | 17,619,573 | 17,169,269 | - | - | 17,619,573 | 17,169,269 |
| Sales Tax | 14,654,757 | 14,486,748 | - | - | 14,654,757 | 14,486,748 |
| Other Taxes | 13,818,290 | 13,100,096 | - | - | 13,818,290 | 13,100,096 |
| Intergovernmental Revenues | 3,754,970 | 2,450,720 | - | - | 3,754,970 | 2,450,720 |
| Investment Income | 5,722,678 | 9,803,130 | 833,019 | 867,698 | 6,555,697 | 10,670,828 |
| Lease Income | - | - | 361,639 | 310,903 | 361,639 | 310,903 |
| Other | 1,031,958 | 1,564,319 | 57,505 | 797,528 | 1,089,463 | 2,361,847 |
| Total Revenues | 82,544,722 | 78,244,153 | 48,701,428 | 47,022,450 | 131,246,150 | 125,266,603 |
| Expenses | | | | | | |
| General Government | 12,925,232 | 12,228,415 | - | - | 12,925,232 | 12,228,415 |
| Public Safety | 26,865,928 | 26,558,377 | - | - | 26,865,928 | 26,558,377 |
| Public Works | 11,482,111 | 10,853,088 | - | - | 11,482,111 | 10,853,088 |
| Tourism Promotion | 3,708,451 | 3,628,190 | - | - | 3,708,450 | 3,628,190 |
| Culture & Recreation | 9,232,544 | 8,319,857 | - | - | 9,232,544 | 8,319,857 |
| Transit Operation | 6,345,296 | 5,618,293 | - | - | 6,345,296 | 5,618,293 |
| Other Functions | 18,423 | 26,471 | - | - | 18,423 | 26,471 |
| Debt Service | 1,279,149 | 1,109,976 | - | - | 1,279,149 | 1,109,976 |
| Water & Sewer | - | - | 11,787,176 | 10,918,677 | 11,787,176 | 10,918,677 |
| Environmental Services | - | - | 6,564,030 | 6,078,961 | 6,564,030 | 6,078,961 |
| Electric | - | - | 26,507,566 | 24,347,457 | 26,507,566 | 24,347,457 |
| Total Expenses | 71,857,134 | 68,342,667 | 44,858,772 | 41,345,095 | 116,715,905 | 109,687,762 |
| Excess of Revenue Over Expenses | 10,687,589 | 9,901,486 | 3,842,656 | 5,677,355 | 14,530,245 | 15,578,841 |
| Transfers | (9,773,891) | (2,773,997) | 6,913,102 | 128,916 | (2,860,789) | (2,645,081) |
| Increase (Decrease) in Net Position | 913,698 | 7,127,489 | 10,755,758 | 5,806,271 | 11,669,456 | 12,933,760 |
| Net Position—Beginning, as restated | 120,316,732 | 113,189,243 | 76,344,258 | 70,537,987 | 196,660,990 | 183,727,230 |
| Net Position--Ending | \$ 121,230,430 | \$ 120,316,732 | \$ 87,100,016 | \$ 76,344,258 | \$ 208,330,446 | \$ 196,660,990 |

CITY OF OXFORD, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

Governmental activities increased the City's net position by \$913,698, thereby accounting for 8 percent of the total increase in the net position of the City. Key elements of this increase are as follows:

The largest funding sources for the City's governmental activities, as a percent of total revenues, are property taxes (21%), sales tax (18%), and charges for services (15%).

The largest expense categories for the City's governmental activities are public safety (37%), and general government (18%).

Business-type Activities

Business-type activities increased the City's net position by \$10,755,758, thereby accounting for 98 percent of the increase in the City's net position.

Charges for services are the major revenue categories for the enterprise funds. Total business-type revenues are comprised of \$13,967,010 for water and sewer, \$6,395,829 for environmental services and \$26,810,770 for electric.

Financial Analysis of the Government's Funds

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

Governmental funds—The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

General Fund—The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$21,038,562. As a measure of the general fund's liquidity, it may be useful to compare both the fund balance, assigned and unassigned, to total fund expenditures. Total fund balance represents 44% of total fund expenditures. The fund balance of the City's general fund decreased by \$6,424,788 during the current fiscal year.

Debt Service Fund—The debt service fund has a total fund balance of \$2,927,414, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year in the debt service fund was \$1,597,344.

Special Revenue Fund—The special revenue fund is used to account for the programs and projects primarily funded by grants from the federal and state governments. At the end of the current fiscal year, the fund balance was \$64,500,850, which will be used for future expenditures. The net increase in fund balance during the current year in special revenue fund was \$1,529,804.

Capital Projects Fund—The capital projects fund accounts for the construction and reconstruction of general public improvements, excluding projects related to business-type activities, which are accounted for elsewhere. At the end of the current fiscal year, the fund balance was \$13,617,978. The net increase in fund balance during the current year in the capital projects fund was \$2,180,365.

CITY OF OXFORD, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary Funds—The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net position of the proprietary funds at the end of the current fiscal year totaled \$87,100,016. Changes in net position, which totaled \$10,755,758, were as follows: the electric fund decreased by \$692,977, the environmental services fund increased by \$76,669 and the water & sewer fund increased by \$11,372,066.

Budgetary Highlights

The City's annual budget, which is prepared on an operating basis, includes estimated revenues and annual appropriations for the proprietary funds as well as the governmental funds.

The City's 2024 -25 general fund operating budget increased by approximately \$283,571 during the current fiscal year. This increase was primarily related to increases in Culture and Recreation. The City's tax millage remained the same from 2024 to 2025.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets—In accordance with GASB 34, the City has recorded depreciation expense associated with all of its capital assets, including infrastructure. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounted to \$239,607,519, net of accumulated depreciation of \$163,452,754. This investment in capital assets includes land, buildings, improvements other than buildings, machinery & equipment, infrastructure, and construction in progress.

Table A-3
City of Oxford's Capital Assets

| | Governmental Activities | | Business-Type Activities | | Total | |
|------------------------------------|----------------------------|-----------------------|-----------------------------|----------------------|-----------------------|-----------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Land | \$ 7,141,590 | \$ 7,141,590 | \$ 2,702,587 | \$ 1,252,579 | \$ 9,844,177 | \$ 8,394,169 |
| Plant, Buildings & Improvements | 76,868,184 | 65,385,770 | 149,877,333 | 147,803,813 | 226,745,517 | 213,189,583 |
| Machinery & Equipment | 35,928,717 | 32,541,121 | 20,685,444 | 19,134,943 | 56,614,161 | 51,676,064 |
| Infrastructure | 71,851,872 | 70,540,897 | - | - | 71,851,872 | 70,540,897 |
| Intangible Assets | 3,743,550 | 2,807,756 | - | - | 3,743,550 | 2,807,756 |
| Construction-in-progress | 12,007,484 | 11,811,354 | 22,253,512 | 8,429,520 | 34,260,996 | 20,240,874 |
| Accumulated Depreciation | (75,694,354) | (69,738,540) | (87,758,400) | (81,437,631) | (163,452,754) | (151,176,171) |
| Total | \$ 131,847,043 | \$ 120,489,948 | \$ 107,760,476 | \$ 95,183,224 | \$ 239,607,519 | \$ 215,673,172 |

CITY OF OXFORD, MISSISSIPPI MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-term Debt—At year-end, the city had \$65,898,146 in bonds and notes outstanding. More detailed information about the city of Oxford's long-term liabilities is presented in the notes to the financial statements.

Table A-4
City of Oxford's Outstanding Debt

| | Governmental | | Business-Type | | Total | |
|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Activities | | Activities | | | |
| | Restated | | Restated | | Restated | |
| | <u>2025</u> | <u>2024</u> | <u>2025</u> | <u>2024</u> | <u>2025</u> | <u>2024</u> |
| General Obligation Bonds | \$ 40,400,982 | \$ 38,432,934 | \$ 21,787,592 | \$ 25,116,192 | \$ 62,188,574 | \$ 63,549,126 |
| Special Assessment Bonds | 505,000 | 620,000 | - | - | 505,000 | 620,000 |
| Promissory Notes | 1,662,112 | 2,025,112 | - | - | 1,662,112 | 2,025,112 |
| Leases Payable | 2,803,034 | 2,411,477 | - | - | 2,803,034 | 2,411,477 |
| Total | \$ 45,371,128 | \$ 43,489,523 | \$ 21,787,592 | \$ 25,116,192 | \$ 67,158,720 | \$ 68,605,715 |

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City considered current year operational expenses and estimated increases based on economic factors when establishing the fiscal year 2026 budget. The total budgeted appropriations for the City general fund operations are \$58,589,952. This budget reflects a decrease of approximately \$2,128,829. Notable increases included Public Safety personnel and capital outlay.

CONTACTING THE CITY OF OXFORD FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City of Oxford finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Oxford's City Clerk's Office, 107 Courthouse Square, Oxford, MS 38655.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION
September 30, 2025

| | Primary Government | | |
|---|----------------------------|-----------------------------|-----------------------|
| | Governmental Activities | Business-Type Activities | Total |
| <u>ASSETS:</u> | | | |
| Current Assets: | | | |
| Cash and Cash Equivalents | \$ 53,244,976 | \$ 18,609,089 | \$ 71,854,065 |
| Certificates of Deposit | 1,349,429 | 3,634,829 | 4,984,258 |
| Investments | 43,721,946 | - | 43,721,946 |
| Accounts Receivable, net | - | 8,046,030 | 8,046,030 |
| Court Fines Receivable, net | 900,153 | - | 900,153 |
| Ad Valorem Taxes Receivable, net | 380,832 | - | 380,832 |
| Lease Receivable, Due Within One Year | - | 239,043 | 239,043 |
| Other Receivables | 377,444 | - | 377,444 |
| Internal Balances | (404,737) | 404,737 | - |
| Due From Other Governments | 7,839,683 | - | 7,839,683 |
| Prepaid Expenditures | 89,908 | 783 | 90,691 |
| Inventories | - | 2,110,189 | 2,110,189 |
| <u>TOTAL CURRENT ASSETS:</u> | <u>107,499,634</u> | <u>33,044,700</u> | <u>140,544,334</u> |
| Noncurrent Assets: | | | |
| Restricted Assets: | | | |
| Cash and Cash Equivalents - Restricted | 808,096 | 447,673 | 1,255,769 |
| Certificates of Deposit - Restricted | 417,448 | 802,437 | 1,219,885 |
| Investment in CSA | - | 25,528 | 25,528 |
| Lease Receivable | - | 1,613,011 | 1,613,011 |
| Capital Assets: | | | |
| Land | 7,141,590 | 2,702,587 | 9,844,177 |
| Plant, Buildings and Improvements | 76,868,184 | 149,877,333 | 226,745,517 |
| Machinery and Equipment | 35,928,717 | 20,685,444 | 56,614,161 |
| Infrastructure | 71,851,872 | - | 71,851,872 |
| Intangible Assets | 3,743,550 | - | 3,743,550 |
| Construction in Progress | 12,007,484 | 22,253,512 | 34,260,996 |
| Accumulated Depreciation/Amortization | (75,694,354) | (87,758,400) | (163,452,754) |
| <u>TOTAL NONCURRENT ASSETS:</u> | <u>133,072,587</u> | <u>110,649,125</u> | <u>243,721,712</u> |
| <u>TOTAL ASSETS</u> | <u>\$ 240,572,221</u> | <u>\$ 143,693,825</u> | <u>\$ 384,266,046</u> |
| <u>DEFERRED OUTFLOWS OF RESOURCES:</u> | | | |
| Deferred Outflows - Pensions | 6,343,998 | 2,303,998 | 8,647,996 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>\$ 6,343,998</u> | <u>\$ 2,303,998</u> | <u>\$ 8,647,996</u> |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION
September 30, 2025

| | Primary Government | | |
|--|------------------------------|-----------------------------|------------------------------|
| | Governmental Activities | Business-Type Activities | Total |
| <u>LIABILITIES:</u> | | | |
| Current Liabilities: | | | |
| Checks Issued in Excess of Cash Deposits | \$ 20,310 | \$ - | \$ 20,310 |
| Accounts Payable and Accrued Expenses | 2,423,204 | 8,896,174 | 11,319,378 |
| Accrued Interest Payable | 361,234 | 208,209 | 569,443 |
| Unearned Revenue | 735,490 | - | 735,490 |
| Long-Term Liabilities, due within one year | | | |
| Leases Payable | 515,975 | - | 515,975 |
| Capital Debt | 3,637,931 | 3,361,000 | 6,998,931 |
| Customer Deposits | - | 5,425,676 | 5,425,676 |
| Total Current Liabilities | <u>7,694,144</u> | <u>17,891,059</u> | <u>25,585,203</u> |
| Noncurrent Liabilities: | | | |
| Long-Term Liabilities, due in more than one year | | | |
| Leases Payable | 2,287,059 | - | 2,287,059 |
| Capital Debt | 38,930,163 | 18,426,592 | 57,356,755 |
| Other Liabilities | - | 28,930 | 28,930 |
| Net Pension Liability | 69,316,758 | 19,431,939 | 88,748,697 |
| Accrued Compensated Absences | 2,236,369 | 423,761 | 2,660,130 |
| Total Noncurrent Liabilities | <u>112,770,349</u> | <u>38,311,222</u> | <u>151,081,571</u> |
| TOTAL LIABILITIES | <u>\$ 120,464,493</u> | <u>\$ 56,202,281</u> | <u>\$ 176,666,774</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | |
| Deferred Inflows - Pensions | 5,221,296 | 916,377 | 6,137,673 |
| Deferred Inflows - Leases | - | 1,779,149 | 1,779,149 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>\$ 5,221,296</u> | <u>\$ 2,695,526</u> | <u>\$ 7,916,822</u> |
| <u>NET POSITION:</u> | | | |
| Net Investment in Capital Assets | 86,475,915 | 85,972,884 | 172,448,799 |
| Restricted for: | | | |
| Unemployment Benefits | 808,096 | 5,000 | 813,096 |
| Debt Service | 2,934,079 | 1,245,110 | 4,179,189 |
| Capital Projects | 13,617,978 | - | 13,617,978 |
| Special Revenue | 64,500,850 | - | 64,500,850 |
| Unrestricted (Deficit) | <u>(47,106,488)</u> | <u>(122,978)</u> | <u>(47,229,466)</u> |
| TOTAL NET POSITION | <u>\$ 121,230,430</u> | <u>\$ 87,100,016</u> | <u>\$ 208,330,446</u> |

See accompanying notes to financial statements.

**CITY OF OXFORD, MISSISSIPPI
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025**

| FUNCTIONS/ PROGRAMS | PROGRAM REVENUES | | | | Net (Expense) Revenue and Changes in Net Position | | |
|---------------------------------------|-----------------------|-------------------------|--|--|--|-----------------------------|------------------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| | | | | | | | |
| PRIMARY GOVERNMENT | | | | | | | |
| Government Activities: | | | | | | | |
| General Government | \$ 12,925,232 | \$ 3,692,075 | \$ - | \$ - | \$ (9,233,157) | \$ - | \$ (9,233,157) |
| Public Safety | 26,865,928 | 1,587,512 | 1,108,859 | 319,833 | (23,849,724) | - | (23,849,724) |
| Public Works | 11,482,111 | 1,556,324 | 2,124,983 | 4,456,869 | (3,343,935) | - | (3,343,935) |
| Culture and Recreation | 9,232,544 | 3,805,081 | 292,391 | - | (5,135,072) | - | (5,135,072) |
| Tourism Promotion | 3,708,450 | 145,879 | 1,340,207 | - | (2,222,364) | - | (2,222,364) |
| Transit Operation | 6,345,296 | 1,721,099 | 3,151,541 | 639,843 | (832,813) | - | (832,813) |
| Other Functions | 18,423 | - | - | - | (18,423) | - | (18,423) |
| Debt Service | 1,279,149 | - | - | - | (1,279,149) | - | (1,279,149) |
| TOTAL GOVERNMENTAL ACTIVITIES | 71,857,133 | 12,507,970 | 8,017,981 | 5,416,545 | (45,914,637) | - | (45,914,637) |
| Business-Type Activities: | | | | | | | |
| Water and Sewer Fund | 11,787,176 | 13,967,010 | - | - | - | 2,179,834 | 2,179,834 |
| Environmental Services | 6,564,030 | 6,395,829 | 275,656 | - | - | 107,455 | 107,455 |
| Electric Fund | 26,507,566 | 26,810,770 | - | - | - | 303,204 | 303,204 |
| TOTAL BUSINESS-TYPE ACTIVITIES | 44,858,772 | 47,173,609 | 275,656 | - | - | 2,590,493 | 2,590,493 |
| TOTAL PRIMARY GOVERNMENT | \$ 116,715,905 | \$ 59,681,579 | \$ 8,293,637 | \$ 5,416,545 | \$ (45,914,637) | \$ 2,590,493 | \$ (43,324,144) |

GENERAL REVENUES:

| | | | | | | | |
|--|--|--|--|--|-----------------------|----------------------|-----------------------|
| Taxes: | | | | | | | |
| Property Taxes, Levied for General Purposes | | | | | \$ 14,265,451 | \$ - | \$ 14,265,451 |
| Property Taxes, Levied for Debt Service | | | | | 3,354,122 | - | 3,354,122 |
| Sales Taxes | | | | | 14,654,757 | - | 14,654,757 |
| Special Taxes | | | | | 9,964,820 | - | 9,964,820 |
| County Pro Rata Taxes | | | | | 1,389,748 | - | 1,389,748 |
| Franchise Taxes | | | | | 905,762 | - | 905,762 |
| In Lieu Taxes | | | | | 1,557,960 | - | 1,557,960 |
| Gasoline Taxes & Other Taxes | | | | | 278,669 | - | 278,669 |
| Homestead Reimbursement | | | | | 277,803 | - | 277,803 |
| Fire Protection Allocation | | | | | 873,257 | - | 873,257 |
| Intergovernmental Revenues | | | | | 2,325,241 | - | 2,325,241 |
| Grants and Contributions not Restricted to Specific Programs | | | | | 12,703 | - | 12,703 |
| Investment Earnings | | | | | 5,722,678 | 833,019 | 6,555,697 |
| Gain (Loss) on Asset Disposal | | | | | (32,421) | (4,791) | (37,212) |
| Lease Revenue | | | | | - | 361,639 | 361,639 |
| Miscellaneous | | | | | 1,051,676 | 62,296 | 1,113,972 |
| Transfers | | | | | (9,773,891) | 6,913,102 | (2,860,789) |
| TOTAL GENERAL REVENUES AND TRANSFERS | | | | | 46,828,335 | 8,165,265 | 54,993,600 |
| CHANGE IN NET POSITION | | | | | 913,698 | 10,755,758 | 11,669,456 |
| NET POSITION--BEGINNING, as originally stated | | | | | 121,862,732 | 76,327,758 | 198,190,490 |
| PRIOR PERIOD ADJUSTMENT | | | | | (1,546,000) | 16,500 | (1,529,500) |
| NET POSITION--BEGINNING, as restated | | | | | 120,316,732 | 76,344,258 | 196,660,990 |
| NET POSITION--ENDING | | | | | \$ 121,230,430 | \$ 87,100,016 | \$ 208,330,446 |

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2025

| | Major Funds | | | | | |
|--|----------------------|-----------------------------------|--------------------------------|-----------|--------------------------------|--|
| | General Fund | Oxford Reserve & Trust Fund | Other Governmental Funds | \$ | Total Governmental Funds | |
| ASSETS: | | | | | | |
| Cash on Deposit | \$ 19,864,003 | \$ - | \$ 34,189,069 | \$ | 54,053,072 | |
| Certificates of Deposit | 1,125,273 | - | 641,604 | | 1,766,877 | |
| Investments | - | 43,721,946 | - | | 43,721,946 | |
| Prepaid Expenditures | 81,216 | - | 8,692 | | 89,908 | |
| Other Receivables | 117,299 | - | 260,145 | | 377,444 | |
| Due From Other Funds | - | - | 16,950 | | 16,950 | |
| Due From Other Governments | 3,650,897 | - | 4,188,786 | | 7,839,683 | |
| TOTAL ASSETS | \$ 24,838,688 | \$ 43,721,946 | \$ 39,305,246 | \$ | 107,865,880 | |
| LIABILITIES: | | | | | | |
| Checks Issued in Excess of Cash Deposits | \$ - | \$ - | \$ 20,310 | \$ | 20,310 | |
| Accounts Payable and Accrued Expenses | 1,198,054 | - | 1,225,150 | | 2,423,204 | |
| Due to Other Funds | 421,687 | - | - | | 421,687 | |
| Unearned Revenue | - | - | 735,490 | | 735,490 | |
| TOTAL LIABILITIES | 1,619,741 | - | 1,980,950 | | 3,600,691 | |
| FUND BALANCES: | | | | | | |
| Nonspendable | 81,216 | - | 8,692 | | 89,908 | |
| Committed | | | | | | |
| Public Safety | 104,710 | - | - | | 104,710 | |
| Cultural and Recreation | - | - | 2,049,741 | | 2,049,741 | |
| Tourism | - | - | 116,337 | | 116,337 | |
| Restricted | | | | | | |
| Unemployment Compensation | 808,096 | - | - | | 808,096 | |
| Capital Projects | - | - | 13,617,978 | | 13,617,978 | |
| Special Revenue Projects | - | - | 3,697,718 | | 3,697,718 | |
| Forestry | 57,758 | - | - | | 57,758 | |
| Transit Operations | - | - | 2,106,128 | | 2,106,128 | |
| Tourism | - | - | 5,672,993 | | 5,672,993 | |
| Public Works | - | - | 5,175,484 | | 5,175,484 | |
| Reserve and Trust Fund | - | 43,721,946 | 865,634 | | 44,587,580 | |
| Public Safety | 34,516 | - | 1,058,266 | | 1,092,782 | |
| Debt Service | - | - | 2,934,079 | | 2,934,079 | |
| Assigned | | | | | | |
| Animal Resource Center Capital Fund | 21,357 | - | - | | 21,357 | |
| Cemetery | 965,868 | - | - | | 965,868 | |
| OPD-Mounted Patrol | 2,218 | - | - | | 2,218 | |
| London Bus | 48 | - | - | | 48 | |
| Historic Homes Fund | 104,598 | - | - | | 104,598 | |
| Holly Jolly Holidays Fund | - | - | 27,911 | | 27,911 | |
| Unassigned | 21,038,562 | - | (6,665) | | 21,031,897 | |
| TOTAL FUND BALANCES | 23,218,947 | 43,721,946 | 37,324,296 | | 104,265,189 | |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 24,838,688 | \$ 43,721,946 | \$ 39,305,246 | \$ | 107,865,880 | |

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2025

| | |
|---|-----------------------|
| TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ 104,265,189 |
| Amounts reported for Governmental Activities in the Statement of Net Position are different because: | |
| Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. | 131,847,043 |
| Long-term liabilities, including bonds, leases and accrued interest, are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet. | (45,732,362) |
| Deferred revenues for delinquent property taxes deferred in the governmental funds because they will not be received within sixty days of the Consolidated Government's year end. | 380,832 |
| Accrued compensated absences are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet. | (2,236,369) |
| Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore are not reported in the funds | |
| Net pension liability | (69,316,758) |
| Deferred outflows and inflows of resources, related to pensions are applicable to future periods and, therefore are not reported in the funds: | |
| Deferred outflows of resources related to pensions | 6,343,998 |
| Deferred inflows of resources related to pensions | (5,221,296) |
| Accrual of court fine revenues to qualify as financial resources. | <u>900,153</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | <u>\$ 121,230,430</u> |

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2025

| | Major Funds | | | Total Governmental Funds |
|---|----------------------|-----------------------------------|--------------------------------|--------------------------------|
| | General Fund | Oxford Reserve & Trust Fund | Other Governmental Funds | |
| REVENUES: | | | | |
| General Property Taxes | \$ 14,263,221 | \$ - | \$ 3,354,122 | \$ 17,617,343 |
| Sales and Use Taxes | 14,654,757 | - | - | 14,654,757 |
| Special Taxes | - | - | 9,964,820 | 9,964,820 |
| Licenses and Permits | 3,491,137 | - | - | 3,491,137 |
| Franchise Fees | 905,762 | - | - | 905,762 |
| In Lieu - Utility Department | 1,165,000 | - | - | 1,165,000 |
| Penalties and Interest | 200,938 | - | - | 200,938 |
| Intergovernmental Revenues | 3,539,939 | - | 4,726,428 | 8,266,367 |
| Grant Income | 1,318,188 | - | 9,065,558 | 10,383,746 |
| Charges for Services | 4,011,609 | - | 1,774,810 | 5,786,419 |
| Fines and Forfeitures | 1,021,801 | - | 438,916 | 1,460,717 |
| Interest Income | 2,279,543 | - | 365,563 | 2,645,106 |
| Net Investment Income | - | 1,053,529 | - | 1,053,529 |
| Cemetery | 71,050 | - | - | 71,050 |
| Facility Rental Income | 51,918 | - | 1,390,046 | 1,441,964 |
| Sponsorships | - | - | 322,902 | 322,902 |
| Donations/Contributions | 11,892 | - | - | 11,892 |
| Miscellaneous Revenues | 549,581 | - | 373,407 | 922,988 |
| TOTAL REVENUES | <u>47,536,336</u> | <u>1,053,529</u> | <u>31,776,572</u> | <u>80,366,437</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General Government | 12,284,476 | - | - | 12,284,476 |
| Public Safety | 21,848,871 | - | 690,154 | 22,539,025 |
| Public Works | 6,979,090 | - | 2,603,384 | 9,582,474 |
| Culture and Recreation | 10,872,106 | - | 3,448,847 | 14,320,953 |
| Tourism Promotion | - | - | 4,696,763 | 4,696,763 |
| Transit Operation | - | - | 6,693,706 | 6,693,706 |
| Capital Projects | - | - | 3,838,305 | 3,838,305 |
| Debt Service | 536,270 | - | 4,395,247 | 4,931,517 |
| TOTAL EXPENDITURES | <u>52,520,813</u> | <u>-</u> | <u>26,366,406</u> | <u>78,887,219</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>(4,984,477)</u> | <u>1,053,529</u> | <u>5,410,166</u> | <u>1,479,218</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Proceeds from Sale of Capital Assets | 18,557 | - | - | 18,557 |
| Premiums on Bonds Issued | - | - | 136,240 | 136,240 |
| Transfers from (to) Oxford Tourism Council | - | - | (1,595,302) | (1,595,302) |
| Transfers from (to) Other Funds | (1,458,868) | (1,083,370) | (5,637,793) | (8,180,031) |
| Unrealized Gain (Loss) from Investments | - | 2,024,043 | - | 2,024,043 |
| Proceeds from Issuance of Debt | - | - | 5,000,000 | 5,000,000 |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(1,440,311)</u> | <u>940,673</u> | <u>(2,096,855)</u> | <u>(2,596,493)</u> |
| NET CHANGE IN FUND BALANCES | <u>(6,424,788)</u> | <u>1,994,202</u> | <u>3,313,311</u> | <u>(1,117,275)</u> |
| FUND BALANCES-Beginning, as originally stated | 29,643,735 | 41,727,744 | 34,885,567 | 106,257,046 |
| Prior Period Adjustment | - | - | (874,582) | (874,582) |
| FUND BALANCES-Beginning, as restated | <u>29,643,735</u> | <u>41,727,744</u> | <u>34,010,985</u> | <u>105,382,464</u> |
| FUND BALANCES-Ending | <u>\$ 23,218,947</u> | <u>\$ 43,721,946</u> | <u>\$ 37,324,296</u> | <u>\$ 104,265,189</u> |

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2025

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (1,117,275)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental Funds report capital outlay as expenditures. However, in the Government Wide Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period. 16,810,729

Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in Governmental Funds. (6,397,530)

Proceeds from the disposition of capital assets is reported as income in the Governmental Funds. The gain or loss on the sale of the capital assets and not the gross proceeds are reported as income in the Government-Wide Statement of Activities. (49,536)

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources. 57,638

Decrease in accrual of compensated absences. (435,085)

Revenues in the statement of activities that do not provide current financial resources and are not reported as revenues in the funds. 129,025

Items reported in the Statement of Activities relating to GASB Statement No. 68 are not reported in the governmental funds.

These activities include:

| | | |
|--|------------------|-------------|
| Recognition of pension expense for the current year | (11,100,853) | |
| Recognition of contributions made subsequent to the measurement date | 938,793 | |
| Recognition of contributions made in the fiscal year prior to measurement date | <u>3,066,402</u> | (7,095,658) |

Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position. Repayment of bond principal is an expenditure in Governmental Funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Position.

| | |
|--|-----------------|
| This amount represents the amount of current amortization of premiums. | 77,192 |
| This amount represents bond proceeds and premiums. | (5,136,240) |
| This amount represents long-term debt repayments and issuance costs. | 4,113,237 |
| This amount represents the increase in accrued interest payable. | <u>(42,799)</u> |

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 913,698

CITY OF OXFORD, MISSISSIPPI
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL -
BUDGETARY BASIS
For the Year Ended September 30, 2025

| | Budget | | Actual | Variance with Final Budget Over (Under) |
|--|------------------------|-----------------------|-----------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| General Property Taxes | \$ 14,114,560 | \$ 14,278,805 | \$ 14,270,110 | \$ (8,695) |
| Sales and Use Taxes | 14,061,175 | 14,775,175 | 14,443,035 | (332,140) |
| Licenses and Permits | 1,362,700 | 3,491,700 | 3,491,137 | (563) |
| Franchise Fees | 938,000 | 938,000 | 908,001 | (29,999) |
| In Lieu - Utility Department | 1,165,000 | 1,165,000 | 1,165,000 | - |
| Penalties and Interest | 150,000 | 200,938 | 200,938 | - |
| Intergovernmental Revenues | 4,675,822 | 3,857,822 | 3,563,116 | (294,706) |
| Grant Income | 906,968 | 2,116,715 | 1,368,180 | (748,535) |
| Charges for Services | 3,301,445 | 4,037,588 | 4,063,527 | 25,939 |
| Fines and Forfeits | 648,500 | 946,164 | 1,021,801 | 75,637 |
| Interest Income | 2,591,000 | 2,103,475 | 2,279,543 | 176,068 |
| Cemetery | 50,000 | 50,000 | 71,050 | 21,050 |
| Miscellaneous Revenues | 575,014 | 670,839 | 549,581 | (121,258) |
| TOTAL REVENUES | <u>44,540,184</u> | <u>48,632,221</u> | <u>47,395,019</u> | <u>(1,237,202)</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General Government | 13,585,744 | 13,543,460 | 12,284,476 | 1,258,984 |
| Public Safety | 23,641,083 | 23,291,380 | 21,848,871 | 1,442,509 |
| Public Works | 11,349,534 | 11,500,510 | 6,979,090 | 4,521,420 |
| Culture and Recreation | 11,623,849 | 11,841,967 | 10,872,106 | 969,861 |
| Debt Service | 235,000 | 541,464 | 536,270 | 5,194 |
| TOTAL EXPENDITURES | <u>60,435,210</u> | <u>60,718,781</u> | <u>52,520,813</u> | <u>8,197,968</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>(15,895,026)</u> | <u>(12,086,560)</u> | <u>(5,125,794)</u> | <u>6,960,766</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Proceeds from Sale of Capital Assets | - | - | 18,557 | 18,557 |
| Transfers (to) from Other Funds | 2,451,022 | 3,491,090 | (1,458,868) | (4,949,958) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>2,451,022</u> | <u>3,491,090</u> | <u>(1,440,311)</u> | <u>(4,931,401)</u> |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER FINANCING AND OTHER USES | <u>\$ (13,444,004)</u> | <u>\$ (8,595,470)</u> | <u>\$ (6,566,105)</u> | <u>\$ 2,029,365</u> |

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
OXFORD RESERVE & TRUST FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL -
BUDGETARY BASIS
For the Year Ended September 30, 2025

| | Budget | | Actual | Variance with Final Budget Over (Under) |
|--|-------------|-------------|---------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Investment Earnings | \$ - | \$ - | \$ 1,053,529 | \$ 1,053,529 |
| TOTAL REVENUES | <u>-</u> | <u>-</u> | <u>1,053,529</u> | <u>1,053,529</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Investment Expense | - | - | - | - |
| TOTAL EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>-</u> | <u>-</u> | <u>1,053,529</u> | <u>1,053,529</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Unrealized Gain (Loss) from Investments | - | - | 2,024,043 | 2,024,043 |
| Transfers from (to) Other Funds | - | - | (1,083,370) | (1,083,370) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>940,673</u> | <u>940,673</u> |
| EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER FINANCING AND OTHER USES | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,994,202</u> | <u>\$ 1,994,202</u> |

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2025

| | BUSINESS-TYPE ACTIVITIES-- PROPRIETARY FUND | | | |
|---|--|--------------------------|---------------------------|---------------------|
| | ELECTRIC FUND | WATER & SEWER FUND | ENVIRONMENTAL SERVICES | TOTAL |
| ASSETS: | | | | |
| <u>Current Assets:</u> | | | | |
| Cash and Cash Equivalents | \$ 6,469,406 | \$ 10,796,760 | \$ 1,342,923 | \$ 18,609,089 |
| Certificates of Deposit | 30,936 | 3,603,893 | - | 3,634,829 |
| Receivables, net | 3,890,189 | 3,101,501 | 1,054,340 | 8,046,030 |
| Lease Receivable, Due Within One Year | - | 239,043 | - | 239,043 |
| Due from Other Funds | - | 417,487 | - | 417,487 |
| Inventories | 1,197,791 | 912,398 | - | 2,110,189 |
| Prepaid Expenditures | 783 | - | - | 783 |
| Total Current Assets | <u>11,589,105</u> | <u>19,071,082</u> | <u>2,397,263</u> | <u>33,057,450</u> |
| <u>Noncurrent Assets:</u> | | | | |
| <u>Restricted Assets</u> | | | | |
| Cash and Cash Equivalents - Restricted | 5,000 | 442,673 | - | 447,673 |
| Certificates of Deposit - Restricted | - | 802,437 | - | 802,437 |
| Investment in CSA | 25,528 | - | - | 25,528 |
| Lease Receivable | - | 1,613,011 | - | 1,613,011 |
| <u>Capital Assets:</u> | | | | |
| Land | 908,953 | 1,793,634 | - | 2,702,587 |
| Plants, Buildings & Improvements | 47,609,058 | 102,040,407 | 227,868 | 149,877,333 |
| Machinery & Equipment | 3,507,053 | 5,573,415 | 11,604,976 | 20,685,444 |
| Accumulated Depreciation | (19,353,350) | (63,702,248) | (4,702,802) | (87,758,400) |
| Construction Work In Progress | 4,496,356 | 17,757,156 | - | 22,253,512 |
| Total Noncurrent Assets | <u>37,198,598</u> | <u>66,320,485</u> | <u>7,130,042</u> | <u>110,649,125</u> |
| TOTAL ASSETS | <u>48,787,703</u> | <u>85,391,567</u> | <u>9,527,305</u> | <u>143,706,575</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred Outflows - Pensions | 1,125,337 | 523,437 | 655,224 | 2,303,998 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>\$ 1,125,337</u> | <u>\$ 523,437</u> | <u>\$ 655,224</u> | <u>\$ 2,303,998</u> |

**CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2025**

| | BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS | | | |
|---|---|--------------------------|---------------------------|----------------------|
| | ELECTRIC FUND | WATER & SEWER FUND | ENVIRONMENTAL SERVICES | TOTAL |
| <u>LIABILITIES</u> | | | | |
| <u>Current Liabilities:</u> | | | | |
| Accounts Payable and Accrued Expenses | \$ 8,069,233 | \$ 709,524 | \$ 117,417 | \$ 8,896,174 |
| Accrued Interest Payable | - | 203,424 | 4,785 | 208,209 |
| Due to Other Funds | - | - | 12,750 | 12,750 |
| Current Portion of Long-Term Debt | - | 2,466,000 | 895,000 | 3,361,000 |
| Customer Deposits | 3,513,809 | 1,911,867 | - | 5,425,676 |
| Total Current Liabilities | 11,583,042 | 5,290,815 | 1,029,952 | 17,903,809 |
| <u>Long-Term Liabilities:</u> | | | | |
| Other Liabilities | 28,930 | - | - | 28,930 |
| Compensated Absences | 141,872 | 119,704 | 162,185 | 423,761 |
| Net Pension Liability | 6,403,906 | 5,826,017 | 7,202,016 | 19,431,939 |
| Bonds, Notes, & Loans Payable, net of current portion | - | 17,071,592 | 1,355,000 | 18,426,592 |
| Total Long-Term Liabilities | 6,574,708 | 23,017,313 | 8,719,201 | 38,311,222 |
| Total Liabilities | 18,157,750 | 28,308,128 | 9,749,153 | 56,215,031 |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | | |
| Deferred Inflows - Pensions | - | 370,240 | 546,137 | 916,377 |
| Deferred Inflows - Leases | - | 1,779,149 | - | 1,779,149 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | - | 2,149,389 | 546,137 | 2,695,526 |
| <u>NET POSITION</u> | | | | |
| Net Investment in Capital Assets | 37,168,070 | 43,924,772 | 4,880,042 | 85,972,884 |
| Reserved for Unemployment Benefits | 5,000 | - | - | 5,000 |
| Reserved for Debt Service | - | 1,245,110 | - | 1,245,110 |
| Unrestricted (Deficit) | (5,417,780) | 10,287,605 | (4,992,803) | (122,978) |
| TOTAL NET POSITION | \$ 31,755,290 | \$ 55,457,487 | \$ (112,761) | \$ 87,100,016 |

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION-
PROPRIETARY FUNDS
For The Year Ended September 30, 2025

| | BUSINESS-TYPE ACTIVITIES- PROPRIETARY FUNDS | | | |
|--|--|--------------------------|---------------------------|----------------------|
| | ELECTRIC FUND | WATER & SEWER FUND | ENVIRONMENTAL SERVICES | TOTALS |
| <u>OPERATING REVENUE:</u> | | | | |
| Charges For Services | \$ 26,454,275 | \$ 13,967,010 | \$ 6,395,829 | \$ 46,817,114 |
| Other | 356,495 | - | - | 356,495 |
| Total Operating Revenue | <u>26,810,770</u> | <u>13,967,010</u> | <u>6,395,829</u> | <u>47,173,609</u> |
| <u>OPERATING EXPENSES:</u> | | | | |
| Operations | 24,210,660 | 6,337,387 | 3,591,204 | 34,139,251 |
| Maintenance | 825,550 | 208,093 | 1,388,246 | 2,421,889 |
| Depreciation and Amortization Expense | 1,428,344 | 4,147,036 | 964,040 | 6,539,420 |
| Pension Expense | - | 437,812 | 523,828 | 961,640 |
| Total Operating Expenses | <u>26,464,554</u> | <u>11,130,328</u> | <u>6,467,318</u> | <u>44,062,200</u> |
| Net Operating Income (Loss) | <u>346,216</u> | <u>2,836,682</u> | <u>(71,489)</u> | <u>3,111,409</u> |
| <u>NON-OPERATING INCOME (EXPENSES):</u> | | | | |
| Interest Income | 168,819 | 664,200 | - | 833,019 |
| Lease Income | - | 361,639 | - | 361,639 |
| Gain (Loss) on Disposal of Fixed Asset | - | 5,000 | (9,791) | (4,791) |
| Grant Income/ Capital Contributions | - | - | 275,656 | 275,656 |
| Amortization of Debt Expense | - | 32,600 | - | 32,600 |
| Miscellaneous Income (Expense) | (43,012) | 56,849 | 5,447 | 19,284 |
| Interest Expense | - | (689,448) | (96,712) | (786,160) |
| Total Non-Operating Income (Loss) | <u>125,807</u> | <u>430,840</u> | <u>174,600</u> | <u>731,247</u> |
| Income before Operating Transfers | 472,023 | 3,267,522 | 103,111 | 3,842,656 |
| <u>OPERATING TRANSFERS IN (OUT):</u> | <u>(1,165,000)</u> | <u>8,104,544</u> | <u>(26,442)</u> | <u>6,913,102</u> |
| Change in Net Position | <u>(692,977)</u> | <u>11,372,066</u> | <u>76,669</u> | <u>10,755,758</u> |
| Total Net Position - Beginning, as originally stated | <u>32,448,267</u> | <u>44,068,921</u> | <u>(189,430)</u> | <u>76,327,758</u> |
| Prior Period Adjustment | <u>-</u> | <u>16,500</u> | <u>-</u> | <u>16,500</u> |
| Total Net Position - Beginning, as restated | <u>32,448,267</u> | <u>44,085,421</u> | <u>(189,430)</u> | <u>76,344,258</u> |
| Total Net Position - Ending | <u>\$ 31,755,290</u> | <u>\$ 55,457,487</u> | <u>\$ (112,761)</u> | <u>\$ 87,100,016</u> |

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended September 30, 2025

| | BUSINESS-TYPE ACTIVITIES- PROPRIETARY FUNDS | | | |
|---|---|--------------------------|---------------------------|----------------------|
| | ELECTRIC FUND | WATER & SEWER FUND | ENVIRONMENTAL SERVICES | TOTALS |
| <u>Cash Flows from Operating Activities:</u> | | | | |
| Receipts from Customers | \$ 26,744,054 | \$ 13,783,387 | \$ 6,364,221 | \$ 46,891,662 |
| Payments to Suppliers | (21,464,519) | (1,587,131) | (2,467,583) | (25,519,233) |
| Payments to Employees | (1,733,879) | (2,519,700) | (2,681,336) | (6,934,915) |
| Payments for Other Services and Charges | - | (2,117,489) | (27,424) | (2,144,913) |
| Other Receipts (Payments) | - | - | (430,049) | (430,049) |
| Net Cash Provided By (Used In) Operating Activities | <u>3,545,656</u> | <u>7,559,067</u> | <u>757,829</u> | <u>11,862,552</u> |
| <u>Cash Flows from Noncapital Financing Activities:</u> | | | | |
| Due to Other Funds | - | - | 37,750 | 37,750 |
| Transfers In (Out) | (1,165,000) | 8,104,544 | (25,000) | 6,914,544 |
| Net Cash Provided By (Used In) Noncapital Financing Activities | <u>(1,165,000)</u> | <u>8,104,544</u> | <u>12,750</u> | <u>6,952,294</u> |
| <u>Cash Flows from Capital and Related Financing Activities:</u> | | | | |
| Proceeds From Sale of Capital Assets | - | 5,000 | 45,000 | 50,000 |
| Purchases of Capital Assets | (3,786,640) | (14,232,359) | (1,196,394) | (19,215,393) |
| Plant Removal Cost | (53,591) | - | - | (53,591) |
| Materials Salvaged from Retirements | 96,079 | - | - | 96,079 |
| Principal Paid on Capital Debt | - | (2,401,000) | (895,000) | (3,296,000) |
| Interest Paid on Capital Debt | - | (689,448) | (106,464) | (795,912) |
| Other Receipts (Payments) | (14,075) | 56,849 | 5,447 | 48,221 |
| Net Cash Provided By (Used In) Capital and Related Financing Activities | <u>(3,758,227)</u> | <u>(17,260,958)</u> | <u>(2,147,411)</u> | <u>(23,166,596)</u> |
| <u>Cash Flows from Investing Activities:</u> | | | | |
| Purchase of Investments/Certificates of Deposit | (198) | (152,153) | - | (152,351) |
| Cash Received from Grants | - | - | 275,656 | 275,656 |
| Cash Received from Lease Activity | - | 305,234 | - | 305,234 |
| Interest Income Received | 168,819 | 664,200 | - | 833,019 |
| Other Receipts (Payments) | (37,688) | - | - | (37,688) |
| Net Cash Provided By (Used In) Investing Activities | <u>130,933</u> | <u>817,281</u> | <u>275,656</u> | <u>1,223,870</u> |
| Net Increase (Decrease) In Cash and Cash Equivalents | <u>(1,246,638)</u> | <u>(780,066)</u> | <u>(1,101,176)</u> | <u>(3,127,880)</u> |
| Cash and Cash Equivalents--Beginning | <u>7,721,044</u> | <u>12,019,499</u> | <u>2,444,099</u> | <u>22,184,642</u> |
| Cash and Cash Equivalents--Ending | <u>\$ 6,474,406</u> | <u>\$ 11,239,433</u> | <u>\$ 1,342,923</u> | <u>\$ 19,056,762</u> |
| <u>Statement of Net Position:</u> | | | | |
| Cash and Cash Equivalents | \$ 6,469,406 | \$ 10,796,760 | \$ 1,342,923 | \$ 18,609,089 |
| Cash and Cash Equivalents--Restricted | 5,000 | 442,673 | - | 447,673 |
| Total Cash and Cash Equivalents | <u>\$ 6,474,406</u> | <u>\$ 11,239,433</u> | <u>\$ 1,342,923</u> | <u>\$ 19,056,762</u> |
| <u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:</u> | | | | |
| Operating Income (Loss) | \$ 346,216 | \$ 2,836,682 | \$ (71,489) | \$ 3,111,409 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities: | | | | |
| Depreciation and Amortization Expense | 1,428,344 | 4,147,036 | 964,040 | 6,539,420 |
| Pension Expense - Actuarially Determined | 257,412 | 437,812 | 523,828 | 1,219,052 |
| (Increase) Decrease in Accounts Receivable | (161,415) | (373,034) | (31,608) | (566,057) |
| (Increase) Decrease in Prepaid Expenditures | (48) | - | - | (48) |
| (Increase) Decrease in Deferred Charges | 571,503 | - | - | 571,503 |
| (Increase) Decrease in Inventories | 1,531 | 34,440 | - | 35,971 |
| (Increase) Decrease in Compensated Absences | 10,166 | (7,022) | 37,826 | 40,970 |
| Increase (Decrease) in Accounts Payable | 991,595 | 293,742 | (664,768) | 620,569 |
| Increase (Decrease) in Accrued Liabilities | 5,653 | - | - | 5,653 |
| Increase (Decrease) in Customer Deposits | 94,699 | 189,411 | - | 284,110 |
| Total Adjustments | <u>3,199,440</u> | <u>4,722,385</u> | <u>829,318</u> | <u>8,751,143</u> |
| Net Cash Provided By (Used In) Operating Activities | <u>\$ 3,545,656</u> | <u>\$ 7,559,067</u> | <u>\$ 757,829</u> | <u>\$ 11,862,552</u> |

See accompanying notes to financial statements.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES

The City of Oxford, Mississippi operates under a Mayor - Alderman form of government and provides the following services: public safety (police & fire), public works (street maintenance and engineering services), culture and recreation, building and ground improvements, tourism promotion, transit operation, utilities (electric and water & sewer, environmental services (waste/rubbish collection and street cleaning), community services, urban redevelopment and housing, public improvements and general administrative services.

The City has elected to apply all Governmental Accounting Standards Board (GASB) pronouncements, applicable Financial Accounting Standards Board (FASB) pronouncements, and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The accounting policies of the City of Oxford conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

FINANCIAL REPORTING ENTITY - BASIS OF PRESENTATION

Government-Wide and Fund Financial Statements

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information on all non-fiduciary activities of the primary government and its component units. The statement distinguishes between those activities of the City that are governmental, which are normally supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of net position presents the financial condition of the governmental and business-type activities for the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods and services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the governmental-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements. Non-major funds, where applicable, are aggregated and presented in a single column. Fiduciary funds are reported by type.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible in the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Significant revenues considered to be susceptible to accrual in addition to general property taxes include sales tax and various categorical grants. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

The City reports the following major Governmental Funds:

General Fund – The General Fund is used to account for all financial resources of the primary government except those required to be accounted for in another fund. The majority of current operations are financed by this fund. Transfers to other funds and agencies are made from this fund. Monies from other funds may be received unless prohibited by the purpose and object of such funds. This is a major fund.

Oxford Reserve & Trust Fund – The Oxford Reserve & Trust Fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Additionally, the City reports the following fund types:

Governmental Funds

Debt Service Funds – Debt Service Funds were established to receive and account for resources restricted for the payment of interest and principal on general improvement and school bonds, and notes and capital leases. These are non-major governmental funds.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific federal and state grants that are legally restricted to expenditures for specified purposes. These are non-major governmental funds except for the Oxford Reserve and Trust Fund.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources such as proceeds from the sale of bonds, bond anticipation notes, capital notes, transfers from governmental funds, and federal and state grants, all provided for the specific purpose of constructing, reconstructing or acquiring permanent or semi-permanent capital improvements. Capital improvements intended for Enterprise Fund use are not included in the Capital Projects Funds.

Proprietary Funds

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the proprietary funds are as follows: sale of water for the Water Fund, fees for providing solid waste services for the Environmental Services Fund and sale of electricity for the Electric Fund. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

The Electric Fund – This fund is used to account for the City's electric distribution system. This fund is responsible for electric power delivery to the residents of the City of Oxford.

Combined Water and Sewer Fund – This fund is used to account for the City's water treatment and distribution system. This fund is responsible for water delivery to the residents of the City of Oxford.

Environmental Services Fund – This fund is used to account for the cost of providing solid waste services to the City of Oxford.

Reporting Entity

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable and, as such, should be included within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. Organizations for which the City is not financially accountable are also included when doing so is necessary in order to prevent the City's financial statements from being misleading.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government (the City), some component units are blended as though they are part of the primary government.

Blended Component Unit

The Oxford Tourism Council – Established by the Legislature of the State of Mississippi in August 1998 for the promotion of tourism within the City. The Council is composed of five board members appointed by the City's mayor and board of aldermen with one of the five board members being a current alderman of the City. Although it is legally separate from the City, the Council is reported as if it were part of the primary government because its primary purpose is to provide tourism activities on behalf of the City.

Payments Between The City and Component Units

Resource flows between the primary government and blended component units are classified as interfund transactions in the financial statements.

Budgets and Budgetary Accounting

The Mayor and Board of Aldermen generally follow the following proposed budget calendar of the State Department of Audit in establishing the budgetary data reflected in the financial statements:

- (1) The Mayor and Board of Aldermen formulate the budget policy at the May board meeting.
- (2) Department budget requests are prepared by the appropriate people and submitted by the July board meeting.
- (3) A proposed budget is presented at the August meeting and a notice of public budget hearings and availability of the budget for inspection is published.
- (4) Between August 15th-30th a public hearing is held and the budget is adopted. The anticipated tax levy is reviewed to determine whether public notice is required on any levy.
- (5) Between September 1st-15th the budget must be adopted and the tax levy set.
- (6) Between September 1st-30th, in accordance with the City's population, the budget must be published in a municipal newspaper.
- (7) And, between September 15th-30th the budget as adopted should be written up, filed with the municipal clerk and public notice given of the availability of the budget for inspection.

Expenditures may not legally exceed budgeted appropriations at the activity level. During the year, several supplementary appropriations were necessary.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

- (8) Further, budgets are used as management control devices in the General Debt Service and Proprietary Funds. These budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), except the Proprietary Fund recognizes all expenditures for debt as expense and no depreciation expense is recognized.

Budgetary data for the Capital Projects Fund has not been presented in the accompanying combined financial statements as such funds are budgeted over the life of the respective project and not on an annual basis.

Unused appropriations for all of the above annually budgeted funds lapse at the end of the year. The budget amounts shown in the financial statements are the final authorized amounts after appropriate revisions during the year.

Expenditures may not legally exceed budgeted appropriations at the activity level except for capital outlays, election expenses and emergency expenditures.

Revenue Recognition - Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent February 1 of the following year.

Encumbrances

State law does not require that funds be available when goods or services are ordered, only when paid for. Due to this circumstance, the City does not employ an encumbrance system.

Cash and Cash Equivalents

For purposes of the statement of cash flows, all highly liquid debt instruments purchased with an original maturity of three months or less when acquired are considered to be cash equivalents.

Receivables

Receivables at September 30, 2025, consisted primarily of property and other taxes, accounts (billings for user charged services including unbilled utility services), intergovernmental receivables arising from entitlements and shared revenues, and accrued interest on investments.

The accrual amount of court fine receivables on the Statement of Net Position – Government-Wide has been reduced by \$7,877,365 to reflect the provision for uncollectible fines as determined by management's estimate.

Business Information

The City of Oxford, Mississippi provides electric, water and sewer services to customers located within the city limits of Oxford, Mississippi as well as a limited number of customers outside the city limits. Credit is extended to all of these customers for services.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Inventories

Inventories for proprietary fund types are valued at cost. The City does not maintain inventory records for any other fund types.

Prepaid Items

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. Prepaid items, such as prepaid insurance, are not reported for Governmental Fund Types since the costs of such items are accounted for as expenditures in the period of acquisition.

Interfund Transactions and Balances

Transactions between funds that are representative of short-term lending/borrowing arrangements and transactions that have not resulted in the actual transfer of cash at the end of the fiscal year are referred to as "Due to/from other funds." Noncurrent portions of interfund receivables and payables are reported as "Advances to/from other funds." Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Interfund receivables and payable between funds within governmental activities are eliminated in the Statement of Net Position. Any outstanding balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "Internal balances."

Restricted Assets

Governmental and proprietary fund assets required to be held and/or used as specified in bond indentures, bond resolutions, trustee agreements, board resolutions, and donor specifications have been reported as restricted assets. When both restricted and non-restricted assets are available for use, the policy is to use restricted assets first.

Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are capitalized at estimated fair market value on the date donated.

The City has adopted a capitalization threshold of \$1,000 for general fixed assets and a threshold of \$5,000 for infrastructure assets. The City has retroactively applied these thresholds to all general fixed assets in service. Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

| | |
|-----------------------------------|--------------|
| Plant, Building, and Improvements | 5 – 40 Years |
| Machinery and Equipment | 5 – 15 Years |
| Furniture and Fixtures | 5 – 20 Years |
| Vehicles | 5 – 10 Years |
| Intangible Right to Use | Varies |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Compensated Absences

The City's policy allows employees to accumulate unused vacation leave. Upon termination, any accumulated vacation leave of up to 30 days will be paid to the employee. Sick leave will be paid only upon illness while an employee of the City.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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(s) and so will not be recognized as an inflow of resources (revenue) until then.

Deferred amounts on pensions - The City has deferred outflows and inflows related to pensions which represents the City's proportionate share of the deferred outflows and inflows of resources reported by the pension plan in which the City participates. See Note 8 for further details.

Leases - The Governmental Accounting Standards Board (GASB) issued Statement No. 87, Leases (GASB 87), to establish a single leasing model for accounting and reporting purposes. This guidance is intended to enhance the accountability, consistency and comparability of lease activities reported by governments. GASB 87 was implemented during fiscal year 2022.

The City uses the incremental borrowing rate to calculate the present value of lease payments when the rate implicit in the lease is not known.

Long-term Liabilities

Long-term liabilities are the unmatured principal of bonds, loans, notes or other forms of noncurrent or long-term general obligation indebtedness. Long-term liabilities are not limited to liabilities from debt issuances, but may also include liabilities on financed purchases and other commitments.

In the government-wide financial statements and in the Proprietary 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 Funds Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

In the fund financial statements, Governmental Fund Types recognize bond premiums and discounts during the current period. The face amount of the 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.

Equity Classifications

Government-wide Financial Statements:

Equity is classified as Net Position and displayed in three components:

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets.

Restricted net position - Consists of net position with constraints placed on the use either by external groups such as creditors, granters, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.

Unrestricted net position - All other net position not meeting the definition of "restricted" or "net investment in capital assets."

Net Position Flow Assumption:

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the City's general policy to use restricted resources first. When expenses are incurred for purposes for which unrestricted resources are available, and amounts in any of these unrestricted classifications could be used, it is the City's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

Fund Financial Statements:

The City has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions. In accordance with GASB Statement No. 54, the governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The City has an obligation to maintain unemployment comp funds intact in lieu of periodic contributions to the state unemployment insurance program. The City has classified all funds associated with the unemployment comp fund as nonspendable. The City has \$89,908 of nonspendable fund balance as of September 30, 2025.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified the Forestry Grant, UMI Uninsured Motorist, and IDF Interlock Device funds in the General Fund as restricted. The City has classified all special revenue grant funds as restricted to the appropriate expenditure category. The City has also classified the 2 % Food and Beverage Tax, Hotel/Motel Tax, Oxford Transit, Conference Center, Oxford Tourism, and MDJ Unit Fund as restricted. The City has classified all the capital projects funds as restricted for capital projects. The City also considers the balance in the Oxford Municipal Reserve & Trust Fund as restricted due to a state senate bill. The City has \$79,750,596 restricted fund balance as of September 30, 2025.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City's Board of Aldermen. These amounts cannot be used for any other purpose unless the Board of Aldermen removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City has classified the Crime Prevention/OPD Mounted Unit fund and the Tennis Sponsorships fund in the General Fund, as being committed because they were set aside for specific purposes by the Board of Aldermen. The City considers the balance in the debt service fund as committed based on Board authorization. The City also considers Oxford Tourism Council funds as committed to tourism. The City has \$2,270,788 of committed fund balance as of September 30, 2025.
- **Assigned:** This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Aldermen or through the Board of Aldermen delegating this responsibility to the City's management through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The City has classified the Cemetery Fund and Historic Homes Fund balances as assigned. The City has \$1,122,000 of assigned fund balance as of September 30, 2025.
- **Unassigned:** This classification includes the residual fund balance for the General Fund and all other amounts not included in other spendable classifications. The City has \$21,031,897 of unassigned fund balance as of September 30, 2025.

Fund Balance Flow Assumption:

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) resources are available, it is the City's general policy to use restricted resources first. When expenditures are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the City's general policy to spend committed resources first, followed by assigned amounts, and then unassigned amounts.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Intergovernmental Revenues in Governmental Funds

Intergovernmental revenues, consisting of grants, entitlements, and shared revenues, are usually recorded in governmental funds when measurable and available. However, the "available" criterion applies for certain federal grants and shared revenues when the expenditure is made because expenditure is the prime factor for determining eligibility. Similarly, if cost sharing or matching requirements exist, revenue recognition depends on compliance with these requirements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates. Significant estimates used in preparing these financial statements include those assumed in computing the provision for uncollectible court fines and the net pension liability. It is at least reasonably possible that the significant estimate used will change within the next year.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Oxford's participation in the Public Employees' Retirement System of Mississippi (PERS), and additions to/deductions from the City of Oxford's fiduciary net position have been determined on the same basis as they are reported by the Public Employees' Retirement System of Mississippi (PERS). For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employees' Retirement System of Mississippi (PERS). Investments are reported at fair value.

Subscription-Based Information Technology Arrangements

The Governmental Accounting Standards Board (GASB) issued Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs) (GASB 96) to establish uniform accounting and financial reporting requirements for SBITAs, to improve comparability of financial statements among governments that have entered into SBITAs, and to enhance understandability, reliability, relevance, and consistency of information about SBITAs. GASB 96 was implemented during fiscal year 2023. As of September 30, 2025, the City had no SBITA arrangements that met the criteria for accounting and reporting requirements.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Property Taxes

Property taxes, except motor vehicles, attach as an enforceable lien on property as of January 1st. The City bills and collects its own property taxes, except motor vehicle taxes, and also collects taxes for the Separate School District. Motor vehicle taxes are collected by the County Tax Collector and remitted to the City. Taxes are levied on October 1st and are due and payable at that time. All unpaid taxes levied October 1st become delinquent February 1st of the following year. Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within thirty days after year end.

The millage was allocated as follows:

| | <u>2025</u> | | <u>2024</u> | |
|-------------------------|---------------------|------------------------|---------------------|------------------------|
| | <u>City</u> | <u>School District</u> | <u>City</u> | <u>School District</u> |
| General Fund | 24.95 | 0.00 | 25.85 | 0.00 |
| Park & Recreation | 2.00 | 0.00 | 2.00 | 0.00 |
| Library | 0.00 | 0.00 | 0.00 | 0.00 |
| City Debt Service | | | | |
| 2012 GO Bonds | 0.85 | 0.00 | 0.86 | 0.00 |
| 2009 GO Bonds | 0.00 | 0.00 | 0.32 | 0.00 |
| 2015 GO Bonds | 1.30 | 0.00 | 1.29 | 0.00 |
| 2017A GO Bonds | 0.95 | 0.00 | 0.99 | 0.00 |
| 2017B GO Bonds | 0.95 | 0.00 | 0.99 | 0.00 |
| 2018A GO Bonds | 0.35 | 0.00 | 0.35 | 0.00 |
| 2023 GO Bonds | 1.30 | 0.00 | 0.00 | 0.00 |
| School Bond & Interest | 0.00 | 12.21 | 0.00 | 9.68 |
| School Maintenance Fund | <u>0.00</u> | <u>49.30</u> | <u>0.00</u> | <u>51.83</u> |
| Total | <u><u>32.65</u></u> | <u><u>61.51</u></u> | <u><u>32.65</u></u> | <u><u>61.51</u></u> |

Changes in Accounting Standards

GASB 101, *Compensated Absences*, was implemented during the 2025 fiscal year. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

GASB 102, *Certain Risk Disclosures*, was implemented during the 2025 fiscal year. The objective of this Statement aims to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The adoption of this statement had no effect on previously reported amounts or disclosures.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 2 - ADJUSTMENTS AND RESTATEMENTS OF BEGINNING BALANCES

Correction of an Error in Previously Issued Financial Statements

Governmental Activities

In prior years, certain payments related to a lease arrangement were incorrectly recorded in governmental activities as capital asset additions rather than as a lease transaction under GASB Statement No. 87. As a result, amounts of \$369,720 were recorded in construction in progress, and amounts of \$339,556 were recorded in machinery & equipment and depreciated for \$49,532 during the fiscal year ended September 30, 2024. Upon review, management determined that these amounts should have been recognized as part of a lease asset and corresponding lease liability at the government-wide level, with related amortization and interest recognized in accordance with GASB Statement No. 87. This resulted in a net intangible asset of \$2,350,828 and lease liability of \$2,362,501.

The correction of this error resulted in the reclassification of amounts previously reported in construction in progress and capital assets - being depreciated to lease assets, the recognition or adjustment of the related accumulated amortization, the recognition of the related lease liability, and the correction of previously recognized depreciation expense and related lease-related balances, as applicable. This restatement affects the beginning net position of governmental activities as of October 1, 2024

Water and Sewer Fund

In the Water and Sewer Fund, certain lease arrangements in which the fund is the lessor were not properly recorded in the prior year in accordance with GASB Statement No. 87. Specifically, lease receivables of \$2,074,362 and corresponding deferred inflows of resources of \$2,057,862 related to water and sewer assets were omitted from the financial statements for the fiscal year ended September 30, 2024.

The correction of this error resulted in the recognition of the beginning lease receivable and related deferred inflow of resources, together with any related effect on beginning net position, for the Water and Sewer Fund as of October 1, 2024. Management has concluded that recording these balances in the current year as a restatement of beginning fund net position is necessary to properly apply GASB Statement No. 87.

Nonmajor Special Revenue Fund

In a prior year, a prepaid expenditure of \$874,582 was incorrectly accrued in a nonmajor special revenue fund rather than recorded as a prepaid item. This matter has been accounted for as an error correction in accordance with GASB Statement No. 100, Accounting Changes and Error Corrections.

The correction of this error reduces previously reported expenditures and increases beginning fund balance of the Nonmajor Special Revenue Fund as of the beginning of the current year. This correction also affects governmental activities at the government-wide level because the prior misclassification overstated expenses and understated net position. Accordingly, the error correction increases beginning net position for governmental activities as of the beginning of the current year (see the Governmental activities line in the Beginning Net Position Restatement table below).

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 2 - ADJUSTMENTS AND RESTATEMENTS OF BEGINNING BALANCES

Adjustments to and Restatements of Beginning Balances

| | Reporting Units Affected by Adjustments to and Restatements of Beginning Balances | | | |
|------------------------------------|--|-----------------------|----------------------------|-----------------------------|
| | Funds | | Government-Wide | |
| | Other Governmental Funds | Water & Sewer Fund | Governmental Activities | Business-type Activities |
| 9/30/2024, as previously reported | \$ 34,885,567 | 44,068,921 | 121,862,732 | 76,327,758 |
| Prior Period Adjustment | (874,582) | 16,500 | (1,546,000) | 16,500 |
| 9/30/2024, as adjusted or restated | \$ 34,010,985 | 44,085,421 | 120,316,732 | 76,344,258 |

NOTE 3 - CASH AND INVESTMENTS

Cash and Investments

Cash - The carrying amount of the City's total deposits with financial institutions at September 30, 2025, was \$79,313,977, and the bank balance was \$81,265,790. The collateral for public entities' deposits in financial institutions are held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27- 105-5 Miss. Code Ann. (1972). Under this program, the entity's funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation ("FDIC").

Custodial credit risk is the risk that in the event of the failure of a financial institution, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. The City does not have a formal policy for custodial credit risk. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC). Deposits above FDIC coverage are collateralized by the pledging financial institution's trust department or agent in the name of the Mississippi State Treasurer on behalf of the City

Investments - State statutes, city bond ordinances and city resolutions authorize the City's investments. The City is authorized, by statute, to invest excess funds in any bonds or other direct obligations of the United States of America or the State of Mississippi, or of any county, municipality or school district of this state, when such county, municipal or school district bonds have been properly approved; or in interest-bearing time certificates of deposit with any financial institution approved for the deposit of funds.

Investments in the Oxford Reserve and Trust Fund are reported at market value. All other investments are certificates of deposit and are valued at cost or amortized cost.

For more detail on investments see Note 11.

Restricted cash and certificates of deposit of approximately \$2.4 million is included on the Statement of Net Position as of September 30, 2025, and represents cash deposited by the City into separate accounts that is designated for debt service reserve requirements and unemployment compensation requirements.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 4 - CONTINGENT LIABILITIES

Litigation

From time to time, the City is a defendant in various litigations arising out of normal business activities. Although the City carries commercial insurance to protect itself against damage claims, it is possible that the ultimate resolution of cases may exceed the City's insured limits. Management, with the advice of legal counsel, is of the opinion that the ultimate resolution of these matters will not have a material adverse effect on the financial statements.

Federally Assisted Programs – Compliance Audits

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 5 - CAPITAL ASSETS

The following is a summary of governmental activities capital asset activity as of September 30, 2025:

| | Restated Balance 10/01/24 | Additions | Adjustments/ Transfers/ Disposals | Balance 09/30/25 |
|---|---------------------------------|---------------|---|---------------------|
| Capital Assets, not being depreciated: | | | | |
| Land | \$ 7,141,590 | \$ - | \$ - | \$ 7,141,590 |
| Construction in Progress | 11,811,354 | 12,421,745 | (12,225,615) | 12,007,484 |
| Total Capital Assets, not being depreciated | 18,952,944 | 12,421,745 | (12,225,615) | 19,149,074 |
| Capital Assets being depreciated | | | | |
| Plant, Buildings & Improvements | 65,385,770 | 241,542 | 11,240,872 | 76,868,184 |
| Infrastructure | 70,540,897 | 326,232 | 984,743 | 71,851,872 |
| Machinery & Equipment | 32,541,121 | 3,878,848 | (491,252) | 35,928,717 |
| Intangible Right to Use Building | 2,807,756 | 935,794 | - | 3,743,550 |
| Total Capital Assets being depreciated | 171,275,544 | 5,382,416 | 11,734,363 | 188,392,323 |
| Less: Accumulated Depreciation for: | | | | |
| Plant, Buildings & Improvements | (16,736,307) | (1,599,948) | - | (18,336,255) |
| Infrastructure | (31,984,090) | (1,834,647) | - | (33,818,737) |
| Machinery & Equipment | (20,606,702) | (2,381,222) | 441,716 | (22,546,208) |
| Intangible Right to Use Building | (411,441) | (581,713) | - | (993,154) |
| Total Accumulated Depreciation | (69,738,540) | (6,397,530) | 441,716 | (75,694,354) |
| Total Capital Assets, depreciated, net | 101,537,004 | (1,015,114) | 12,176,079 | 112,697,969 |
| Governmental Activities Capital Assets | \$ 120,489,948 | \$ 11,406,631 | \$ (49,536) | \$ 131,847,043 |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 5 - CAPITAL ASSETS (continued)

| | | |
|---|----|---------------------------|
| Total capital assets, net, excluding intangible right to use assets | \$ | 129,096,647 |
| Intangible right to use assets, net | | <u>2,750,396</u> |
| Total capital assets, net, as reported in the statement of net position | \$ | <u><u>131,847,043</u></u> |

A summary of business-type capital asset activity at September 30, 2025 follows:

| | Balance 10/01/24 | Additions | Transfers/ Disposals | Balance 09/30/25 |
|---|----------------------|----------------------|-------------------------|-----------------------|
| Capital Assets, not being depreciated: | | | | |
| Land | \$ 1,252,579 | \$ 1,450,008 | \$ - | \$ 2,702,587 |
| Construction in Progress | <u>8,429,520</u> | <u>13,823,992</u> | <u>-</u> | <u>22,253,512</u> |
| Total Capital Assets, not being depreciated | 9,682,099 | 15,274,000 | - | 24,956,099 |
| Capital Assets being depreciated | | | | |
| Plant, Buildings & Improvements | 147,803,813 | 2,146,984 | (73,464) | 149,877,333 |
| Machinery & Equipment | <u>19,134,943</u> | <u>1,896,414</u> | <u>(345,913)</u> | <u>20,685,444</u> |
| Total Capital Assets being depreciated | 166,938,756 | 4,043,398 | (419,377) | 170,562,777 |
| Less: Accumulated Depreciation for: | | | | |
| Plant, Buildings & Improvements | (70,982,867) | (5,356,275) | 51,279 | (76,287,863) |
| Machinery & Equipment | <u>(10,454,764)</u> | <u>(1,285,153)</u> | <u>269,380</u> | <u>(11,470,537)</u> |
| Total Accumulated Depreciation | (81,437,631) | (6,641,428) | 320,659 | (87,758,400) |
| Total Capital Assets, depreciated, net | <u>85,501,125</u> | <u>(2,598,030)</u> | <u>(98,718)</u> | <u>82,804,377</u> |
| Business Type Activities Capital Assets | <u>\$ 95,183,224</u> | <u>\$ 12,675,970</u> | <u>\$ (98,718)</u> | <u>\$ 107,760,476</u> |

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against operations

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

| | |
|--|---------------------|
| Governmental Activities: | |
| General Government | \$ 805,445 |
| Public Safety | 2,244,073 |
| Public Works | 1,568,218 |
| Culture & Recreation | 1,187,007 |
| Tourism Promotion | 102,039 |
| Transit Operation | 487,469 |
| Other Functions | <u>3,279</u> |
| Total Depreciation Expense – Governmental Activities | <u>\$ 6,397,530</u> |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 5 - CAPITAL ASSETS (continued)

Business-type Activities:

| | |
|------------------------|------------------|
| Electric Department | \$ 1,530,352 |
| Environmental Services | 964,040 |
| Water and Sewer | <u>4,147,036</u> |

Total Depreciation Expense – Business-type Activities \$ 6,641,428

NOTE 6 - LONG-TERM DEBT

General obligation bonds issued for governmental activity purposes are liquidated by the debt service fund, whereas, general obligation bonds issued for component unit purposes are liquidated by the component unit. Revenue bonds and promissory notes issued for business-type activities or by component units are repaid from those activities or component units.

The annual requirements to amortize all general obligation bonds, special assessment bonds, revenue bonds and notes outstanding as of September 30, 2025, net of bond premiums, are as follows:

| Fiscal Year Ending | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total</u> |
|-----------------------|--------------------------------|----------------------|---------------------------------|---------------------|----------------------|
| <u>September 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2026 | \$ 3,637,931 | \$ 1,287,604 | \$ 3,361,000 | \$ 624,947 | \$ 8,911,482 |
| 2027 | 3,737,796 | 1,208,446 | 3,169,000 | 537,624 | 8,652,866 |
| 2028 | 2,590,719 | 1,111,441 | 2,104,000 | 460,608 | 6,266,768 |
| 2029 | 2,538,700 | 1,028,716 | 1,691,000 | 396,758 | 5,655,174 |
| 2030 | 2,500,742 | 947,228 | 1,377,000 | 359,431 | 5,184,401 |
| 2031-2035 | 13,021,511 | 3,480,743 | 4,340,000 | 1,358,550 | 22,200,804 |
| 2036-2040 | 9,237,573 | 1,523,395 | 4,405,000 | 603,550 | 15,769,518 |
| 2041-2045 | <u>4,243,140</u> | <u>428,418</u> | <u>1,140,000</u> | <u>104,400</u> | <u>5,915,958</u> |
| Total | <u>\$ 41,508,112</u> | <u>\$ 11,015,991</u> | <u>\$ 21,587,000</u> | <u>\$ 4,445,868</u> | <u>\$ 78,556,971</u> |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 6 - LONG-TERM DEBT (continued)

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

| <u>Governmental Activities</u> | <u>Balance</u> <u>10/01/24</u> | <u>Issued</u> | <u>Retired</u> | <u>Balance</u> <u>09/30/25</u> | <u>Current</u> <u>Maturity</u> |
|---|-----------------------------------|---------------|----------------|-----------------------------------|-----------------------------------|
| General Obligation Bonds & Notes: | | | | | |
| General Obligation Bond Series 2017A, \$7,500,000 with interest at 3.0% maturing in 2037 | \$ 5,400,000 | \$ - | \$ 340,000 | \$ 5,060,000 | \$ 350,000 |
| General Obligation Bond Series 2017B, \$7,500,000 with variable interest at 3.0% to 4.0% maturing in 2038 | 5,730,000 | - | 330,000 | 5,400,000 | 340,000 |
| General Obligation Refunding Bond Series 2022, \$7,799,000 with variable interest at 1.69 to 2.14% maturing in 2038 | 7,682,000 | - | 41,000 | 7,641,000 | 516,000 |
| General Obligation Bond Series 2012, \$5,500,000 with variable interest at 1.625% to 2.25% maturing in 2027 | 1,270,000 | - | 410,000 | 860,000 | 425,000 |
| General Obligation Note Series 2022, \$725,000 with interest at 1.65% maturing in 2027 | 435,000 | - | 145,000 | 290,000 | 145,000 |
| General Obligation Refunding Bond Series 2018A, \$2,700,000 with interest at 2.5% to 3.5% maturing in 2038 | 2,050,000 | - | 120,000 | 1,930,000 | 125,000 |
| General Obligation Refunding Bond Series 2018C, \$1,050,000 with interest at 3.5% to 4.0% maturing in 2028 | 470,000 | - | 110,000 | 360,000 | 115,000 |
| General Obligation Refunding Bond Series 2018B, \$9,950,000 with interest at 3.0% to 4.0% maturing in 2038 | 425,000 | - | 425,000 | - | - |
| General Obligation Refunding Bond Series 2015, \$6,590,000 with variable interest at 2.0% to 2.5% maturing in 2027 | 1,890,000 | - | 615,000 | 1,275,000 | 635,000 |
| Tax Increment Financing Bonds, Series 2019, \$3,820,000 with interest at 3.0% to 4.0% maturing in 2034 | 3,080,000 | - | 260,000 | 2,820,000 | 270,000 |
| General Obligation Refunding Bonds, Series 2023, \$9,000,000 with interest at 4.0% to 5.0% maturing in 2044 | 9,000,000 | - | 295,000 | 8,705,000 | 285,000 |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 6 - LONG-TERM DEBT (continued)

| | Balance <u>10/01/24</u> | <u>Issued</u> | <u>Retired</u> | Balance <u>09/30/2025</u> | Current <u>Maturity</u> |
|---|----------------------------|---------------------|---------------------|------------------------------|----------------------------|
| General Obligation Bonds, Series 2025, \$5,000,000 with interest at 4.0% to 5.0% maturing in 2045 | \$ - | \$ 5,000,000 | \$ - | \$ 5,000,000 | \$ 170,000 |
| Bond Premiums | <u>1,000,934</u> | <u>136,240</u> | <u>77,192</u> | <u>1,059,982</u> | <u>-</u> |
| Total General Obligation Bonds & Notes | \$ <u>38,432,934</u> | \$ <u>5,136,240</u> | \$ <u>3,168,192</u> | \$ <u>40,400,982</u> | \$ <u>3,376,000</u> |
| Special Assessment Bonds: | | | | | |
| Special Assessment Bond Series 2014, \$1,600,000 with variable interest at 2.250% to 2.625% maturing in 2029 | \$ <u>620,000</u> | \$ - | \$ <u>115,000</u> | \$ <u>505,000</u> | \$ <u>120,000</u> |
| Total Special Assessment Bonds | \$ <u>620,000</u> | \$ - | \$ <u>115,000</u> | \$ <u>505,000</u> | \$ <u>120,000</u> |
| Other Loans from Direct Borrowings: | | | | | |
| State of Mississippi - CAP Loan \$1,000,000 with interest at 2.0% maturing 2028 | \$ 212,660 | \$ - | \$ 212,660 | \$ - | \$ - |
| State of Mississippi - CAP Loan \$1,400,000 with interest at 2.0% maturing 2042 | 1,205,188 | - | 66,426 | 1,138,762 | 62,693 |
| State of Mississippi - CAP Loan \$808,362 with interest at 2.0% maturing 2032 | <u>607,264</u> | <u>-</u> | <u>83,914</u> | <u>523,350</u> | <u>79,238</u> |
| Total Other Loans from Direct Borrowings | \$ <u>2,025,112</u> | \$ - | \$ <u>363,000</u> | \$ <u>1,662,112</u> | \$ <u>141,931</u> |
| Total all Governmental Activities | \$ <u>41,078,046</u> | \$ <u>5,136,240</u> | \$ <u>3,646,192</u> | \$ <u>42,568,094</u> | \$ <u>3,637,931</u> |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 6 - LONG-TERM DEBT (continued)

| <u>Business-Type Activities</u> | <u>Balance</u> <u>10/01/24</u> | <u>Issued</u> | <u>Retired</u> | <u>Balance</u> <u>09/30/2025</u> | <u>Current</u> <u>Maturity</u> |
|---|-----------------------------------|---------------|----------------|-------------------------------------|-----------------------------------|
| Revenue Bonds: | | | | | |
| Water & Sewer Refunding Bonds Series 2014- \$3,855,000 original issue with interest at 1.05% to 5.0%, maturing 2027 | \$ 1,080,000 | \$ - | \$ 435,000 | \$ 645,000 | \$ 450,000 |
| General Obligation Note Series 2022-\$2,175,000 original issue with interest at 1.65%, maturing 2027 | 1,305,000 | - | 435,000 | 870,000 | 435,000 |
| General Obligation Refunding Bonds, Series 2023, \$2,300,000 with interest at 4.76% maturing in 2028 | 1,840,000 | - | 460,000 | 1,380,000 | 460,000 |
| Water & Sewer Revenue Bonds Series 2019 - \$12,400,000 original issue with variable interest at 3.0 to 4.0%, maturing 2039 | 10,100,000 | - | 515,000 | 9,585,000 | 535,000 |
| Water & Sewer Refunding Bonds Series 2020 - \$1,598,000 original issue with variable interest at 3.8 to 4.0%, maturing 2028 | 717,000 | - | 235,000 | 482,000 | 239,000 |
| Water & Sewer Refunding Bonds Series 2020B - \$5,164,000 original issue with interest at 1.55%, maturing 2030 | 3,121,000 | - | 566,000 | 2,555,000 | 582,000 |
| Water & Sewer Refunding Bonds Series 2021 - \$4,480,000 original issue with interest at 1.36%, maturing 2029 | 2,720,000 | - | 530,000 | 2,190,000 | 535,000 |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 6 - LONG-TERM DEBT (continued)

| | Balance <u>10/01/24</u> | <u>Issued</u> | <u>Retired</u> | Balance <u>09/30/2025</u> | Current <u>Maturity</u> |
|---|----------------------------|---------------|---------------------|------------------------------|----------------------------|
| Water & Sewer Revenue Bonds Series 2024 - \$4,000,000 original issue with interest at 3.0% to 4.0%, maturing 2044 | 4,000,000 | - | 120,000 | 3,880,000 | 125,000 |
| Bond Premiums | <u>233,192</u> | <u>-</u> | <u>32,600</u> | <u>200,592</u> | <u>-</u> |
| Total Revenue Bonds | \$ <u>25,116,192</u> | \$ <u>-</u> | \$ <u>3,328,600</u> | \$ <u>21,787,592</u> | \$ <u>3,361,000</u> |
| Total Business-Type Activities | \$ <u>25,116,192</u> | \$ <u>-</u> | \$ <u>3,328,600</u> | \$ <u>21,787,592</u> | \$ <u>3,361,000</u> |

General Obligation Bonds – General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds are subject to optional redemption at various dates.

The City has two loans owed to the Mississippi Development Authority in which the proceeds were used for capital acquisitions and improvements. The outstanding notes from direct borrowings contain a provision in the event of default, outstanding amounts become immediately due. Furthermore, the direct borrowings contain an acceleration clause that allows the lender to accelerate the repayment schedule. Also, default can result in the forfeiture of sales tax allocation and/or homestead exemption reimbursements in an amount sufficient to repay obligations due.

Revenue Bonds – The City also issues revenue bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds are subject to optional redemption at various dates.

Legal Debt Margin – The City is subject to the limitations of indebtedness prescribed by Section 21-33-303, Miss. Code Ann. (1972). No municipality may issue bonds secured by its full faith and credit in an amount which, when added to the then outstanding bond indebtedness for such municipality, which would exceed the 15% and 20% tests prescribed in Section 21-33-303. These percentages are applied to the assessed value of the taxable property within such municipality, with certain types of bond issues being excluded from the authorized debt limit test. As of September 30, 2025, the amount of outstanding debt was within the allowable amount.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 7- LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The City is a lessee for various noncancellable leases of equipment. For leases that have a maximum possible term of 12 months or less at commencement, the city recognizes expense based on the provisions of the lease contract. For all other leases, the city recognized a lease liability and an intangible right-of-use asset.

At lease commencement, the council initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized in depreciation and amortization expense on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

The City generally uses an approximation of its incremental borrowing rate as the discount rate for leases unless the rate that the lessor charges is known. That rate is calculated based on management's assessment of current debt and current interest rates.

The lease term includes the noncancellable period of the lease plus any additional periods covered by either a city or lessor option to extend for which it is reasonably certain to be exercised or terminate for which it is reasonably certain to not be exercised. Periods in which both the city and the lessor have a unilateral option to terminate (or if both parties have agreed to extend) are excluded from the lease term.

As Lessee

Lease Assets:

Following is a summary of changes in lease assets and liabilities for the year ended September 30, 2025:

| | Restated Beginning Balance 10/1/2024 | Additions | Amortization | Ending Balance 9/30/2025 |
|-----------------------|---|----------------|------------------|--------------------------------|
| Building | \$ 45,487 | - | (45,487) | \$ - |
| Machinery & Equipment | 2,350,828 | 935,794 | (536,226) | 2,750,396 |
| Total | <u>\$ 2,396,315</u> | <u>935,794</u> | <u>(581,713)</u> | <u>\$ 2,750,396</u> |

Amortization is computed on a straight-line basis over the lesser of the estimated useful lives of the assets leased or the lease term, whichever is shorter. Useful lives are determined in the same way as depreciable capital assets.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 7 - LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAS) (continued)

Lease Liabilities:

The City leases a building and police equipment to optimize its cash flows year-over-year. The following is a schedule of changes in lease liabilities:

| | Beginning Balance 10/1/2024 | Additions | Payments | Ending Balance 9/30/2025 | Current Maturity |
|-----------------------|-----------------------------------|----------------------|---------------------|--------------------------------|---------------------|
| Building | \$ 48,975 | - | (48,975) | \$ - | \$ - |
| Machinery & Equipment | <u>2,362,502</u> | <u>935,794</u> | <u>(495,262)</u> | <u>2,803,034</u> | <u>515,975</u> |
| Total | <u>\$ 2,411,477</u> | <u>\$ 935,794.00</u> | <u>\$ (544,237)</u> | <u>\$ 2,803,034</u> | <u>\$ 515,975</u> |

| Description | Date of Issue | Date of Maturity | Interest Rate | Monthly Payment | Amount Outstanding |
|----------------------|------------------|---------------------|------------------|--------------------|-----------------------|
| Police Cars | 2025 | 2029 | 2.14% | Various | \$ 666,192 |
| Police Equipment | 10/1/2023 | 10/1/2032 | 4.00% | Various | 1,626,591 |
| Police Equipment | 10/1/2023 | 10/1/2032 | 4.00% | Various | 428,938 |
| Police Equipment | 9/1/2024 | 3/15/2032 | 4.00% | Annual | <u>81,313</u> |
| Total Leases Payable | | | | | <u>\$ 2,803,034</u> |

The lease is a variable payment lease without a buyout option. The following is a schedule by years of the total payments due on leases payable:

| | Lease Payable | Interest | Total |
|-----------|---------------------|-------------------|---------------------|
| 2026 | \$ 515,975 | \$ 108,364 | \$ 624,339 |
| 2027 | 471,556 | 88,348 | 559,904 |
| 2028 | 377,980 | 71,384 | 449,364 |
| 2029 | 290,203 | 57,622 | 347,825 |
| 2030 | 273,080 | 46,744 | 319,824 |
| 2031-2033 | <u>874,240</u> | <u>71,645</u> | <u>945,885</u> |
| Total | <u>\$ 2,803,034</u> | <u>\$ 444,107</u> | <u>\$ 3,247,141</u> |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

**NOTE 7 - LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY
ARRANGEMENTS (SBITAs) (continued)**

As Lessor

The City leases certain towers to communications providers. The related lease receivable and deferred inflows of resources are presented as amounts equal to the present value of lease payments expected to be received during the lease term. The deferred inflows of resources are amortized as lease revenue on a straight-line basis over the lease term. The terms for various leases range from 24 months to 372 months with variable payment amounts. The incremental borrowing rate of 4.0% was used to calculate the discounted future cash flows of the leases. The total amount of lease revenue and lease related interest revenue recognized in the current year is \$361,639.

Principal and interest payments scheduled to be received from lease receivable are as follows:

| Fiscal Year Ending September 30, | <u>Principal</u> | <u>Interest</u> |
|----------------------------------|---------------------|-------------------|
| 2026 | \$ 239,043 | \$ 74,032 |
| 2027 | 196,541 | 64,468 |
| 2028 | 139,086 | 56,604 |
| 2029 | 150,630 | 51,038 |
| 2030 | 97,203 | 44,979 |
| 2031-2035 | 207,534 | 190,253 |
| 2036-2040 | 315,061 | 140,289 |
| 2041-2045 | 304,573 | 68,746 |
| 2046-2050 | 98,815 | 31,288 |
| 2051-2055 | 103,568 | 8,679 |
| Total | <u>\$ 1,852,054</u> | <u>\$ 730,376</u> |

SBITAs:

As of September 30, 2025, the City had no material Subscription-Based Information Technology Arrangements that met the criteria for accounting and reporting requirements.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 8 - DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description. The City of Oxford, Mississippi contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing, multiple-employer, defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Plan provisions and the Board of Trustees' authority to determine contribution rates are established by Miss. Code Ann. Section 25-11-1 et seq., (1972, as amended) and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling 1-800-444-PERS.

Benefits Provided. Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the State of Mississippi, state universities, community and junior cities, and teachers and employees of the public school districts. For those persons employed by political subdivisions and instrumentalities of the State of Mississippi, membership is contingent upon approval of the entity's participation in PERS by the PERS' Board of Trustees. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter. Plan provisions are established and may be amended only by the State of Mississippi Legislature.

Contributions. At September 30, 2025, PERS members were required to contribute 9.00% of their annual covered salary, and the City is required to contribute at an actuarially determined rate. The employer's rate at September 30, 2025 was 18.40% and June 30, 2025 was 17.90% of annual covered payroll. This rate increased as of July 1, 2025 from 17.90%. The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature. The City of Oxford (including the Oxford Tourism Council)'s contributions (employer share only) to PERS for the years ending September 30, 2025, 2024 and 2023 were \$4,681,075, \$4,254,119 and \$4,076,239, respectively, equal to the required contributions for each year.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)

The City of Oxford-Electric Department's contributions (employer share only) to PERS for the years ending June 30, 2025, 2024 and 2023 were \$362,903, \$323,690 and \$306,958, respectively, equal to the required contributions for each year.

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

At September 30, 2025, the City of Oxford reported a liability of \$82,344,791 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of Oxford's proportion of the net pension liability was based on a projection of the City of Oxford's long-term share of contributions to the pension plan relative to projected contributions of all participating entities, actuarially determined. The City of Oxford's proportionate share used to calculate the September 30, 2025 net pension liability was 0.324411 percent, which was based on a measurement date of June 30, 2025. This was an increase of .011624 percent from its proportionate share used to calculate the September 30, 2024 net pension liability, which was based on a measurement date of June 30, 2024.

At June 30, 2025, the City of Oxford-Electric Department reported a liability of \$6,403,906 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of Oxford-Electric Department's proportion of the net pension liability was based on a projection of the City of Oxford-Electric Department's long-term share of contributions to the pension plan relative to projected contributions of all participating entities, actuarially determined. The City of Oxford-Electric Department's proportionate share used to calculate the June 30, 2025 net pension liability was 0.024275 percent, which was based on a measurement date of June 30, 2024. This was an increase of .000597 percent from its proportionate share used to calculate the June 30, 2024 net pension liability, which was based on a measurement date of June 30, 2023.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)

For the year ended September 30, 2025, the City of Oxford recognized pension expense of \$12,738,373. At September 30, 2025, the City of Oxford 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 | \$ 3,881,548 | \$ - |
| Net Difference Between Projected and Actual | | |
| Earnings on Pension Plan Investments | - | 2,253,450 |
| Changes of Assumptions | 1,915,123 | 786,644 |
| Changes in the Proportion and Differences Between the City's Contributions and Proportionate Share of Contributions | 614,043 | 3,097,579 |
| City Contributions Subsequent to the Measurement Date | 1,111,945 | - |
| Total | <u>\$ 7,522,659</u> | <u>\$ 6,137,673</u> |

\$1,111,945 reported as deferred outflows of resources related to pensions resulting from City of Oxford contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year Ending September 30, | Amount |
|----------------------------------|-------------------|
| 2026 | \$ 4,245,699 |
| 2027 | (1,574,148) |
| 2028 | (1,499,645) |
| 2029 | (898,865) |
| Total | <u>\$ 273,041</u> |

For the year ended June 30, 2025, the City of Oxford-Electric Department recognized pension expense of \$1,191,818. At June 30, 2025, the City of Oxford-Electric Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ 344,555 | \$ - |
| Net Difference Between Projected and Actual | | |
| Earnings on Pension Plan Investments | 21,222 | - |
| Changes of Assumptions | 396,657 | - |
| Department Contributions Subsequent to the Measurement Date | 362,903 | - |
| Total | <u>\$ 1,125,337</u> | <u>\$ -</u> |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)

\$362,903 reported as deferred outflows of resources related to pensions resulting from City of Oxford-Electric Department contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

| Fiscal Year Ending June 30, | Amount |
|-----------------------------|-------------------|
| 2026 | \$ 260,331 |
| 2027 | 470,122 |
| 2028 | 31,981 |
| Total | \$ <u>762,434</u> |

Actuarial Assumptions. City of Oxford. The total pension liability as of June 30, 2025 was determined by an actuarial valuation prepared as of June 30, 2024. The following actuarial assumptions are applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 2.40 percent |
| Salary increases | 2.65 - 17.90 percent, including inflation |
| Investment rate of return | 7.00 percent, net of pension plan investment expense, including inflation |

Mortality rates for service retirees were based on the PubS-2010(B) Retiree Table with the following adjustments: For males, 107% of all rates. For females, 97% of female rates up to age 82, 100% for ages 83 to 87 and 110% for ages above 87. Mortality rates for disability retirees were based on the PubG-2010 Disabled Table set forward 1 year and adjusted 134% for males and set forward 2 years and adjusted 125% for females. Mortality rates for Contingent Annuitants were based on the PubS-2010(B) Contingent Annuitant Table, set forward 3 years for males and set forward 2 years for females. Mortality rates will be projected generationally using the MP-2021 projection scale to account for future improvements in life expectancy.

The actuarial assumptions used for the purposes of determining the total pension liability were based on the results of an actuarial experience study for the period July 1, 2020 to June 30, 2024. The experience report is dated April 16, 2025.

Actuarial Assumptions. City of Oxford-Electric Department. The total pension liability as of June 30, 2024 was determined by an actuarial valuation prepared as of June 30, 2023, and by the investment experience for the fiscal year ending June 30, 2024. The following actuarial assumptions are applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Inflation | 2.40 percent |
| Salary increases | 2.65 - 17.90 percent, including inflation |
| Investment rate of return | 7.00 percent, net of pension plan investment expense, including inflation |

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)

Mortality rates for service retirees were based on the PubS.H-2010(B) Retiree Table with the following adjustments: For males, 95% of male rates up to age 60, 110% for ages 61 to 75 and 101% for ages above 77. For females, 84% of female rates up to age 72 and 100% for ages above 76. Mortality rates for disability retirees were based on the PubG.H-2010 Disabled Table adjusted 134% for males and 121% for females. Mortality rates for Contingent Annuitants were based on the PubS.H-2010(B) Contingent Annuitant Table, adjusted 97% for males and 110% for females. Mortality rates will be projected generationally using the MP-2020 projection scale to account for future improvements in life expectancy.

The actuarial assumptions used for the purposes of determining the total pension liability were based on the results of an actuarial experience study for the period from July 1, 2018 to June 30, 2022. The experience report is dated April 21, 2023.

The long-term expected rate of return on pension plan investments was determined using a lognormal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The most recent target asset allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2025 and 2024, are summarized in the following table:

| Asset Class | 2025 | | 2024 | |
|----------------------|-------------------|---|-------------------|---|
| | Target Allocation | Long-Term Expected Real Rate of Return* | Target Allocation | Long-Term Expected Real Rate of Return* |
| Domestic Equity | 27.00% | 4.75% | 25.00% | 5.15% |
| International Equity | 20.00% | 4.75% | 20.00% | 5.00% |
| Global Equity | 12.00% | 4.95% | 12.00% | 5.15% |
| Fixed Income | 20.00% | 2.25% | 18.00% | 2.75% |
| Real Estate | 10.00% | 3.75% | 10.00% | 3.50% |
| Private Equity | 10.00% | 6.00% | 10.00% | 6.25% |
| Infrastructure | - | - | 2.00% | 3.85% |
| Private Credit | - | - | 2.00% | 4.90% |
| Cash Equivalents | 1.00% | 0.50% | 1.00% | 0.50% |
| Total | 100.00% | | 100.00% | |

*Net of Inflation

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 8 - DEFINED BENEFIT PENSION PLAN (continued)

Discount Rate –The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00 percent) and that employer contributions will be phased in to 19.90 percent over five fiscal years (17.90 percent for FYE 2025, 18.40 percent for FYE 2026, 18.90 percent for FYE 2027, 19.40 percent for FYE 2028, 19.90 percent for FYE 2029 and beyond). Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents City of Oxford (including Oxford Tourism Council)’s proportionate share of the net pension liability using the discount rate of 7.00 percent, as well as what the City of Oxford (including Oxford Tourism Council)’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

| | Discount Rate | City’s Proportionate Share of Net Pension Liability |
|-----------------------|------------------|--|
| 1% decrease | 6.00% | \$107,077,667 |
| Current discount rate | 7.00% | \$82,344,791 |
| 1% increase | 8.00% | \$62,028,146 |

The following presents the City of Oxford-Electric Department’s proportionate share of the net pension liability using the discount rate of 7.00 percent, as well as what the City of Oxford-Electric Department’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

| | Discount Rate | City’s Proportionate Share of Net Pension Liability |
|-----------------------|------------------|--|
| 1% decrease | 6.00% | \$8,300,000 |
| Current discount rate | 7.00% | \$6,403,906 |
| 1% increase | 8.00% | \$4,852,000 |

Pension Plan Fiduciary Net Position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERS financial report.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 9 - RISK MANAGEMENT

The City of Oxford is exposed to various risks of losses related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs of the City except for certain employment practices liabilities, certain environmental liabilities, worker's compensation liabilities funded through a public entity risk pool, and catastrophic natural disasters that may exceed insurance coverage for which the City retains the risk of loss.

Risk of loss related to workers compensation for injuries to City employees is covered through the Mississippi Municipal Workers' Compensation Group, a public entity risk pool. The pool was formed on March 28, 1989, by the Mississippi Nonprofit Corporation Act, pursuant to Section 71-3-75, Mississippi Code Annotated (1972), to provide public entities within the State of Mississippi workers compensation and employer's liability coverage. The City pays premiums to the pool for its workers' compensation insurance coverage based on total payroll. The participation agreement provides that the pool will be self-sustaining through member premiums. The risk of loss is remote for claims exceeding the pool's retention liability. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

For insured programs there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. The City Attorney estimates that the amount of actual or potential claims against the City as of September 30, 2025, will not materially affect the financial condition of the City. Therefore, no provisions have been made for estimated claims. There have been no material claims paid by the City during the current or prior year.

NOTE 10 - COMMITMENTS

The electric system has a power contract with the Tennessee Valley Authority (TVA) whereby the electric system purchases all its electric power from TVA and is subject to certain restrictions and conditions as provided for in the power contract. Such restrictions include, but are not limited to, prohibitions against furnishing, advancing, lending, pledging or otherwise diverting electric system funds, revenues or property to other operations of the city and the purchase or payment of, or providing security for indebtedness on other obligations applicable to such other operations.

NOTE 11 - THE CITY OF OXFORD MUNICIPAL RESERVE AND TRUST FUND

This fund was established by Senate Bill Number 3128 for a period of twenty years. All proceeds received by the City from the sale of the Oxford-Lafayette Medical Center shall be deposited into this fund. The fund is to be administered, managed, invested and governed by a board of trustees. The board is to consist of nine members: the mayor; the mayor pro tem; an alderman; and six non aldermen with terms of one year, two years, three years, four years, five years, and six years. The alderman will serve for two years. The trustees shall establish a comprehensive investment plan for the purpose of this act. The comprehensive investment plan shall specify the policies to be utilized by the board of trustees in its administration of the fund. The board of trustees shall invest the fund in any of the investments authorized for the Public Employees' Retirement System of Mississippi under Section 25-11-121(1), Mississippi Code of 1972.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 11 - THE CITY OF OXFORD MUNICIPAL RESERVE AND TRUST FUND (continued)

The fund shall be divided into two components, the corpus component and the earnings component. The corpus component shall consist of the initial deposit of \$30,000,000 and subsequent deposits from the annual income earned. Except, as otherwise provided in the trust agreement, the corpus shall be inviolate and maintained and used to generate income and shall not be invaded or used by the Board of Trustees or the Governing Authorities.

The earnings component shall be considered an amount equal to three percent (3%) of the amount of the full fund balance whether or not the corpus component has generated any income in that fiscal year. All remaining portions of the accrued income earned shall remain in the fund as part of the corpus component. Funds comprising the earnings component shall be transferred from the fund to the general fund of the City at the direction of the Clerk and shall be available for appropriation and spending by the Governing Authorities.

The corpus component can be used upon a three-fourths majority vote of the board of aldermen and with approval by the mayor, the governing authorities are authorized to withdraw monies from the corpus component and have the monies disbursed to the City for appropriation and spending, in the event of the following:

- (a) A state of emergency or local emergency has been declared under federal, state, or local law; or
- (b) Overall budgeted collections of the city are more than five percent (5%) below that fiscal year's budgeted estimates for at least three (3) consecutive calendar months. In this instance, corpus monies may be withdrawn by the City to meet up to ninety-eight percent (98%) of projected budget shortfalls.

In the event of withdrawal of any portion of the corpus component by the City, annual disbursements by the trustees of the earnings components shall cease and all income shall be retained by the trustees and repaid to the corpus until such time as the corpus component equals its full pre withdrawal amount, at which time, disbursement of earning components may continue.

In addition, upon a unanimous vote of the board of aldermen and with approval by the mayor, the governing authorities are authorized to withdraw monies from the corpus component and have them disbursed to the City for appropriation and spending.

The withdrawal by the governing authorities shall be limited in the following manner:

- (a) No such vote or withdrawal may occur without the governing authorities first conducting a full public, open municipal hearing on consideration of the matter for which such appropriation and spending would be made;
- (b) Withdrawal pursuant to this subsection may occur only one time during each four-year term of the then board of aldermen and mayor;
- (c) Withdrawal shall not exceed ten percent (10%) of the corpus component of the fund, as determined by the trustees; and
- (d) The withdrawal must be repaid to the fund before a withdrawal under this subsection could be authorized within a subsequent four-year term.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 11 - THE CITY OF OXFORD MUNICIPAL RESERVE AND TRUST FUND (continued)

Custodial Credit Risk:

The investments are held by the Glenmede Trust Company. The Company has presented a certificate of Liability Insurance for Errors and Omissions of \$50,000,000 and a Fidelity Bond of \$30,000,000. The balance of the City of Oxford Municipal Reserve and Trust Fund at September 30, 2025, was \$43,721,946.

Concentration of Credit Risk:

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

| | <u>Amount</u> | <u>Percent</u> |
|--|---------------|----------------|
| iShares Core US Aggregate Bond Funds | \$8,245,262 | 18.86% |
| Vanguard Large Cap Equity Mutual Funds | 5,929,676 | 13.56% |
| GMO Quality Funds | 2,706,367 | 6.19% |

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The investments are reported at fair value. The Oxford Municipal Reserve and Trust Fund does not participate in an external investment pool. Investments consisted of the following at September 30, 2025:

| Investments: | <u>Cost</u> | <u>Market value (Level 1)</u> |
|--------------------|----------------------|-----------------------------------|
| Bond funds | \$ 20,877,859 | \$ 20,650,546 |
| Stock funds | 14,640,062 | 19,912,340 |
| Cash | 1,768,007 | 1,768,007 |
| Alternative assets | 1,264,679 | 1,358,702 |
| Accrued income | - | 32,351 |
| Total investments | <u>\$ 38,550,607</u> | <u>\$ 43,721,946</u> |

Level 1: Common stocks, bond funds, stock funds, and short-term investments are valued at the closing price reported in the active market on which the individual securities or funds are traded.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 12 - CONSTRUCTION AND OTHER COMMITMENTS

Commitments under construction at September 30, 2025 are summarized as follows:

| To Be Paid By | Description | Amount Authorized | Expended through 9/30/2025 | Remaining Commitment at 9/30/2025 |
|-----------------|-----------------------------------|----------------------|----------------------------------|---|
| General City | Oxford Pool Design | \$ 5,613,022 | \$ 5,498,461 | \$ 114,561 |
| General City | City Hall Basement Renovation | 1,805,549 | 405,901 | 1,399,648 |
| General City | North Lamar Corridor Improvements | 250,000 | 52,967 | 197,033 |
| General City | N Lamar - Molly Barr Intersection | 2,828,700 | 644,635 | 2,184,065 |
| General City | South Lamar Corridor Improvements | 890,231 | 212,513 | 677,718 |
| Water and Sewer | Whirlpool Well | 1,926,578 | 397,793 | 1,528,785 |
| Water and Sewer | City Grocery Parking Lot | 1,560,100 | 1,376,362 | 183,738 |
| | | <u>14,874,180</u> | <u>8,588,632</u> | <u>6,285,548</u> |

NOTE 13 - INTERFUND RECEIVABLES AND PAYABLES

Individual fund interfund receivable and payable balances at September 30, 2025, were:

| | <u>Interfund Receivables</u> | <u>Interfund Payables</u> |
|-----------------------------|----------------------------------|-------------------------------|
| General Fund | \$ - | \$ 421,687 |
| Special Revenue Funds | 4,200 | - |
| Capital Projects Funds | 12,750 | - |
| Environmental Services Fund | - | 12,750 |
| Water & Sewer Fund | <u>417,487</u> | <u>-</u> |
| | <u>\$ 434,437</u> | <u>\$ 434,437</u> |
| | <u>Transfers In</u> | <u>Transfers Out</u> |
| General Fund | \$ - | (1,458,868) |
| Governmental Activities | 1,442 | - |
| Oxford Reserve & Trust Fund | - | (1,083,370) |
| Other Governmental Funds | - | (7,233,095) |
| Electric Fund | - | (1,165,000) |
| Water & Sewer Fund | 8,104,544 | - |
| Environmental Services Fund | <u>-</u> | <u>(26,442)</u> |
| | <u>\$ 8,105,986</u> | <u>\$(10,966,775)</u> |
| Difference | | <u>\$ (2,860,789)</u> |

The transactions between the General Fund and the Water and Sewer Fund are for routine transactions in the prior year that have not yet been repaid.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 13 - INTERFUND RECEIVABLES AND PAYABLES (continued)

Transfers between the primary government and blended component units do not balance on the Statement of Activities because the Electric Department and Oxford Tourism Council report differently from the City. The following is a reconciliation of the difference:

| | |
|--|-----------------------|
| Transfers from Electric Department reported as | |
| In lieu of taxes revenue in | |
| The City General Fund | \$ (1,165,000) |
| Transfers from Special Revenue funds reported as | |
| Revenues by Oxford Tourism Council | (1,730,302) |
| Transfers to City General Fund reported as | |
| Expenses by Electric Department | <u>34,513</u> |
| Difference | <u>\$ (2,860,789)</u> |

The principal purpose of interfund transfers was to provide funds for grant matches or to provide funds to pay for capital outlay. All interfund transfers were routine and consistent with the activities of the fund making the transfer.

NOTE 14 – TAX ABATEMENTS

For the fiscal year ended September 30, 2025, the City of Oxford, Mississippi had no agreements to abate taxes with any entity in the City.

NOTE 15 - FUND BALANCE RECONCILIATION – GENERAL FUND BUDGET BASIS

Mississippi state law requires, for budget purposes, that the general fund record revenues on the cash basis. Generally accepted accounting principles (GAAP) would require that the revenues be accounted for on the modified accrual basis; therefore, the required budgetary basis would not be considered to be GAAP. Any accruals of revenues included on the "Combined Statement of Revenues, Expenditures and Changes - All Governmental Fund Types" are eliminated for budget purposes. In the current fiscal year, accrued revenues were \$141,317 more than cash revenues.

NOTE 16 - EFFECT OF DEFERRED AMOUNTS ON NET POSITION

The governmental activities' unrestricted net deficit amount of \$47,106,488 includes the effect of deferred inflows/outflows of resources related to pensions. A portion of the deferred outflows of resources related to pensions in the amount of \$938,793 resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2026. The \$5,405,205 balance of the deferred outflows of resources related to pensions at September 30, 2025, will be recognized in pension expense over the next three years. The \$5,221,296 balance of the deferred inflows of resources related to pensions at September 30, 2025, will be recognized in pension expense over the next four years.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 16 - EFFECT OF DEFERRED AMOUNTS ON NET POSITION (continued)

The business-type activities' unrestricted net deficit amount of \$122,978 includes the effect of deferred inflows/outflows of resources related to pensions. A portion of the deferred outflows of resources related to pension in the amount of \$536,055, resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2026. The \$1,767,943 balance of the deferred outflows of resources related to pensions at September 30, 2025, will be recognized in pension expense over the next three years. The \$916,377 balance of the deferred inflows of resources related to pensions at September 30, 2025, will be recognized in pension expense over the next four years.

NOTE 17 – DEFICIT IN NET POSITION

As of September 30, 2025, the City's Environmental Services Fund (a major proprietary fund) reported a deficit in unrestricted net position of \$4,992,803 and a total net position deficit of \$122,978. Also, the \$1.6M Special Assessment Bond Issue 2014 debt service fund has a deficit fund balance of \$6,665.

This deficit in the Environmental Services Fund is primarily attributable to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which requires the City to recognize its proportionate share of the net pension liability and related deferred outflows and inflows of resources. The Environmental Services Fund's share of the net pension liability recorded at September 30, 2025 was \$7,202,016, which significantly impacted the fund's overall net position.

It is important to note that this liability is a noncurrent, actuarially determined amount and does not reflect a current cash outlay. The City continues to make contractually required pension contributions in accordance with the actuarial funding policy established by the pension plan administrator.

Management anticipates that the deficit will be addressed over time through continued rate adjustments, operational efficiencies, and positive operating results.

NOTE 18 - SUBSEQUENT EVENTS

Date of Management Evaluation

Events that occur after the Statement of Net Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statement of Net Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statement of Net Position date require disclosure in the accompanying notes. Management of the City of Oxford evaluated the activity of the City through June 5, 2026, (the date the financial statements were available to be issued), and determined that the following subsequent event has occurred requiring disclosure in the notes to the financial statements.

On December 11, 2025, the City issued Tax Increment Financing Bonds (Oxford Commons Project, Phase II), Series 2025 in the amount of \$6,808,000. The purpose of the bonds is to finance a portion of the cost of the construction of certain infrastructure improvements in connection with the construction of a redevelopment project.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 18 - SUBSEQUENT EVENTS

In January 2026, Ice Storm Fern affected the Oxford, Mississippi area, including certain facilities and operations of the City of Oxford. The storm caused significant physical damage to certain property and resulted in disruptions to the operations in Oxford, Mississippi. Based on information currently available, the City has preliminarily estimated that costs associated with property damage, cleanup, remediation, repairs, business interruption, and other storm-related impacts will be at least \$25 million. These estimates are preliminary, have not been fully determined, and may change materially as damage assessments, repair planning, insurance evaluations, and other reviews continue.

The City expects that a portion of these storm-related costs may be offset by insurance recoveries and by governmental assistance, including potential Federal Emergency Management Agency grants and assistance, and/or available loan programs. However, the timing, amount, and ultimate collectibility of any such recoveries, assistance, or loan proceeds have not yet been determined, and accordingly no estimate of those amounts is included in this disclosure.

The City has evaluated this event and determined that it represents a material subsequent event. Because the storm occurred after September 30, 2025, the estimated financial effects of this event were not recognized in the amounts reported in the accompanying financial statements as of and for the period then ended.

Based on the City's current assessment, although the ultimate financial impact of Ice Storm Fern remains uncertain, the City believes this event does not raise substantial doubt about the City's ability to continue as a going concern for the twelve months following the date the financial statements are issued. This assessment is based on information available as of June 5, 2026 and could change as additional information becomes known.

The City will continue to monitor developments related to this event. Actual losses, recoveries, capital expenditures, operational impacts, and other effects may differ materially from current estimates, and such differences could be material to the City's financial position, results of operations, and cash flows in future periods.

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF THE CITY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS *

PERS

For the Year Ended September 30, 2025
UNAUDITED

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|--|---------------|---------------|---------------|---------------|---------------|
| A. Oxford's proportion of the net pension liability (%) | 0.348686% | 0.336465% | 0.346146% | 0.317551% | 0.290265% |
| B. Oxford's proportionate share of the net pension liability | \$ 88,748,697 | \$ 87,055,013 | \$ 85,906,135 | \$ 63,868,193 | \$ 44,022,774 |
| C. Oxford's covered employee payroll | \$ 27,585,719 | \$ 25,829,848 | \$ 25,541,305 | \$ 21,915,690 | \$ 19,299,948 |
| D. Oxford's proportionate share of the net pension liability as a percentage of its covered employee payroll (%) | 321.72% | 337.03% | 336.34% | 291.43% | 228.10% |
| E. Plan fiduciary net position as a percentage of total pension liability | 58.38% | 56.30% | 55.70% | 59.93% | 70.44% |
| | 2020 | 2019 | 2018 | 2017 | 2016 |
| A. Oxford's proportion of the net pension liability (%) | 0.291297% | 0.281093% | 0.287752% | 0.270622% | 0.256494% |
| B. Oxford's proportionate share of the net pension liability | \$ 55,890,343 | \$ 49,204,406 | \$ 47,859,250 | \$ 45,299,757 | \$ 45,192,084 |
| C. Oxford's covered employee payroll | \$ 19,308,305 | \$ 19,044,623 | \$ 18,371,804 | \$ 17,384,502 | \$ 16,426,235 |
| D. Oxford's proportionate share of the net pension liability as a percentage of its covered employee payroll (%) | 289.46% | 258.36% | 260.50% | 260.58% | 275.12% |
| E. Plan fiduciary net position as a percentage of total pension liability | 58.97% | 61.59% | 62.54% | 61.49% | 57.47% |

* The amounts presented for each fiscal year were determined as of the twelve months ended at the measurement date of June 30 of the fiscal year presented.

The accompanying notes to the Required Supplementary Information are an integral part of this schedule.

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF THE CITY'S CONTRIBUTIONS
LAST 10 FISCAL YEARS
PERS

For the Year Ended September 30, 2025
UNAUDITED

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|--|---------------|---------------|---------------|---------------|---------------|
| A. Contractually required contributions | \$ 5,043,978 | \$ 4,577,809 | \$ 4,383,197 | \$ 3,946,366 | \$ 3,455,050 |
| B. Contributions in relation to contractually required contributions | \$ 5,043,978 | \$ 4,577,809 | \$ 4,383,197 | \$ 3,946,366 | \$ 3,455,050 |
| C. Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - |
| D. Oxford's covered employee payroll | \$ 28,009,855 | \$ 26,147,807 | \$ 25,190,787 | \$ 22,680,276 | \$ 19,856,610 |
| E. Contributions as a percentage of covered employee payroll | * 18.01% | 17.51% | 17.40% | 17.40% | 17.40% |
| <hr/> | | | | | |
| A. Contractually required contributions | \$ 3,274,970 | \$ 2,962,563 | \$ 2,915,751 | \$ 2,767,291 | \$ 2,714,614 |
| B. Contributions in relation to contractually required contributions | \$ 3,274,970 | \$ 2,962,563 | \$ 2,915,751 | \$ 2,767,291 | \$ 2,714,614 |
| C. Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - |
| D. Oxford's covered employee payroll | \$ 18,827,076 | \$ 18,344,589 | \$ 18,512,692 | \$ 17,570,115 | \$ 17,235,669 |
| E. Contributions as a percentage of covered employee payroll | * 17.40% | 16.15% | 15.75% | 15.75% | 15.75% |

* Until July 1, 2019, the employer's rate was 15.75%. Subsequent to July 1, 2019 the employer's rate was 17.40% through June 30, 2024. The employer's rate at September 30, 2024 was 17.90% of annual covered payroll. This rate increased as of July 1, 2024 from 17.40%. The employer's rate at September 30, 2025 was 18.40% of annual covered payroll. This rate increased as of July 1, 2025 from 17.90%.

The accompanying notes to the Required Supplementary Information are an integral part of this schedule.

CITY OF OXFORD, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025

PENSION SCHEDULES

(1) Changes of assumptions

a. 2025

- Mortality, withdrawal, disability rates and service retirement rates were adjusted to reflect actual experience more closely.
- The assumed load for administrative expenses was decreased from 0.26% to 0.25% of payroll.

b. 2023

- The investment rate of return assumption was changed from 7.55% to 7.00%.
- The assumed load for administrative expenses was decreased from 0.28% to 0.26% of payroll.
- Withdrawal rates, disability rates and service retirement rates were adjusted to reflect actual experience more closely.
- The percentage of participants assumed to receive a deferred benefit upon attaining the eligibility requirements for retirement was increased from 60% to 65%.
- For married members, the number of years that a male is assumed to be older than his spouse was changed from 3 years to 2 years.
- The assumed amount of unused sick leave at retirement was increased from 0.50 years to 0.55 years.
- The assumed average number of years of military service that participants will have at retirement was decreased from 0.25 years to 0.20 years.

c. 2021

- The price inflation assumption was reduced from 2.75% to 2.40%.
- The wage inflation assumption was reduced from 3.00% to 2.65%.
- The investment rate of return assumption was changed from 7.75% to 7.55%.
- The assumed load for administrative expenses was increased from 0.25% to 0.28% of payroll.
- Withdrawal rates, mortality rates, disability rates and service retirement rates were adjusted to reflect actual experience more closely.
- The percentage of active member disabilities assumed to be in the line of duty was increased from 9% to 12%.
- The percentage of active member deaths assumed to be in the line of duty was decreased from 6% to 4%.

d. 2019

- The price inflation assumption was reduced from 3.00% to 2.75%.
- The wage inflation assumption was reduced from 3.25% to 3.00%.
- Withdrawal rates, mortality rates, and service retirement rates were adjusted to reflect actual experience more closely.
- The percentage of active member disabilities assumed to be in the line of duty was increased from 7% to 9%.

**CITY OF OXFORD, MISSISSIPPI
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025**

PENSION SCHEDULES (continued)

e. 2017

- The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022 rather than projected with Scale BB to 2016, which was used prior to 2017. Small adjustments were also made to the Mortality Table for disabled lives.
- The wage inflation assumption was reduced from 3.75% to 3.25%.
- Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were adjusted to reflect actual experience more closely.
- The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.

f. 2016

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

(2) Changes in benefit provisions

a. 2016

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

(3) *Method and assumptions used in calculations of actuarially determined contributions.* The actuarially determined contribution rates in the schedule of employer contributions are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported (June 30, 2023 valuation for the June 30, 2025 fiscal year end). The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

- | | |
|---------------------------------|---|
| • Actuarial cost method | Entry age |
| • Amortization method | Level percentage of payroll, open |
| • Remaining amortization period | 24.7 years |
| • Asset valuation method | 5-year smoothed market |
| • Price Inflation | 2.40 percent |
| • Salary increase | 2.65 percent to 17.90 percent, including inflation |
| • Investment rate of return | 7.00 percent, net of pension plan investment expense, including inflation |

**CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2025**

| | Non-Major Debt Service | Non-Major Special Revenue | Non-Major Capital Projects | Total Non-Major Governmental Funds |
|--|------------------------------|---------------------------------|----------------------------------|---|
| <u>ASSETS:</u> | | | | |
| Cash | \$ 2,908,611 | \$ 17,433,425 | \$ 13,847,033 | \$ 34,189,069 |
| Certificates of Deposit | - | 224,156 | 417,448 | 641,604 |
| Prepaid Expenditures | - | 8,692 | - | 8,692 |
| Receivables | 25,468 | 234,677 | - | 260,145 |
| Due From Other Funds | - | 4,200 | 12,750 | 16,950 |
| Due From Other Government Units | - | 4,135,074 | 53,712 | 4,188,786 |
| TOTAL ASSETS | \$ 2,934,079 | \$ 22,040,224 | \$ 14,330,943 | \$ 39,305,246 |
| <u>LIABILITIES AND FUND BALANCES:</u> | | | | |
| <u>LIABILITIES:</u> | | | | |
| Checks Issued in Excess of Deposits | \$ 6,665 | \$ 13,645 | \$ - | \$ 20,310 |
| Accounts Payable | - | 512,185 | 712,965 | 1,225,150 |
| Deferred Revenue | - | 735,490 | - | 735,490 |
| TOTAL LIABILITIES | 6,665 | 1,261,320 | 712,965 | 1,980,950 |
| <u>FUND BALANCES:</u> | | | | |
| Nonspendable | - | 8,692 | - | 8,692 |
| Committed | - | 2,166,078 | - | 2,166,078 |
| Restricted | | | | |
| Capital Projects | - | 3,697,718 | 13,617,978 | 17,315,696 |
| Transit Operations | - | 2,106,128 | - | 2,106,128 |
| Tourism | - | 5,672,993 | - | 5,672,993 |
| Public Works | - | 5,175,484 | - | 5,175,484 |
| Reserve and Trust Fund | - | 865,634 | - | 865,634 |
| Public Safety | - | 1,058,266 | - | 1,058,266 |
| Debt Service | 2,934,079 | - | - | 2,934,079 |
| Assigned | - | 27,911 | - | 27,911 |
| Unassigned | (6,665) | - | - | (6,665) |
| TOTAL FUND BALANCES | 2,927,414 | 20,778,904 | 13,617,978 | 37,324,296 |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 2,934,079 | \$ 22,040,224 | \$ 14,330,943 | \$ 39,305,246 |

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2025

| | Non-Major Debt Service | Non-Major Special Revenue | Non-Major Capital Projects | Total Non-Major Governmental Funds |
|---|------------------------------|---------------------------------|----------------------------------|---|
| REVENUES: | | | | |
| General Property Taxes | \$ 3,354,122 | \$ - | \$ - | \$ 3,354,122 |
| Special Taxes | - | 9,964,820 | - | 9,964,820 |
| Intergovernmental Revenues | 1,385,973 | 3,340,455 | - | 4,726,428 |
| Federal & State Grants | - | 8,047,930 | 1,017,628 | 9,065,558 |
| Charges for Services | - | 1,774,810 | - | 1,774,810 |
| Fines & Forfeitures | - | 438,916 | - | 438,916 |
| Interest | 105,388 | 235,610 | 24,565 | 365,563 |
| Facility Rental Income | - | 1,390,046 | - | 1,390,046 |
| Sponsorships | - | 322,902 | - | 322,902 |
| Miscellaneous | - | 373,407 | - | 373,407 |
| TOTAL REVENUES | <u>4,845,483</u> | <u>25,888,896</u> | <u>1,042,193</u> | <u>31,776,572</u> |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Tourism Promotion | - | 4,696,763 | - | 4,696,763 |
| Public Safety | - | 690,154 | - | 690,154 |
| Public Works | - | 2,556,320 | 47,064 | 2,603,384 |
| Culture and Recreation | - | 3,448,847 | - | 3,448,847 |
| Transit Operation | - | 6,693,706 | - | 6,693,706 |
| Capital Projects | - | - | 3,838,305 | 3,838,305 |
| Debt Service | 4,262,184 | 49,500 | 83,563 | 4,395,247 |
| TOTAL EXPENDITURES | <u>4,262,184</u> | <u>18,135,290</u> | <u>3,968,932</u> | <u>26,366,406</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>583,299</u> | <u>7,753,606</u> | <u>(2,926,739)</u> | <u>5,410,166</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Proceeds from Issuance of Debt | - | - | 5,000,000 | 5,000,000 |
| Premiums on Bonds Issued | - | - | 136,240 | 136,240 |
| Transfers from (to) Oxford Tourism Council | - | (1,595,302) | - | (1,595,302) |
| Transfers from (to) Other Funds | 1,014,045 | (6,622,702) | (29,136) | (5,637,793) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>1,014,045</u> | <u>(8,218,004)</u> | <u>5,107,104</u> | <u>(2,096,855)</u> |
| NET CHANGE IN FUND BALANCES | 1,597,344 | (464,398) | 2,180,365 | 3,313,311 |
| FUND BALANCES - Beginning, as originally state | 1,330,070 | 22,117,884 | 11,437,613 | 34,885,567 |
| Prior Period Adjustment | - | (874,582) | - | (874,582) |
| FUND BALANCES - Beginning, as restated | <u>1,330,070</u> | <u>21,243,302</u> | <u>11,437,613</u> | <u>34,010,985</u> |
| FUND BALANCES - Ending | <u>\$ 2,927,414</u> | <u>\$ 20,778,904</u> | <u>\$ 13,617,978</u> | <u>\$ 37,324,296</u> |

**CITY OF OXFORD, MISSISSIPPI
BALANCE SHEET - GENERAL FUND
September 30, 2025**

| | TOTALS 2025 |
|---|----------------------|
| ASSETS: | |
| Cash | \$ 19,864,003 |
| Certificates of Deposit | 1,125,273 |
| Accrued Interest Receivable | - |
| Lease Payments Receivable | - |
| Due From Other Governments | 3,650,897 |
| Due From Other Funds | - |
| Other Receivables | 117,299 |
| Prepaid Expenses | 81,216 |
| TOTAL ASSETS | \$ 24,838,688 |
| LIABILITIES: | |
| Accounts Payable and Accrued Expenses | \$ 1,198,054 |
| Due to Other Funds | 421,687 |
| TOTAL LIABILITIES | 1,619,741 |
| FUND BALANCE: | |
| Nonspendable | 81,216 |
| Committed | |
| Public Safety | 104,710 |
| Restricted | |
| Unemployment Compensation | 808,096 |
| Forestry | 57,758 |
| Public Safety | 34,516 |
| Assigned | |
| Animal Resource Center Capital Fund | 21,357 |
| Cemetery | 965,868 |
| OPD-Mounted Patrol | 2,218 |
| London Bus | 48 |
| Historic Homes Fund | 104,598 |
| Unassigned | 21,038,562 |
| TOTAL FUND BALANCE | 23,218,947 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 24,838,688 |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2025

| | TOTALS 2025 |
|----------------------------|----------------------|
| REVENUES: | |
| Ad Valorem Taxes: | |
| Real & Personal | \$ 14,263,221 |
| Penalties and Interest | 200,938 |
| Licenses and Permits | 3,491,137 |
| State of Mississippi: | |
| Sales Tax | 14,654,757 |
| Municipal Aid | 12,703 |
| Fire Protection | 873,257 |
| Utility Tax | 25,819 |
| ABC Licenses | 252,850 |
| Homestead Reimbursement | 229,305 |
| In Lieu of Taxes | 392,960 |
| Lafayette County: | |
| Pro Rata Tax | 1,389,748 |
| In Lieu - Other: | |
| Utility Department | 1,165,000 |
| State and Federal Grants | 1,318,188 |
| Intergovernmental Revenues | 363,297 |
| Fines and Forfeitures | 1,021,801 |
| FNC Parking Lease | 51,918 |
| Interest Income | 2,279,543 |
| Recreation Fees | 2,363,117 |
| Charges for Services | 1,648,492 |
| Franchise Fees | 905,762 |
| Donations/Contributions | 11,892 |
| Cemetery | 71,050 |
| Miscellaneous Income | 549,581 |
| TOTAL REVENUES | \$ 47,536,336 |
| EXPENDITURES: | |
| General Government: | |
| Legislative: | |
| Personal Services | \$ 172,280 |
| Supplies | 795 |
| Other Services and Charges | 15,719 |
| Total | 188,794 |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2025

| | TOTALS |
|----------------------------|------------------|
| | 2025 |
| Judicial: | |
| Personnel Services | \$ 634,392 |
| Supplies | 39,419 |
| Other Services and Charges | 166,548 |
| Capital Outlay | 75,540 |
| Total | <u>915,899</u> |
| Executive: | |
| Personnel Services | 343,010 |
| Supplies | 11,404 |
| Other Services and Charges | 9,291 |
| Capital Outlay | 22,572 |
| Total | <u>386,277</u> |
| Department of Planning: | |
| Personnel Services | 1,275,156 |
| Supplies | 148,127 |
| Other Services and Charges | 104,166 |
| Capital Outlay | 52,052 |
| Total | <u>1,579,501</u> |
| Elections: | |
| Supplies | 585 |
| Other Services and Charges | 12,304 |
| Total | <u>12,889</u> |
| Finance: | |
| Supplies | 135,881 |
| Other Services and Charges | 183,063 |
| Capital Outlay | 4,348 |
| Total | <u>960,648</u> |
| Human Resources: | |
| Personnel Services | 370,849 |
| Supplies | 27,654 |
| Other Services and Charges | 124,734 |
| Capital Outlay | 8,424 |
| Total | <u>531,661</u> |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2025

| | TOTALS 2025 |
|--------------------------------|----------------|
| Law: | |
| Personnel Services | \$ - |
| Supplies | - |
| Other Services and Charges | 308,884 |
| Total | 308,884 |
| Building and Grounds: | |
| Personnel Services | 1,705,366 |
| Supplies | 467,122 |
| Other Services and Charges | 18,836 |
| Capital Outlay | 256,673 |
| Total | 2,447,997 |
| Building and Code Enforcement: | |
| Personnel Services | 423,593 |
| Supplies | 20,985 |
| Other Services and Charges | 34,493 |
| Capital Outlay | 7,441 |
| Total | 486,512 |
| General Government: | |
| Personnel Services | 1,439,857 |
| Supplies | 179,125 |
| Other Services and Charges | 1,203,647 |
| Capital Outlay | 984,638 |
| Total | 3,807,267 |
| Community Promotions: | |
| Personnel Services | - |
| Supplies | 57,206 |
| Other Services and Charges | 600,941 |
| Capital Outlay | - |
| Total | 658,147 |
| Total General Government | 12,284,476 |
| Public Safety: | |
| Police Department: | |
| Personnel Services | 10,180,051 |
| Supplies | 691,668 |
| Other Services and Charges | 939,931 |
| Capital Outlay | 1,938,002 |
| Total | 13,749,652 |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2025

| | TOTALS 2025 |
|---------------------------------|----------------|
| Emergency Management: | |
| Personnel Services | \$ 128,892 |
| Supplies | 15,143 |
| Other Services and Charges | 42,106 |
| Capital Outlay | 330,489 |
| Total | 516,630 |
| Fire Department: | |
| Personnel Services | 6,991,585 |
| Supplies | 341,480 |
| Other Services and Charges | 173,679 |
| Capital Outlay | 75,845 |
| Total | 7,582,589 |
| Total Public Safety | 21,848,871 |
| Public Works: | |
| Highway and Street Maintenance: | |
| Personnel Services | 880,984 |
| Supplies | 1,571,730 |
| Other Services and Charges | 859,927 |
| Capital Outlay | 375,960 |
| Total | 3,688,601 |
| City Garage Department: | |
| Personnel Services | 631,314 |
| Supplies | 776,021 |
| Other Services and Charges | 29,786 |
| Capital Outlay | 18,781 |
| Total | 1,455,902 |
| Right of Way: | |
| Personnel Services | 462,057 |
| Supplies | 24,756 |
| Other Services and Charges | 304,775 |
| Capital Outlay | 18,047 |
| Total | 809,635 |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2025

| | TOTALS 2025 |
|----------------------------|----------------|
| Cemetery Maintenance: | |
| Personnel Services | \$ 32,765 |
| Supplies | 11,744 |
| Other Services and Charges | 13,180 |
| Capital Outlay | 33,060 |
| Total | 90,749 |
| Humane Society: | |
| Personnel Services | 549,100 |
| Supplies | 181,772 |
| Other Services and Charges | 143,466 |
| Capital Outlay | 59,865 |
| Total | 934,203 |
| Total Public Works | 6,979,090 |
| Culture & Recreation: | |
| Parks and Recreation: | |
| Personnel Services | 1,344,513 |
| Supplies | 262,998 |
| Other Services and Charges | 731,572 |
| Capital Outlay | 4,656,056 |
| Total | 6,995,139 |
| Swimming Pools - Parks: | |
| Personnel Services | 108,636 |
| Supplies | 106,796 |
| Other Services and Charges | 14,803 |
| Capital Outlay | 2,210 |
| Total | 232,445 |
| RSVP - Park/Recreation: | |
| Personnel Services | 137,872 |
| Supplies | 17,328 |
| Other Services and Charges | 40,718 |
| Capital Outlay | - |
| Total | 195,918 |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2025

| | TOTALS |
|--|------------------------------------|
| | 2025 |
| FNC Park: | |
| Personnel Services | \$ 1,025,731 |
| Supplies | 1,073,530 |
| Other Services and Charges | 433,444 |
| Capital Outlay | <u>794,394</u> |
| Total | <u>3,327,099</u> |
| Historic Homes: | |
| Personnel Services | 25,041 |
| Supplies | 27,499 |
| Other Services and Charges | 53,075 |
| Capital Outlay | <u>15,890</u> |
| Total | <u>121,505</u> |
| Total Culture and Recreation | <u>10,872,106</u> |
| Debt Service: | |
| Principal Retirement | 508,000 |
| Interest and Fiscal Charges | <u>28,270</u> |
| Total Debt Service | <u>536,270</u> |
| TOTAL EXPENDITURES | <u>52,520,813</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(4,984,477)</u> |
| OTHER FINANCING SOURCES (USES): | |
| Proceeds from Sale of Capital Assets | 18,557 |
| Transfers (to) from Other Funds | <u>(1,458,868)</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(1,440,311)</u> |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses | <u>(6,424,788)</u> |
| FUND BALANCE: | |
| OCTOBER 1, Beginning | <u>29,643,735</u> |
| SEPTEMBER 30, Ending | <u><u>\$ 23,218,947</u></u> |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2025

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|---------------------------------|----------------------|----------------------|--|
| REVENUES: | | | |
| Ad Valorem Taxes: | | | |
| Real & Personal | \$ 14,278,805 | \$ 14,270,110 | \$ (8,695) |
| Penalties and Interest | 200,938 | 200,938 | - |
| Licenses and Permits | 3,491,700 | 3,491,137 | (563) |
| State of Mississippi: | | | |
| Sales Tax | 14,775,175 | 14,443,035 | (332,140) |
| Municipal Aid | 38,000 | 12,703 | (25,297) |
| Fire Protection | 901,205 | 904,201 | 2,996 |
| Utility Tax | - | 25,819 | 25,819 |
| ABC Licenses | 245,000 | 245,083 | 83 |
| Homestead Reimbursement | 190,000 | 229,305 | 39,305 |
| In Lieu of Taxes | 429,000 | 392,960 | (36,040) |
| Lafayette County: | | | |
| Pro Rate Tax | 1,678,617 | 1,389,748 | (288,869) |
| In Lieu - Other: | | | |
| Utility Department | 1,165,000 | 1,165,000 | - |
| State, Federal and Local Grants | 2,116,715 | 1,368,180 | (748,535) |
| Intergovernmental Revenues | 376,000 | 363,297 | (12,703) |
| Fines and Forfeitures | 946,164 | 1,021,801 | 75,637 |
| Parking Meter Revenues | 1,574,231 | 1,648,492 | 74,261 |
| FNC Parking Lease | 50,000 | 51,918 | 1,918 |
| Interest Income | 2,103,475 | 2,279,543 | 176,068 |
| Recreation Fees | 2,413,357 | 2,363,117 | (50,240) |
| Franchise Fees | 938,000 | 908,001 | (29,999) |
| Cemetery | 50,000 | 71,050 | 21,050 |
| Miscellaneous Income | 670,839 | 549,581 | (121,258) |
| TOTAL REVENUES | \$ 48,632,221 | \$ 47,395,019 | \$ (1,237,202) |
| EXPENDITURES: | | | |
| General Government: | | | |
| Legislative: | | | |
| Personnel Services | \$ 210,865 | \$ 172,280 | \$ 38,585 |
| Supplies | 1,500 | 795 | 705 |
| Other Services and Charges | 19,000 | 15,719 | 3,281 |
| Total | <u>231,365</u> | <u>188,794</u> | <u>42,571</u> |
| Judicial: | | | |
| Personnel Services | 639,756 | 634,392 | 5,364 |
| Supplies | 46,000 | 39,419 | 6,581 |
| Other Services and Charges | 220,500 | 166,548 | 53,952 |
| Capital Outlay | 250,000 | 75,540 | 174,460 |
| Total | <u>1,156,256</u> | <u>915,899</u> | <u>240,357</u> |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2025

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--------------------------------|------------------|------------------|--|
| Executive: | | | |
| Personnel Services | \$ 355,196 | \$ 343,010 | \$ 12,186 |
| Supplies | 11,500 | 11,404 | 96 |
| Other Services and Charges | 11,200 | 9,291 | 1,909 |
| Capital Outlay | 12,000 | 22,572 | (10,572) |
| Total | <u>389,896</u> | <u>386,277</u> | <u>3,619</u> |
| Department of Planning: | | | |
| Personnel Services | 1,290,747 | 1,275,156 | 15,591 |
| Supplies | 149,840 | 148,127 | 1,713 |
| Other Services and Charges | 216,142 | 104,166 | 111,976 |
| Capital Outlay | 20,000 | 52,052 | (32,052) |
| Total | <u>1,676,729</u> | <u>1,579,501</u> | <u>97,228</u> |
| Elections: | | | |
| Other Services and Charges | 34,000 | 12,304 | 21,696 |
| Total | <u>35,000</u> | <u>12,889</u> | <u>22,111</u> |
| Finance: | | | |
| Personnel Services | 664,662 | 637,356 | 27,306 |
| Supplies | 155,000 | 135,881 | 19,119 |
| Other Services and Charges | 200,888 | 183,063 | 17,825 |
| Capital Outlay | 85,000 | 4,348 | 80,652 |
| Total | <u>1,105,550</u> | <u>960,648</u> | <u>144,902</u> |
| Human Resources: | | | |
| Personnel Services | 402,521 | 370,849 | 31,672 |
| Supplies | 35,700 | 27,654 | 8,046 |
| Other Services and Charges | 133,000 | 124,734 | 8,266 |
| Capital Outlay | 10,000 | 8,424 | 1,576 |
| Total | <u>581,221</u> | <u>531,661</u> | <u>49,560</u> |
| Law: | | | |
| Other Services and Charges | 400,000 | 308,884 | 91,116 |
| Total | <u>400,000</u> | <u>308,884</u> | <u>91,116</u> |
| Building and Grounds: | | | |
| Personnel Services | 1,730,639 | 1,705,366 | 25,273 |
| Supplies | 624,660 | 467,122 | 157,538 |
| Other Services and Charges | 80,680 | 18,836 | 61,844 |
| Capital Outlay | 279,000 | 256,673 | 22,327 |
| Total | <u>2,714,979</u> | <u>2,447,997</u> | <u>266,982</u> |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2025

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|---------------------------------------|-------------------|-------------------|--|
| Building and Code Enforcement: | | | |
| Personnel Services | \$ 471,648 | \$ 423,593 | \$ 48,055 |
| Supplies | 29,500 | 20,985 | 8,515 |
| Other Services and Charges | 73,500 | 34,493 | 39,007 |
| Capital Outlay | 10,000 | 7,441 | 2,559 |
| Total | 584,648 | 486,512 | 98,136 |
| General Government: | | | |
| Personnel Services | 1,502,323 | 1,439,857 | 62,466 |
| Supplies | 188,300 | 179,125 | 9,175 |
| Other Services and Charges | 1,223,322 | 1,203,647 | 19,675 |
| Capital Outlay | 1,004,120 | 984,638 | 19,482 |
| Total | 3,918,065 | 3,807,267 | 110,798 |
| Community Promotions: | | | |
| Supplies | 75,000 | 57,206 | 17,794 |
| Other Services and Charges | 674,751 | 600,941 | 73,810 |
| Total | 749,751 | 658,147 | 91,604 |
| Total General Government | 13,543,460 | 12,284,476 | 1,258,984 |
| Public Safety: | | | |
| Police Department: | | | |
| Personnel Services | 10,390,516 | 10,180,051 | 210,465 |
| Supplies | 1,044,904 | 691,668 | 353,236 |
| Other Services and Charges | 1,721,895 | 939,931 | 781,964 |
| Capital Outlay | 2,135,671 | 1,938,002 | 197,669 |
| Total | 15,292,986 | 13,749,652 | 1,543,334 |
| Emergency Management: | | | |
| Personnel Services | 139,348 | 128,892 | 10,456 |
| Supplies | 32,500 | 15,143 | 17,357 |
| Other Services and Charges | 69,300 | 42,106 | 27,194 |
| Capital Outlay | 96,666 | 330,489 | (233,823) |
| Total | 337,814 | 516,630 | (178,816) |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2025

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|-------------------|-------------------|--|
| Fire Department: | | | |
| Personnel Services | \$ 7,049,735 | \$ 6,991,585 | \$ 58,150 |
| Supplies | 384,283 | 341,480 | 42,803 |
| Other Services and Charges | 180,490 | 173,679 | 6,811 |
| Capital Outlay | <u>46,072</u> | <u>75,845</u> | <u>(29,773)</u> |
| Total | <u>7,660,580</u> | <u>7,582,589</u> | <u>77,991</u> |
| Total Public Safety | <u>23,291,380</u> | <u>21,848,871</u> | <u>1,442,509</u> |
| Public Works: | | | |
| Highway and Street Maintenance: | | | |
| Personnel Services | 912,291 | 880,984 | 31,307 |
| Supplies | 1,624,250 | 1,571,730 | 52,520 |
| Other Services and Charges | 1,578,500 | 859,927 | 718,573 |
| Capital Outlay | <u>3,810,000</u> | <u>375,960</u> | <u>3,434,040</u> |
| Total | <u>7,925,041</u> | <u>3,688,601</u> | <u>4,236,440</u> |
| City Garage Department: | | | |
| Personnel Services | 644,223 | 631,314 | 12,909 |
| Supplies | 868,000 | 776,021 | 91,979 |
| Other Services and Charges | 40,500 | 29,786 | 10,714 |
| Capital Outlay | <u>48,000</u> | <u>18,781</u> | <u>29,219</u> |
| Total | <u>1,600,723</u> | <u>1,455,902</u> | <u>144,821</u> |
| Right of Way: | | | |
| Personnel Services | 490,967 | 462,057 | 28,910 |
| Supplies | 27,500 | 24,756 | 2,744 |
| Other Services and Charges | 304,776 | 304,775 | 1 |
| Capital Outlay | <u>25,000</u> | <u>18,047</u> | <u>6,953</u> |
| Total | <u>848,243</u> | <u>809,635</u> | <u>38,608</u> |
| Cemetery Maintenance: | | | |
| Personnel Services | 80,992 | 32,765 | 48,227 |
| Supplies | 22,300 | 11,744 | 10,556 |
| Other Services and Charges | 18,700 | 13,180 | 5,520 |
| Capital Outlay | <u>6,500</u> | <u>33,060</u> | <u>(26,560)</u> |
| Total | <u>128,492</u> | <u>90,749</u> | <u>37,743</u> |
| Humane Society: | | | |
| Personnel Services | 598,863 | 549,100 | 49,763 |
| Supplies | 182,000 | 181,772 | 228 |
| Other Services and Charges | 161,300 | 143,466 | 17,834 |
| Capital Outlay | <u>55,848</u> | <u>59,865</u> | <u>(4,017)</u> |
| Total | <u>998,011</u> | <u>934,203</u> | <u>63,808</u> |
| Total Public Works | <u>11,500,510</u> | <u>6,979,090</u> | <u>4,521,420</u> |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2025

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|---------------------|--------------------|--|
| Culture & Recreation: | | | |
| Parks and Recreation: | | | |
| Personnel Services | \$ 1,361,896 | \$ 1,344,513 | \$ 17,383 |
| Supplies | 312,485 | 262,998 | 49,487 |
| Other Services and Charges | 824,753 | 731,572 | 93,181 |
| Capital Outlay | 5,238,801 | 4,656,056 | 582,745 |
| Total | <u>7,737,935</u> | <u>6,995,139</u> | <u>742,796</u> |
| Swimming Pools - Parks: | | | |
| Supplies | 117,200 | 106,796 | 10,404 |
| Other Services and Charges | 24,500 | 14,803 | 9,697 |
| Total | <u>250,500</u> | <u>232,445</u> | <u>18,055</u> |
| RSVP - Park/Recreation: | | | |
| Personnel Services | 161,241 | 137,872 | 23,369 |
| Supplies | 20,200 | 17,328 | 2,872 |
| Other Services and Charges | 45,000 | 40,718 | 4,282 |
| Capital Outlay | 2,500 | - | 2,500 |
| Total | <u>228,941</u> | <u>195,918</u> | <u>33,023</u> |
| FNC Park: | | | |
| Personnel Services | 1,032,720 | 1,025,731 | 6,989 |
| Supplies | 1,086,040 | 1,073,530 | 12,510 |
| Other Services and Charges | 437,927 | 433,444 | 4,483 |
| Capital Outlay | 907,224 | 794,394 | 112,830 |
| Total | <u>3,463,911</u> | <u>3,327,099</u> | <u>136,812</u> |
| Historic Homes: | | | |
| Personnel Services | 26,690 | 25,041 | 1,649 |
| Supplies | 71,390 | 27,499 | 43,891 |
| Other Services and Charges | 62,600 | 53,075 | 9,525 |
| Total | <u>160,680</u> | <u>121,505</u> | <u>39,175</u> |
| Total Culture and Recreation | <u>11,841,967</u> | <u>10,872,106</u> | <u>969,861</u> |
| Debt Service: | | | |
| Principal Retirement | 452,718 | 508,000 | (55,282) |
| Interest and Fiscal Charges | 88,746 | 28,270 | 60,476 |
| Total | <u>541,464</u> | <u>536,270</u> | <u>5,194</u> |
| TOTAL EXPENDITURES | <u>60,718,781</u> | <u>52,520,813</u> | <u>8,197,968</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(12,086,560)</u> | <u>(5,125,794)</u> | <u>6,960,766</u> |

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2025

| | BUDGET | ACTUAL | VARIANCE FAVORABLE (UNFAVORABLE) |
|--|----------------------|----------------------|--|
| OTHER FINANCING SOURCES (USES): | | | |
| Proceeds from Sale of Capital Assets | - | 18,557 | 18,557 |
| Transfers (to) from Other Funds | <u>3,491,090</u> | <u>(1,458,868)</u> | <u>(4,949,958)</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>3,491,090</u> | <u>(1,440,311)</u> | <u>(4,931,401)</u> |
| Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses | <u>(8,595,470)</u> | <u>(6,566,105)</u> | <u>2,029,365</u> |
| FUND BALANCE: | | | |
| October 1, Beginning | \$ <u>29,643,735</u> | \$ <u>29,643,735</u> | \$ <u>-</u> |
| (Non-GAAP Budgetary Basis) September 30, | \$ <u>21,048,265</u> | 23,077,630 | \$ <u>2,029,365</u> |
| Adjustments to GAAP Basis: | | | |
| Accrued Revenue | | <u>141,317</u> | |
| FUND BALANCE (GAAP) September 30, | | <u>\$ 23,218,947</u> | |

**CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
September 30, 2025**

| | 2% FOOD & BEVERAGE TAX | HOTEL/ MOTEL TAX | OXFORD TRANSIT FUND | MDJ UNIT FUND | CONFERENCE CENTER | OXFORD TOURISM COUNCIL | AMERICAN RESCUE PLAN ARP FUNDS | HWY 7 UTILITY RELOCATION PROJECT | VARIOUS FUNDS | TOTALS 2025 |
|---|------------------------------|------------------------|---------------------------|---------------------|----------------------|------------------------------|--------------------------------------|--|---------------------|----------------------|
| ASSETS: | | | | | | | | | | |
| Cash | \$ 2,947,805 | \$ 62,329 | \$ - | \$ 1,052,426 | \$ 2,159,414 | \$ 2,005,260 | \$ - | \$ 2,953,574 | \$ 6,252,617 | \$ 17,433,425 |
| Certificates of Deposit | 224,156 | - | - | - | - | - | - | - | - | 224,156 |
| Prepaid Expenditures | - | - | - | - | - | 8,692 | - | - | - | 8,692 |
| Receivables | - | - | - | - | - | 234,677 | - | - | - | 234,677 |
| Due From Other Governments | 1,065,534 | 249,177 | 2,076,219 | - | - | - | - | 744,144 | - | 4,135,074 |
| Due From Other Funds | - | - | - | 4,200 | - | - | - | - | - | 4,200 |
| TOTAL ASSETS | 4,237,495 | 311,506 | 2,076,219 | 1,056,626 | 2,159,414 | 2,248,629 | - | 3,697,718 | 6,252,617 | 22,040,224 |
| LIABILITIES: | | | | | | | | | | |
| Checks Issued in Excess of Deposits | - | - | - | - | - | - | - | - | - | - |
| Accounts Payable | 202,700 | - | 80,416 | 12,329 | 109,673 | 59,657 | - | - | 13,645 | 512,185 |
| Deferred Revenue | - | - | - | - | - | 735,490 | - | - | - | 735,490 |
| TOTAL LIABILITIES | 202,700 | - | 80,416 | 12,329 | 109,673 | 795,147 | - | - | 61,055 | 1,261,320 |
| FUND BALANCE: | | | | | | | | | | |
| Committed | - | - | - | - | 2,049,741 | 116,337 | - | - | - | 2,166,078 |
| Restricted | 4,034,795 | 311,506 | 1,995,803 | 1,044,297 | - | 1,328,453 | - | 3,697,718 | 6,163,651 | 18,576,223 |
| Nonspendable | - | - | - | - | - | 8,692 | - | - | - | 8,692 |
| Assigned | - | - | - | - | - | - | - | - | 27,911 | 27,911 |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| TOTAL FUND BALANCE | 4,034,795 | 311,506 | 1,995,803 | 1,044,297 | 2,049,741 | 1,453,482 | - | 3,697,718 | 6,191,562 | 20,778,904 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 4,237,495 | \$ 311,506 | \$ 2,076,219 | \$ 1,056,626 | \$ 2,159,414 | \$ 2,248,629 | \$ - | \$ 3,697,718 | \$ 6,252,617 | \$ 22,040,224 |

**CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2025**

| | 2% FOOD & BEVERAGE TAX | HOTEL/ MOTEL TAX | OXFORD TRANSIT FUND | MDJ UNIT FUND | CONFERENCE CENTER | OXFORD TOURISM COUNCIL | AMERICAN RESCUE PLAN ARP FUNDS | HWY 7 UTILITY RELOCATION PROJECT | VARIOUS FUNDS | TOTALS | |
|---|------------------------------|------------------------|---------------------------|---------------------|----------------------|------------------------------|--------------------------------------|--|------------------|--------------------|--------------------|
| | | | | | | | | | | 2025 | 2025 |
| REVENUES: | | | | | | | | | | | |
| Special Taxes | \$ 5,354,796 | \$ - | \$ - | \$ - | \$ - | \$ 1,522,201 | \$ - | \$ - | \$ 3,087,823 | \$ 9,964,820 | \$ 9,964,820 |
| Intergovernmental Revenues | - | 958,989 | - | - | - | 200,000 | - | - | 2,181,466 | 3,340,455 | 3,340,455 |
| Federal & State Grants | - | - | 3,791,384 | - | - | 817,305 | - | 3,439,241 | - | 8,047,930 | 8,047,930 |
| Charges for Services | 7,400 | - | 1,721,099 | - | - | 46,311 | - | - | - | 1,774,810 | 1,774,810 |
| Fines & Forfeitures | - | - | - | 438,916 | - | - | - | - | - | 438,916 | 438,916 |
| Interest Income | 7,573 | - | - | 51,377 | 605 | 56,212 | - | 75,223 | 44,620 | 235,610 | 235,610 |
| Facility Rental Income | - | - | - | - | 1,390,046 | - | - | - | - | 1,390,046 | 1,390,046 |
| Sponsorships | - | - | - | - | - | 322,902 | - | - | - | 322,902 | 322,902 |
| Miscellaneous Revenues | - | - | - | - | - | 196,301 | - | - | 177,106 | 373,407 | 373,407 |
| TOTAL REVENUES | 5,369,769 | 958,989 | 5,512,483 | 490,293 | 1,390,651 | 3,161,232 | - | 3,514,464 | 5,491,015 | 25,888,896 | 25,888,896 |
| EXPENDITURES: | | | | | | | | | | | |
| Tourism Promotion: | | | | | | | | | | | |
| Personnel Services | - | - | - | - | - | 455,286 | - | - | - | 455,286 | 455,286 |
| Supplies | 78,222 | - | - | - | - | 66,956 | - | - | - | 145,178 | 145,178 |
| Other Services and Charges | 511,576 | - | - | - | - | 2,375,132 | - | - | - | 2,886,708 | 2,886,708 |
| Capital Outlay | 1,202,305 | - | - | - | - | 7,286 | - | - | - | 1,209,591 | 1,209,591 |
| Public Safety: | | | | | | | | | | | |
| Personnel Services | - | - | - | 494,667 | - | - | - | - | - | 494,667 | 494,667 |
| Supplies | - | - | - | 37,196 | - | - | - | - | - | 37,196 | 37,196 |
| Other Services and Charges | - | - | - | 60,350 | - | - | - | - | 68,375 | 128,725 | 128,725 |
| Capital Outlay | - | - | - | 29,566 | - | - | - | - | - | 29,566 | 29,566 |
| Public Works: | | | | | | | | | | | |
| Supplies | - | - | - | - | - | - | - | - | 2,044,620 | 2,044,620 | 2,044,620 |
| Other Services and Charges | - | - | - | - | - | - | - | - | 511,700 | 511,700 | 511,700 |
| Culture and Recreation: | | | | | | | | | | | |
| Personnel Services | - | - | - | - | 527,085 | - | - | - | 27,921 | 555,006 | 555,006 |
| Supplies | - | - | - | - | 638,239 | - | - | - | 55,643 | 693,882 | 693,882 |
| Other Services and Charges | - | - | - | - | 535,237 | - | - | - | 160,111 | 695,348 | 695,348 |
| Capital Outlay | - | - | - | - | 1,143,605 | - | - | - | 361,006 | 1,504,611 | 1,504,611 |
| Transit Operation: | | | | | | | | | | | |
| Personnel Services | - | - | 3,815,857 | - | - | - | - | - | - | 3,815,857 | 3,815,857 |
| Supplies | - | - | 935,830 | - | - | - | - | - | - | 935,830 | 935,830 |
| Other Services and Charges | - | - | 1,106,140 | - | - | - | - | - | - | 1,106,140 | 1,106,140 |
| Capital Outlay | - | - | 835,879 | - | - | - | - | - | - | 835,879 | 835,879 |
| Debt Service | - | - | - | - | - | 49,500 | - | - | - | 49,500 | 49,500 |
| TOTAL EXPENDITURES | 1,792,103 | - | 6,693,706 | 621,779 | 2,844,166 | 2,954,160 | - | - | 3,229,376 | 18,135,290 | 18,135,290 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 3,577,666 | 958,989 | (1,181,223) | (131,486) | (1,453,515) | 207,072 | - | 3,514,464 | 2,261,639 | 7,753,606 | 7,753,606 |
| OTHER FINANCING SOURCES (USES): | | | | | | | | | | | |
| Transfers from (to) Oxford Tourism Council | (672,000) | (923,302) | - | - | - | - | - | - | - | (1,595,302) | (1,595,302) |
| Transfers from (to) Other Funds | (3,154,030) | - | 1,985,771 | 175,000 | 1,483,265 | - | (68) | (6,740,408) | (372,232) | (6,622,702) | (6,622,702) |
| TOTAL OTHER FINANCING SOURCES (USES) | (3,826,030) | (923,302) | 1,985,771 | 175,000 | 1,483,265 | - | (68) | (6,740,408) | (372,232) | (8,218,004) | (8,218,004) |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses stated | (248,364) | 35,687 | 804,548 | 43,514 | 29,750 | 207,072 | (68) | (3,225,944) | 1,889,407 | (464,398) | (464,398) |
| FUND BALANCE - October 1, as originally stated | 4,283,159 | 275,819 | 2,085,837 | 1,000,783 | 2,019,991 | 1,246,410 | 68 | 6,923,662 | 4,302,155 | 22,117,884 | 22,117,884 |
| Prior Period Adjustment | - | - | (874,582) | - | - | - | - | - | - | (874,582) | (874,582) |
| FUND BALANCE - October 1, as restated | 4,283,159 | 275,819 | 1,191,255 | 1,000,783 | 2,019,991 | 1,246,410 | 68 | 6,923,662 | 4,302,155 | 21,243,302 | 21,243,302 |
| FUND BALANCE - September 30 | 4,034,795 | 311,506 | 1,995,803 | 1,044,297 | 2,049,741 | 1,453,482 | - | 3,697,718 | 6,191,562 | 20,776,904 | 20,776,904 |

**CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
September 30, 2025**

| | INTERSECTION IMPROVEMENTS ESCROW | 2022 GO NOTE PROCEEDS | 2025 \$5M SERIES BONDS PROCEEDS | \$9M BONDS SERIES 2023 PROCEEDS | NORTH LAMAR PROJECT | 2019 \$4M TIF Bonds Project | CAPITAL PROJECT SB-3049 | TOTALS 2025 |
|---|----------------------------------|-----------------------|---------------------------------|---------------------------------|---------------------|-----------------------------|-------------------------|----------------------|
| ASSETS: | | | | | | | | |
| Cash | \$ 6,595,796 | \$ - | \$ 5,052,677 | \$ 1,937,006 | \$ 13,041 | \$ - | \$ 248,513 | \$ 13,847,033 |
| Investments | - | - | - | - | - | 417,448 | - | 417,448 |
| Due From Other Funds | 12,750 | - | - | - | - | - | - | 12,750 |
| Due From Other Governments | 53,712 | - | - | - | - | - | - | 53,712 |
| TOTAL ASSETS | 6,662,258 | - | 5,052,677 | 1,937,006 | 13,041 | 417,448 | 248,513 | 14,330,943 |
| LIABILITIES: | | | | | | | | |
| Accounts Payable | 712,965 | - | - | - | - | - | - | 712,965 |
| Due to Other Funds | - | - | - | - | - | - | - | - |
| TOTAL LIABILITIES | 712,965 | - | - | - | - | - | - | 712,965 |
| FUND BALANCE: | | | | | | | | |
| Restricted | 5,949,293 | - | 5,052,677 | 1,937,006 | 13,041 | 417,448 | 248,513 | 13,617,978 |
| TOTAL FUND BALANCE | 5,949,293 | - | 5,052,677 | 1,937,006 | 13,041 | 417,448 | 248,513 | 13,617,978 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 6,662,258 | \$ - | \$ 5,052,677 | \$ 1,937,006 | \$ 13,041 | \$ 417,448 | \$ 248,513 | \$ 14,330,943 |

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2025

| | INTERSECTION IMPROVEMENTS ESCROW | 2022 GO NOTE PROCEEDS | 2025 \$5M SERIES BONDS PROCEEDS | \$9M BONDS SERIES 2023 PROCEEDS | NORTH LAMAR PROJECT | 2019 \$4M TIF BONDS PROJECT | CAPITAL PROJECT SB-3049 | TOTALS 2025 |
|--|----------------------------------|-----------------------|---------------------------------|---------------------------------|---------------------|-----------------------------|-------------------------|----------------------|
| REVENUES: | | | | | | | | |
| Grant Income | \$ 1,017,628 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,017,628 |
| Interest | - | - | - | - | - | 14,433 | 10,132 | 24,565 |
| TOTAL REVENUES | 1,017,628 | - | - | - | - | 14,433 | 10,132 | 1,042,193 |
| EXPENDITURES: | | | | | | | | |
| Capital Projects: | | | | | | | | |
| Supplies | - | - | - | - | 6,800 | - | - | 6,800 |
| Other Services and Charges | 40,264 | - | - | - | - | - | - | 40,264 |
| Capital Outlay | 1,305,891 | - | - | 2,523,581 | - | - | 8,833 | 3,838,305 |
| Debt Service: | | | | | | | | |
| Bond Issuance Costs | - | - | 83,563 | - | - | - | - | 83,563 |
| TOTAL EXPENDITURES | 1,346,155 | - | 83,563 | 2,523,581 | 6,800 | - | 8,833 | 3,968,932 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (328,527) | - | (83,563) | (2,523,581) | (6,800) | 14,433 | 1,299 | (2,926,739) |
| OTHER FINANCING SOURCES (USES): | | | | | | | | |
| Proceeds of Debt Issuance | - | - | 5,000,000 | - | - | - | - | 5,000,000 |
| Premiums on Bonds Issued | - | - | 136,240 | - | - | - | - | 136,240 |
| Transfers from (to) Other Funds | 695,864 | (725,000) | - | - | - | - | - | (29,136) |
| TOTAL OTHER FINANCING SOURCES (USES) | 695,864 | (725,000) | 5,136,240 | - | - | - | - | 5,107,104 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses | 367,337 | (725,000) | 5,052,677 | (2,523,581) | (6,800) | 14,433 | 1,299 | 2,180,365 |
| FUND BALANCE - October 1, | 5,581,956 | 725,000 | - | 4,460,587 | 19,841 | 403,015 | 247,214 | 11,437,613 |
| FUND BALANCE - September 30, | \$ 5,949,293 | \$ - | \$ 5,052,677 | \$ 1,937,006 | \$ 13,041 | \$ 417,448 | \$ 248,513 | \$ 13,617,978 |

CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
September 30, 2025

| | \$7.5M GO BOND ISSUE 2017A | \$5.5 M GO BOND ISSUE 2012 | \$1.6M SA BOND ISSUE 2014 | \$6.6M GO BOND ISSUE 2015 | \$7.5M GO BOND ISSUE 2017B | \$2.7M GO BOND ISSUE 2018A | \$9.95M GO BOND ISSUE 2018B | \$1.05M GO BOND ISSUE 2018C | \$4M TIF BONDS ISSUE 2019 | \$7.7M GO REFUNDING ISSUE 2022 | \$9M GO BOND ISSUE 2023 | TOTALS 2025 |
|---|----------------------------------|----------------------------------|---------------------------------|---------------------------------|----------------------------------|----------------------------------|-----------------------------------|-----------------------------------|---------------------------------|--------------------------------------|-------------------------------|---------------------|
| ASSETS: | | | | | | | | | | | | |
| Cash | \$ 172,927 | \$ 277,342 | \$ - | \$ 250,816 | \$ 108,014 | \$ 67,707 | \$ 234,100 | \$ - | \$ 1,771,620 | \$ - | \$ 26,085 | \$ 2,908,611 |
| Ad Valorem Taxes Receivable, net | 3,934 | 5,672 | - | 5,177 | 3,933 | 1,767 | - | - | - | - | 4,985 | 25,468 |
| TOTAL ASSETS | 176,861 | 283,014 | - | 255,993 | 111,947 | 69,474 | 234,100 | - | 1,771,620 | - | 31,070 | 2,934,079 |
| LIABILITIES: | | | | | | | | | | | | |
| Checks Issued in Excess of Deposits | - | - | 6,665 | - | - | - | - | - | - | - | - | 6,665 |
| Accounts Payable | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL LIABILITIES | - | - | 6,665 | - | - | - | - | - | - | - | - | 6,665 |
| FUND BALANCE (DEFICIT): | | | | | | | | | | | | |
| Restricted | 176,861 | 283,014 | - | 255,993 | 111,947 | 69,474 | 234,100 | - | 1,771,620 | - | 31,070 | 2,934,079 |
| Unassigned | - | - | (6,665) | - | - | - | - | - | - | - | - | (6,665) |
| TOTAL FUND BALANCE | 176,861 | 283,014 | (6,665) | 255,993 | 111,947 | 69,474 | 234,100 | - | 1,771,620 | - | 31,070 | 2,927,414 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 176,861 | \$ 283,014 | \$ - | \$ 255,993 | \$ 111,947 | \$ 69,474 | \$ 234,100 | \$ - | \$ 1,771,620 | \$ - | \$ 31,070 | \$ 2,934,079 |

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
For the Year Ended September 30, 2025

| | \$7.5M GO BOND ISSUE 2017A | \$5.5 M GO BOND ISSUE 2012 | \$1.6M SA BOND ISSUE 2014 | \$6.6M GO BOND ISSUE 2015 | \$7.5M GO BOND ISSUE 2017B | \$2.7M GO BOND ISSUE 2018A | \$9.95M GO BOND ISSUE 2018B | \$1.05M GO BOND ISSUE 2018C | \$4M TIF BONDS ISSUE 2019 | \$7.7M GO REFUNDING ISSUE 2022 | \$8M GO BOND ISSUE 2023 | TOTALS 2025 |
|--|----------------------------------|----------------------------------|---------------------------------|---------------------------------|----------------------------------|----------------------------------|-----------------------------------|-----------------------------------|---------------------------------|--------------------------------------|-------------------------------|---------------------|
| REVENUES: | | | | | | | | | | | | |
| General Property Taxes | \$ 506,017 | \$ 453,683 | \$ 130,674 | \$ 692,155 | \$ 506,000 | \$ 186,726 | \$ - | \$ - | \$ 188,475 | \$ - | \$ 690,392 | \$ 3,354,122 |
| Intergovernmental Revenues | 8,083 | 7,232 | - | 11,061 | 8,083 | 2,978 | - | - | 1,337,475 | - | 11,061 | 1,385,973 |
| Interest Income | - | 105,388 | - | - | - | - | - | - | - | - | - | 105,388 |
| TOTAL REVENUES | 514,100 | 566,303 | 130,674 | 703,216 | 514,083 | 189,704 | - | 1,525,950 | - | - | 701,453 | 4,845,483 |
| EXPENDITURES: | | | | | | | | | | | | |
| Fees | 500 | 2,250 | 1,000 | 2,250 | 500 | 1,250 | 3,350 | 1,250 | 1,500 | 1,500 | 650 | 16,000 |
| Payments - Principal | 340,000 | 410,000 | 115,000 | 615,000 | 330,000 | 120,000 | 425,000 | 110,000 | 260,000 | 41,000 | 295,000 | 3,061,000 |
| Payments - Interest | 162,000 | 27,531 | 21,563 | 38,000 | 170,700 | 59,970 | 17,000 | 16,450 | 116,200 | 164,395 | 391,375 | 1,185,184 |
| TOTAL EXPENDITURES | 502,500 | 439,781 | 137,563 | 655,250 | 501,200 | 181,220 | 445,350 | 127,700 | 377,700 | 206,895 | 687,025 | 4,262,184 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 11,600 | 126,522 | (6,889) | 47,966 | 12,883 | 8,484 | (445,350) | (127,700) | 1,148,250 | (206,895) | 14,428 | 583,299 |
| OTHER FINANCING SOURCES (USES): | | | | | | | | | | | | |
| Transfers from (to) Other Funds | - | - | - | - | - | - | 679,450 | 127,700 | - | 206,895 | - | 1,014,045 |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - | - | - | 679,450 | 127,700 | - | 206,895 | - | 1,014,045 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses | 11,600 | 126,522 | (6,889) | 47,966 | 12,883 | 8,484 | 234,100 | - | 1,148,250 | - | 14,428 | 1,597,344 |
| FUND BALANCE - October 1, | 165,261 | 156,492 | 224 | 208,027 | 99,064 | 60,990 | - | - | 623,370 | - | 16,642 | 1,330,070 |
| FUND BALANCE - September 30, | \$ 176,861 | \$ 283,014 | \$ (6,665) | \$ 255,993 | \$ 111,947 | \$ 69,474 | \$ 234,100 | \$ - | \$ 1,771,620 | \$ - | \$ 31,070 | \$ 2,927,414 |

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUND TYPES
September 30, 2025

| | BUSINESS-TYPE ACTIVITIES- PROPRIETARY FUNDS | | | |
|---|--|--------------------------|---------------------------|---------------------|
| | ELECTRIC FUND | WATER & SEWER FUND | ENVIRONMENTAL SERVICES | TOTAL |
| ASSETS: | | | | |
| <u>Current Assets:</u> | | | | |
| Cash and Cash Equivalents | \$ 6,469,406 | \$ 10,796,760 | \$ 1,342,923 | \$ 18,609,089 |
| Certificates of Deposit | 30,936 | 3,603,893 | - | 3,634,829 |
| Accounts Receivable, Net of Provision for Bad Debts | 3,890,189 | 3,101,501 | 1,054,340 | 8,046,030 |
| Lease Receivable, Due Within One Year | - | 239,043 | - | 239,043 |
| Due from Other Funds | - | 417,487 | - | 417,487 |
| Inventories | 1,197,791 | 912,398 | - | 2,110,189 |
| Prepaid Expenditures | 783 | - | - | 783 |
| Total Current Assets | 11,589,105 | 19,071,082 | 2,397,263 | 33,057,450 |
| <u>Noncurrent Assets:</u> | | | | |
| <u>Restricted Assets</u> | | | | |
| Cash and Cash Equivalents - Restricted | 5,000 | 442,673 | - | 447,673 |
| Certificates of Deposit - Restricted | - | 802,437 | - | 802,437 |
| Investment in CSA | 25,528 | - | - | 25,528 |
| Lease Receivable | - | 1,613,011 | - | 1,613,011 |
| Land | 908,953 | 1,793,634 | - | 2,702,587 |
| Plant, Buildings & Improvements | 47,609,058 | 102,040,407 | 227,868 | 149,877,333 |
| Machinery & Equipment | 3,507,053 | 5,573,415 | 11,604,976 | 20,685,444 |
| Accumulated Depreciation | (19,353,350) | (63,702,248) | (4,702,802) | (87,758,400) |
| Construction Work In Progress | 4,496,356 | 17,757,156 | - | 22,253,512 |
| Net Noncurrent Assets | 37,198,598 | 66,320,485 | 7,130,042 | 110,649,125 |
| TOTAL ASSETS | 48,787,703 | 85,391,567 | 9,527,305 | 143,706,575 |
| <u>DEFERRED OUTFLOWS OF RESOURCES:</u> | | | | |
| Deferred Outflows - Pensions | 1,125,337 | 523,437 | 655,224 | 2,303,998 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | \$ 1,125,337 | \$ 523,437 | \$ 655,224 | \$ 2,303,998 |

CITY OF OXFORD, MISSISSIPPI
 COMBINING STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPES
 September 30, 2025

| | ELECTRIC FUND | WATER & SEWER FUND | ENVIRONMENTAL SERVICES | TOTAL |
|---|----------------------|--------------------------|---------------------------|----------------------|
| LIABILITIES: | | | | |
| <u>Current Liabilities:</u> | | | | |
| Accounts Payable and | | | | |
| Accrued Expenses | \$ 8,069,233 | \$ 709,524 | \$ 117,417 | \$ 8,896,174 |
| Accrued Interest Payable | - | 203,424 | 4,785 | 208,209 |
| Due to Other Funds | - | - | 12,750 | 12,750 |
| Current Portion of Long-Term Debt | - | 2,466,000 | 895,000 | 3,361,000 |
| Customer Deposits | 3,513,809 | 1,911,867 | - | 5,425,676 |
| Total Current Liabilities | <u>11,583,042</u> | <u>5,290,815</u> | <u>1,029,952</u> | <u>17,903,809</u> |
| <u>Noncurrent Liabilities:</u> | | | | |
| Other Liabilities | 28,930 | - | - | 28,930 |
| Compensated Absences | 141,872 | 119,704 | 162,185 | 423,761 |
| Net Pension Liability | 6,403,906 | 5,826,017 | 7,202,016 | 19,431,939 |
| Bonds, Notes, and Loans Payable, net of current portion | - | 17,071,592 | 1,355,000 | 18,426,592 |
| Total Noncurrent Liabilities | <u>6,574,708</u> | <u>23,017,313</u> | <u>8,719,201</u> | <u>38,311,222</u> |
| TOTAL LIABILITIES | <u>18,157,750</u> | <u>28,308,128</u> | <u>9,749,153</u> | <u>56,215,031</u> |
| DEFERRED INFLOWS OF RESOURCES: | | | | |
| Deferred Inflows - Pensions | - | 370,240 | 546,137 | 916,377 |
| Deferred Inflows - Leases | - | 1,779,149 | - | 1,779,149 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>-</u> | <u>2,149,389</u> | <u>546,137</u> | <u>2,695,526</u> |
| NET POSITION: | | | | |
| Net Investment in Capital Assets | 37,168,070 | 43,924,772 | 4,880,042 | 85,972,884 |
| Reserved for Unemployment Benefits | 5,000 | - | - | 5,000 |
| Reserved for Debt Service | - | 1,245,110 | - | 1,245,110 |
| Unrestricted (Deficit) | <u>(5,417,780)</u> | <u>10,287,605</u> | <u>(4,992,803)</u> | <u>(122,978)</u> |
| TOTAL NET POSITION | <u>\$ 31,755,290</u> | <u>\$ 55,457,487</u> | <u>\$ (112,761)</u> | <u>\$ 87,100,016</u> |

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended September 30, 2025

| | ELECTRIC FUND | WATER & SEWER FUND | ENVIRONMENTAL SERVICES | TOTALS |
|--|----------------------|--------------------------|---------------------------|----------------------|
| <u>OPERATING REVENUE:</u> | | | | |
| Charges For Services | \$ 26,454,275 | \$ 13,967,010 | \$ 6,395,829 | \$ 46,817,114 |
| Other | 356,495 | - | - | 356,495 |
| Total Operating Revenue | <u>26,810,770</u> | <u>13,967,010</u> | <u>6,395,829</u> | <u>47,173,609</u> |
| <u>OPERATING EXPENSES:</u> | | | | |
| Operations | 24,210,660 | 6,337,387 | 3,591,204 | 34,139,251 |
| Maintenance | 825,550 | 208,093 | 1,388,246 | 2,421,889 |
| Depreciation and Amortization Expense | 1,428,344 | 4,147,036 | 964,040 | 6,539,420 |
| Pension Expense | - | 437,812 | 523,828 | 961,640 |
| Total Operating Expenses | <u>26,464,554</u> | <u>11,130,328</u> | <u>6,467,318</u> | <u>44,062,200</u> |
| Net Operating Income (Loss) | <u>346,216</u> | <u>2,836,682</u> | <u>(71,489)</u> | <u>3,111,409</u> |
| <u>NON-OPERATING INCOME (EXPENSES):</u> | | | | |
| Interest Income | 168,819 | 664,200 | - | 833,019 |
| Lease Income | - | 361,639 | - | 361,639 |
| Gain (Loss) on Disposal of Fixed Asset | - | 5,000 | (9,791) | (4,791) |
| Grant Income/ Capital Contributions | - | - | 275,656 | 275,656 |
| Amortization of Debt Expense | - | 32,600 | - | 32,600 |
| Miscellaneous Income (Expense) | (43,012) | 56,849 | 5,447 | 19,284 |
| Interest Expense | - | (689,448) | (96,712) | (786,160) |
| Total Non-Operating Income (Loss) | <u>125,807</u> | <u>430,840</u> | <u>174,600</u> | <u>731,247</u> |
| Income Before Operating Transfers | 472,023 | 3,267,522 | 103,111 | 3,842,656 |
| <u>OPERATING TRANSFERS IN (OUT):</u> | | | | |
| Operating Transfers In (Out) | <u>(1,165,000)</u> | <u>8,104,544</u> | <u>(26,442)</u> | <u>6,913,102</u> |
| Change in Net Position | <u>(692,977)</u> | <u>11,372,066</u> | <u>76,669</u> | <u>10,755,758</u> |
| Total Net Position - Beginning, as originally stated | <u>32,448,267</u> | <u>44,068,921</u> | <u>(189,430)</u> | <u>76,327,758</u> |
| Prior Period Adjustment | - | 16,500 | - | 16,500 |
| Total Net Position - Beginning, as restated | <u>32,448,267</u> | <u>44,085,421</u> | <u>(189,430)</u> | <u>76,344,258</u> |
| Total Net Position - Ending | <u>\$ 31,755,290</u> | <u>\$ 55,457,487</u> | <u>\$ (112,761)</u> | <u>\$ 87,100,016</u> |

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended September 30, 2025

| | ELECTRIC FUND | WATER & SEWER FUND | ENVIRONMENTAL SERVICES | TOTALS |
|--|---------------------|--------------------------|---------------------------|----------------------|
| Cash Flows from Operating Activities: | | | | |
| Receipts from Customers | \$ 26,744,054 | \$ 13,783,387 | \$ 6,364,221 | \$ 46,891,662 |
| Payments to Suppliers | (21,464,519) | (1,587,131) | (2,467,583) | (25,519,233) |
| Payments to Employees | (1,733,879) | (2,519,700) | (2,681,336) | (6,934,915) |
| Payments for Other Services and Charges | - | (2,117,489) | (27,424) | (2,144,913) |
| Other Receipts (Payments) | - | - | (430,049) | (430,049) |
| Net Cash Provided By (Used) In Operating Activities | <u>3,545,656</u> | <u>7,559,067</u> | <u>757,829</u> | <u>11,862,552</u> |
| Cash Flows from Noncapital Financing Activities: | | | | |
| Due to Other Funds | - | - | 37,750 | 37,750 |
| Transfers Out | (1,165,000) | 8,104,544 | (25,000) | 6,914,544 |
| Net Cash Provided By (Used In) Noncapital Financing Activities | <u>(1,165,000)</u> | <u>8,104,544</u> | <u>12,750</u> | <u>6,952,294</u> |
| Cash Flows from Capital and Related Financing Activities: | | | | |
| Proceeds From Sale of Capital Assets | - | 5,000 | 45,000 | 50,000 |
| Purchases of Capital Assets | (3,786,640) | (14,232,359) | (1,196,394) | (19,215,393) |
| Plant Removal Cost | (53,591) | - | - | (53,591) |
| Materials Salvaged from Retirements | 96,079 | - | - | 96,079 |
| Principal Paid on Capital Debt | - | (2,401,000) | (895,000) | (3,296,000) |
| Interest Paid on Capital Debt | - | (689,448) | (106,464) | (795,912) |
| Other Receipts (Payments) | (14,075) | 56,849 | 5,447 | 48,221 |
| Net Cash Provided By (Used In) Capital and Related Financing Activities | <u>(3,758,227)</u> | <u>(17,260,958)</u> | <u>(2,147,411)</u> | <u>(23,166,596)</u> |
| Cash Flows from Investing Activities: | | | | |
| Purchase of Investments/Certificates of Deposit | (198) | (152,153) | - | (152,351) |
| Cash Received From Grants | - | - | 275,656 | 275,656 |
| Cash Received from Lease Activity | - | 305,234 | - | 305,234 |
| Interest Income Received | 168,819 | 664,200 | - | 833,019 |
| Other Receipts (Payments) | (37,688) | - | - | (37,688) |
| Net Cash Provided By (Used In) Investing Activities | <u>130,933</u> | <u>817,281</u> | <u>275,656</u> | <u>1,223,870</u> |
| Net Increase (Decrease) In Cash and Cash Equivalents | <u>(1,246,638)</u> | <u>(780,066)</u> | <u>(1,101,176)</u> | <u>(3,127,880)</u> |
| Statement of Net Position: | | | | |
| Cash and Cash Equivalents--Beginning | 7,721,044 | 12,019,499 | 2,444,099 | 22,184,642 |
| Cash and Cash Equivalents--Ending | <u>\$ 6,474,406</u> | <u>\$ 11,239,433</u> | <u>\$ 1,342,923</u> | <u>\$ 19,056,762</u> |
| Cash and Cash Equivalents | \$ 6,469,406 | \$ 10,796,760 | \$ 1,342,923 | \$ 18,609,089 |
| Cash and Cash Equivalents--Restricted | 5,000 | 442,673 | - | 447,673 |
| Total Cash and Cash Equivalents | <u>\$ 6,474,406</u> | <u>\$ 11,239,433</u> | <u>\$ 1,342,923</u> | <u>\$ 19,056,762</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) in Operating Activities: | | | | |
| Operating Income (Loss) | \$ 346,216 | \$ 2,836,682 | \$ (71,489) | \$ 3,111,409 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used) In Operating Activities: | | | | |
| Depreciation and Amortization Expense | 1,428,344 | 4,147,036 | 964,040 | 6,539,420 |
| Pension Expense - Actuarially Determined | 257,412 | 437,812 | 523,828 | 1,219,052 |
| (Increase) Decrease in Accounts Receivable | (161,415) | (373,034) | (31,608) | (566,057) |
| (Increase) Decrease in Prepaid Expenditures | (48) | - | - | (48) |
| (Increase) Decrease in Deferred Charges | 571,503 | - | - | 571,503 |
| (Increase) Decrease in Inventories | 1,531 | 34,440 | - | 35,971 |
| (Increase) Decrease in Compensated Absences | 10,166 | (7,022) | 37,826 | 40,970 |
| Increase (Decrease) in Accounts Payable | 991,595 | 293,742 | (664,768) | 620,569 |
| Increase (Decrease) in Accrued Liabilities | 5,653 | - | - | 5,653 |
| Increase (Decrease) in Customer Deposits | 94,699 | 189,411 | - | 284,110 |
| Total Adjustments | <u>3,199,440</u> | <u>4,722,385</u> | <u>829,318</u> | <u>8,751,143</u> |
| Net Cash Provided By (Used) In Operating Activities | <u>\$ 3,545,656</u> | <u>\$ 7,559,067</u> | <u>\$ 757,829</u> | <u>\$ 11,862,552</u> |

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2025

| NAME | POSITION | COMPANY | BOND AMOUNT | BOND EXPIRATION |
|------------------------|--------------------|-----------|----------------|--------------------|
| Addy, Rick | OPC Board Member | Travelers | \$ 100,000 | 8/31/2030 |
| Allen, Stephen | OPD - PACE | Travelers | \$ 50,000 | 2/15/2026 |
| Atkinson, Ashley | City Clerk | Travelers | \$ 50,000 | 11/25/2025 |
| Atkinson, Jackson | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Bailey, Jason | Board Member | Travelers | \$ 100,000 | 6/30/2029 |
| Barnes, Lela | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Benson, Qyalaycia | Admin Asst | Travelers | \$ 50,000 | 10/23/2025 |
| Boothe, Valerie | Records Clerk | Travelers | \$ 50,000 | 1/4/2026 |
| Briscoe, Kelli | Admin Asst | Travelers | \$ 50,000 | 3/27/2026 |
| Brownlee, Clay | Asst Director | Travelers | \$ 50,000 | 1/25/2026 |
| Butler, Ryley Brae | Admin Asst | Travelers | \$ 50,000 | 6/4/2026 |
| Centellas, Amelia | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Clark, Amiyah | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Cockayne, Meagan | Asst Director | Travelers | \$ 50,000 | 6/5/2026 |
| Colameta, Jaclyn | Planning Admin | Travelers | \$ 50,000 | 6/4/2026 |
| Cooper, Kelsey | Admin Asst | Travelers | \$ 50,000 | 2/1/2026 |
| Cornelius, Carra | OPD Officer | FFCI | \$ 50,000 | 6/29/2026 |
| Crowe, Mary Martha | Board Member | Travelers | \$ 100,000 | 6/30/2029 |
| Denley, Nickie | Court Clerk | Travelers | \$ 50,000 | 3/1/2026 |
| Dyer, Lavina | Deputy City Clerk | Travelers | \$ 50,000 | 11/3/2025 |
| East, Caleb | Metro Agent | Travelers | \$ 50,000 | 10/20/2025 |
| Fauver, Alex | Metro Agent | Travelers | \$ 50,000 | 4/9/2026 |
| Ferris, Allison | Admin Asst | Travelers | \$ 50,000 | 1/27/2026 |
| Folson, Kalaila | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Freeman, Brad | Director | Travelers | \$ 50,000 | 1/25/2026 |
| Gaines, Seth | Director | Travelers | \$ 50,000 | 3/9/2026 |
| Green, Hollis | COO | Travelers | \$ 50,000 | 1/30/2026 |
| Gregory, Kingston | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Gurley, Emma | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Hardy, Larrie Chelsea | Records Clerk | Travelers | \$ 50,000 | 2/24/2026 |
| Hawkins, Kelsey Webb | Deputy Court Clerk | Travelers | \$ 50,000 | 10/21/2025 |
| Hefner, Charles | OPD - PACE | Travelers | \$ 50,000 | 8/22/2026 |
| Hernandez, Shelby | Records Clerk | Travelers | \$ 50,000 | 1/4/2026 |
| Hollowell, Sarah Grace | Admin Asst | Travelers | \$ 50,000 | 1/18/2026 |
| Holmes, Roderick | PACE Officer | Travelers | \$ 50,000 | 3/5/2026 |
| House, Brandon Michael | PACE Officer | Travelers | \$ 50,000 | 6/1/2026 |
| Howell-Atkinson, Kesha | Board Member | Travelers | \$ 100,000 | 6/30/2029 |
| Hudson, Johnie | OPD - PACE | Travelers | \$ 50,000 | 4/4/2026 |
| Huelse, Mark | Board Member | Travelers | \$ 100,000 | 6/30/2029 |
| Hyneman, Brian | Board Member | Travelers | \$ 100,000 | 6/30/2029 |
| Jones, Allen | OPC Board Member | Travelers | \$ 100,000 | 8/31/2030 |
| Koestler, Allison | OPC Board Member | Travelers | \$ 100,000 | 8/31/2026 |
| Lampton, Crystyl | OPC Board Member | Travelers | \$ 100,000 | 8/31/2026 |
| Ledford, Jean | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Love, Chrystal | Bookkeeper | Travelers | \$ 50,000 | 7/12/2026 |
| Lowe, Jason Alan | OPC Board Member | RLI | \$ 100,000 | 8/31/2028 |
| Maness, Gage | PACE Officer | Travelers | \$ 50,000 | 1/18/2026 |
| Markle, Lori | Admin Asst | Travelers | \$ 50,000 | 3/25/2026 |
| Massey, Katrina | Admin Asst | Travelers | \$ 50,000 | 3/18/2026 |
| Mathis, Kaylin | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| McCutchen, Jeff | Police Chief | Travelers | \$ 50,000 | 4/4/2026 |
| McGlofin, Beverly | Deputy Court Clerk | Travelers | \$ 50,000 | 9/4/2026 |
| McLarty, Caitlan | Deputy City Clerk | Travelers | \$ 50,000 | 11/6/2025 |

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2025

| NAME | POSITION | COMPANY | BOND AMOUNT | BOND EXPIRATION |
|----------------------------|---------------------------------------|-----------|----------------|--------------------|
| Moreno-Aguilar, Jacqueline | Admin Asst | Travelers | \$ 50,000 | 6/13/2026 |
| Owens, Morgan | OPD - PACE | Travelers | \$ 50,000 | 2/15/2026 |
| Oyler, Henry | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Pettis, Kimberly | Admin Asst | Travelers | \$ 50,000 | 7/12/2026 |
| Quinn, Micah | Director | Travelers | \$ 50,000 | 3/26/2026 |
| Ragon, Margaret | Deputy Court Clerk | Travelers | \$ 50,000 | 10/3/2025 |
| Rasberry, Rusty | Deputy Police Chief | Travelers | \$ 50,000 | 7/1/2026 |
| Redmond, Keddrick A | PACE Officer | Travelers | \$ 50,000 | 7/1/2026 |
| Sabin, David | PACE Officer | Travelers | \$ 50,000 | 3/6/2026 |
| Saxton, Madison | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Smith, Erin | Board Member | Travelers | \$ 100,000 | 6/30/2029 |
| Steele, Laurie | HR Manager | Travelers | \$ 50,000 | 12/1/2025 |
| Stratton, Aric | Metro Agent | Travelers | \$ 50,000 | 1/2/2026 |
| Sutherland, JarDaijah | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Taylor, Preston | Board Member | Travelers | \$ 100,000 | 6/30/2029 |
| Tannehill, Robyn | Mayor | Travelers | \$ 100,000 | 6/30/2029 |
| Tolleson, Jessica | Deputy Clerk | Travelers | \$ 50,000 | 1/6/2026 |
| Tubbs, Holly | Payroll Manager | Travelers | \$ 50,000 | 11/4/2025 |
| Turner, Jordynn | Cashier | Travelers | \$ 50,000 | 5/24/2026 |
| Vaughn, Daphanie | Deputy City Clerk | Travelers | \$ 50,000 | 5/12/2026 |
| Welch, Ashley Joy | Deputy City Clerk | Travelers | \$ 50,000 | 12/7/2025 |
| Wilemon, Dana | Deputy City Clerk | Travelers | \$ 50,000 | 12/7/2025 |
| Williams, Ladazeric | Metro Agent | Travelers | \$ 50,000 | 6/28/2026 |
| Young, Michael C | Asst Director | Travelers | \$ 50,000 | 3/9/2026 |
| City of Oxford | Blanket Police, Investigator, Captain | Travelers | \$ 50,000 | 5/24/2026 |

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
For the Year Ended September 30, 2025

| | INTEREST RATE | RESTATED BALANCE 9-30-24 | DEBT ISSUED | DEBT RETIRED | BALANCE 9-30-25 | CURRENT MATURITIES |
|---|---------------|--------------------------|---------------------|---------------------|----------------------|---------------------|
| LONG-TERM DEBT: | | | | | | |
| Governmental Activities | | | | | | |
| General Obligation Bonds: | | | | | | |
| General Obligation-Series 2012 | 2.00-2.25% | \$ 1,270,000 | \$ - | \$ 410,000 | \$ 860,000 | \$ 425,000 |
| General Obligation-Series 2015 (Refunding) | 2-2.5 % | 1,890,000 | - | 615,000 | 1,275,000 | 635,000 |
| General Obligation-Series 2017A | 3.00% | 5,400,000 | - | 340,000 | 5,060,000 | 350,000 |
| General Obligation-Series 2017B | 3.00% | 5,730,000 | - | 330,000 | 5,400,000 | 340,000 |
| General Obligation-Series 2018A | 2.50% - 3.30% | 2,050,000 | - | 120,000 | 1,930,000 | 125,000 |
| General Obligation-Series 2018B | 3.00% - 4.00% | 425,000 | - | 425,000 | - | - |
| General Obligation-Series 2018C | 3.50% | 470,000 | - | 110,000 | 360,000 | 115,000 |
| 2019 Series TIF Bonds | 3.00% - 4.00% | 3,080,000 | - | 260,000 | 2,820,000 | 270,000 |
| General Obligation-Series 2022 \$2.9M | 1.65% | 435,000 | - | 145,000 | 290,000 | 145,000 |
| General Obligation-Series 2022 \$7.799M (Refunding) | 1.69% - 2.14% | 7,682,000 | - | 41,000 | 7,641,000 | 516,000 |
| General Obligation-Series 2023 \$9.0M (Refunding) | 4.00% - 5.00% | 9,000,000 | - | 295,000 | 8,705,000 | 285,000 |
| General Obligation-Series 2025 \$5M | 4.00% - 5.00% | - | 5,000,000 | - | 5,000,000 | 170,000 |
| Bond Premiums | | 1,000,934 | 136,240 | 77,192 | 1,059,982 | - |
| Total General Obligation Bonds and Notes | | 38,432,934 | 5,136,240 | 3,168,192 | 40,400,982 | 3,376,000 |
| Special Assessment Bonds: | | | | | | |
| Special Assessment Bond-Series 2014 | 2.25-2.625% | 620,000 | - | 115,000 | 505,000 | 120,000 |
| Total Special Assessment Bonds | | 620,000 | - | 115,000 | 505,000 | 120,000 |
| Notes & Leases Payable: | | | | | | |
| CAP Loan - State of Mississippi | 2.00% | 212,660 | - | 212,660 | - | - |
| CAP Loan - State of Mississippi(Oxford Commons) | 2.00% | 1,205,188 | - | 66,426 | 1,138,762 | 62,693 |
| CAP Loan - Fire truck | 2.00% | 607,264 | - | 83,914 | 523,350 | 79,238 |
| Lease-Building | 2.14% | 48,975 | - | 48,975 | - | - |
| Lease-Machinery & Equipment | 4.00% | 2,362,502 | 935,794 | 495,262 | 2,803,034 | 515,975 |
| Total Notes & Leases Payable | | 4,436,589 | 935,794 | 907,237 | 4,465,146 | 657,906 |
| Total Governmental Activities | | 43,489,523 | 6,072,034 | 4,190,429 | 45,371,128 | 4,153,906 |
| Business-Type Activities | | | | | | |
| Revenue Bonds: | | | | | | |
| 2014 Water & Sewer Revenue Bond (Refunding) | 2.75-4.00% | 1,080,000 | - | 435,000 | 645,000 | 450,000 |
| 2019 Water & Sewer Revenue Bond | 3.0-4.0% | 10,100,000 | - | 515,000 | 9,585,000 | 535,000 |
| 2020 Water & Sewer Revenue Bond (Refunding) | 1.31% | 717,000 | - | 235,000 | 482,000 | 239,000 |
| 2020B Water & Sewer Revenue Bond (Refunding) | 1.55% | 3,121,000 | - | 566,000 | 2,555,000 | 582,000 |
| 2021 Water & Sewer Revenue Bond (Refunding) | 1.36% | 2,720,000 | - | 530,000 | 2,190,000 | 535,000 |
| 2022 GO \$2.9M | 1.65% | 1,305,000 | - | 435,000 | 870,000 | 435,000 |
| 2023 GO \$2.3M | 4.76% | 1,840,000 | - | 460,000 | 1,380,000 | 460,000 |
| 2024 Water & Sewer Revenue Bond | 3.0-4.0% | 4,000,000 | - | 120,000 | 3,880,000 | 125,000 |
| Bond Premiums | | 233,192 | - | 32,600 | 200,592 | - |
| Total Revenue Bonds | | 25,116,192 | - | 3,328,600 | 21,787,592 | 3,361,000 |
| Total Business-Type Activities | | 25,116,192 | - | 3,328,600 | 21,787,592 | 3,361,000 |
| Total Long-Term Debt | | \$ 68,605,715 | \$ 6,072,034 | \$ 7,519,029 | \$ 67,158,720 | \$ 7,514,906 |

City of Oxford
Schedule of Expenditures of Federal Awards By Grant
For the Year Ended September 30, 2025

| Award Information | AL/other # | Grant ID No. | Passed-through to Subrecipients (\$) | Federal Expenditures (\$) |
|--|------------|--------------------------------------|--|------------------------------|
| Highway Safety Cluster-Cluster | | | | |
| Department of Transportation | | | | |
| Passed through the Mississippi Office of Highway Safety | | | | |
| State and Community Highway Safety | 20.600 | PT-2025-PT-22-51 | | \$ 18,627 |
| National Priority Safety Programs | 20.616 | M5TR-2025-MD-22-51 | | 249,181 |
| National Priority Safety Programs | 20.616 | M5HVE-2025-MD-22-51 | | <u>147,476</u> |
| Total Passed through the Mississippi Office of Highway Safety | | | 0 | <u>415,284</u> |
| Total Department of Transportation | | | | <u>415,284</u> |
| Total Highway Safety Cluster-Cluster | | | | <u>415,284</u> |
| Other Programs (Treated individually for major program determination) | | | | |
| United States Department of Justice | | | | |
| Public Safety Partnership and Community Policing Grants | 16.710 | 15JCOPS-24-GG-02468- | | <u>200,000</u> |
| Total United States Department of Justice | | | | 200,000 |
| Department of Transportation | | | | |
| Passed through the Mississippi Department of Transportation | | | | |
| Highway Planning and Construction | 20.205 | STP-0260-00(013)LPA 108798-701000 | | 472 |
| Highway Planning and Construction | 20.205 | STP-9425-00(001)LPA 708797-701000 | | <u>2,773</u> |
| Total Highway Planning and Construction | | | 0 | 3,245 |
| Formula Grants for Rural Areas and Tribal Transit Program | 20.509 | 503730 | | 3,131,833 |
| Formula Grants for Rural Areas and Tribal Transit Program | 20.509 | 503754 | | <u>639,843</u> |
| Total Formula Grants for Rural Areas and Tribal Transit Program | | | 0 | <u>3,771,676</u> |
| Total Department of Transportation | | | | 3,774,921 |
| Department of the Treasury | | | | |
| Passed through the Mississippi Department of Finance & Administration | | | | |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | N/A | | 4,491,614 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | N/A | ** | <u>766,948</u> |
| Total Passed through the Mississippi Department of Finance & Administration | | | | 5,258,562 |
| Passed through the Mississippi Department of Environmental Quality | | | | |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | 172-2-SW-5.6 | | 297,047 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | 107-2-DW-5.15 | | 3,477,210 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | 246-2-CW-5.5 | | 689,859 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | 421-2-DW-5.15 | | <u>27,498</u> |
| Total Passed through the Mississippi Department of Environmental Quality | | | 0 | <u>4,491,614</u> |
| Total Coronavirus State and Local Fiscal Recovery Funds | | | * | <u>9,750,176</u> |
| Total Department of the Treasury | | | | 9,750,176 |
| Department of Homeland Security | | | | |
| Passed through the Mississippi Department of Public Safety | | | | |
| Homeland Security Grant Program | 97.067 | 24LE286 | | 68,375 |
| Homeland Security Grant Program | 97.067 | 24HS286 | | 25,000 |
| Homeland Security Grant Program | 97.067 | 23HS286R | | <u>26,458</u> |
| Total Homeland Security Grant Program | | | 0 | <u>119,833</u> |
| Total Department of Homeland Security | | | | 119,833 |
| Total Other Programs (Treated individually for major program determination) | | | | |
| | | | | \$ 13,844,930 |
| Total Expenditures of Federal Awards | | | | <u>\$ 0</u> |
| | | | | <u>\$ 14,260,214</u> |

City of Oxford
Schedule of Expenditures of Federal Awards By Grant
For the Year Ended September 30, 2025

SIGNIFICANT ACCOUNTING POLICIES:

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Oxford, Mississippi and its blended component unit, Oxford Tourism Council, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Oxford Tourism Council is a legally separate entity, but it is reported as a blended component unit of the City due to the nature and significance of its relationship with the primary government. Accordingly, the federal expenditures of Oxford Tourism Council are included in the City's SEFA.

All federal awards expended by Oxford Tourism Council during the fiscal year have been included in this schedule and are subject to audit in accordance with the Uniform Guidance.

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

The City has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

* - Major Program

** - Administered by Oxford Tourism Council, a blended component unit.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Board of Aldermen
City of Oxford, Mississippi
Oxford, Mississippi 38655

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxford, Mississippi, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Oxford, Mississippi's basic financial statements and have issued our report thereon dated June 5, 2026.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2025-001, 2025-002 and 2025-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Oxford, Mississippi's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2025-001, 2025-002, 2025-003, 2025-004 and 2025-005.

City of Oxford, Mississippi's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Oxford, Mississippi's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Oxford, Mississippi's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Franks, Franks, Wilemon & Hagood P.A.

FRANKS, FRANKS, WILEMON & HAGOOD, P.A.
Tupelo, Mississippi
June 5, 2026

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

To the Honorable Mayor and Board of Aldermen
City of Oxford, Mississippi

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Oxford, Mississippi's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Oxford, Mississippi's major federal programs for the year ended September 30, 2025. The City of Oxford, Mississippi's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City of Oxford, Mississippi complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Oxford, Mississippi and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Oxford, Mississippi's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Oxford, Mississippi's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Oxford, Mississippi's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Oxford, Mississippi's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Oxford, Mississippi's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Oxford, Mississippi's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 City of Oxford, Mississippi's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not 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. However, this report is a matter of public record and its distribution is not limited.

Franks, Franks, Wilemon & Hagood P.A.

FRANKS, FRANKS, WILEMON & HAGOOD, P.A.
Tupelo, Mississippi
June 5, 2026

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**INDEPENDENT AUDITORS' REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS**

Honorable Mayor and Board of Aldermen
City of Oxford, Mississippi

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxford, Mississippi, as of and for the year ended September 30, 2025, which collectively comprise the City of Oxford, Mississippi's basic financial statements and have issued our report thereon dated June 5, 2026. 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 the *Government Auditing Standards*.

As required by the state legal compliance audit program prescribed by the Mississippi Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of those procedures and our audit of the financial statements disclosed instances of noncompliance with state laws and regulations. Our findings and recommendations and your responses are included in the Schedule of Findings and Questioned Costs as 2025-001, 2025-002, 2025-003, 2025-004 and 2025-005.

This report is intended solely for the information and use of the Mayor and Board of Aldermen of the City of Oxford, its management, federal awarding agencies, the Mississippi Office of the State Auditor, and pass-through entities and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Franks, Franks, Wilemon & Hagood P.A.

Franks, Franks, Wilemon & Hagood, P.A.
Tupelo, Mississippi
June 5, 2026

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2025

SECTION 1 – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued: Unmodified
Internal control over financial reporting:
Material weakness identified? X Yes No
Significant deficiency identified
not considered to be a material weakness? X Yes None reported

Noncompliance material to financial statements
noted? X Yes No

Federal Awards

Internal Control over major programs:
Material weakness identified? Yes X No
Significant deficiency identified
not considered to be a material weakness? Yes X None reported

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

Any audit findings disclosed that are required
to be reported in accordance with
2 CFR 200.516(a)? Yes X No

Identification of major program:

| <u>ALN</u> | <u>Name of Federal Program or Cluster</u> |
|---------------|--|
| <u>20.509</u> | <u>Formula Grants for Rural Areas and Tribal Transit Program</u> |
| <u>21.027</u> | <u>Coronavirus State and Local Fiscal Recovery Funds</u> |

Dollar threshold used to distinguish
between Type A and Type B programs: \$ 1,000,000

Auditee qualified as low-risk auditee? Yes X No

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2025

SECTION 2 – FINANCIAL STATEMENT FINDINGS:

Material Weakness, Noncompliance

2025-001 Strengthen controls to maintain adequate subsidiary records substantiating the existence, completeness, and valuation of assets.

Repeat Finding: Yes

Criteria: The City is to maintain adequate subsidiary records substantiating the existence, completeness, and valuation of fixed assets.

Condition: The City does not have a complete and accurate listing of all fixed assets. The City has not ensured that all fixed assets are properly tagged and accounted for in compliance with state laws at the time of purchase. The City's depreciation schedule has several assets without a description of the assets. The City disposed of several assets by approval in the minutes, however, the assets could not be removed from the depreciation schedule due to lack of adequate descriptions.

Cause: The City has not fully implemented an adequate system of controls for properly tracking activity of fixed assets.

Effect: The City is not in compliance with the applicable requirements as required by state statute as prescribed the Office of the State Auditor.

Recommendation: The City should conduct a year-end inventory of its fixed assets and ensure that all assets owned by the City are properly tagged and accounted for in accordance with state requirements and that all assets are tagged at the time of purchase. The City should ensure adequate support and documentation is maintained on all assets purchased. The City should ensure that all assets declared surplus are identified on the depreciation schedule and properly removed.

Views of Responsible Officials: The City will establish an inventory policy that will require a complete annual inventory of all fixed assets. All assets will be properly tagged and numbered, and relevant information will be gathered on all assets and included on the master fixed asset listing. The City is currently working with all departments to conduct an annual inventory and accurately tag and account for all fixed assets. The City will ensure that a physical inventory will be completed by the end of each fiscal year.

**CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2025**

Material Weakness, Noncompliance

2025-002 Strengthen controls to ensure compliance with state statutes concerning budgeting laws and regulations.

Repeat Finding: No

Criteria: The City is required, by state statutes, to prepare a budget for all required governmental funds of the City and to monitor and modify the budget as necessary to ensure all expenditures are within the budgeted amounts.

Condition: The City had budget overages in some expenditure categories for the year ended September 30, 2025.

Cause: The City did not properly amend the budget to prevent budget overages.

Effect: The City was out of compliance with state budgeting requirements.

Recommendation: The City should ensure that all expenditures are within the final amended budget amounts. The City should generate monthly budget to actual revenue and expense reports that should be used to ensure budgets are amended before expenses are disbursed in excess of budgeted amounts.

**Views of
Responsible
Officials:**

The City will take steps necessary to provide the Board with accurate revenue and expense budget to actual comparisons on a monthly basis for all required accounts. The City will take steps necessary to ensure that budgets are amended prior to budget overages occurring. Budget to actual performance reports will be reviewed monthly by the CFO and will request amendments to the budgets, as needed.

Material Weakness, Noncompliance

2025-003 Strengthen controls to ensure timely and accurate information is provided to the governing Board.

Repeat Finding: No

Criteria: The City is to maintain adequate internal controls to ensure accurate processing of transactions for the fair presentation of its financial records. Mississippi Code Section 21-35-11, Miss. Code Ann. (1972) requires the City to open and keep the books and records of the accounting system in a timely manner to provide the governing Board with timely financial information.

Condition: The City did not ensure that all bank reconciliations were properly prepared and agreed to the general ledger in a timely manner. Bank reconciliations contained reconciling items between funds for several months that were not transferred and cleared in a timely manner. Cash balances, revenues and expenditures were not properly reported on a monthly basis.

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2025

Cause: The City did not ensure all bank accounts were properly reconciled, agreed to the general ledger, or prepared in a timely manner.

Effect: The City is not in compliance with Mississippi Code 21-35-11.

Recommendation: The City should implement adequate internal controls over all its accounting functions sufficient to provide timely information for management control and oversight. The City should ensure that all bank accounts are reconciled on a timely basis and any reconciling items are transferred or cleared in a timely manner.

**Views of
Responsible
Officials:**

The City has initiated the necessary steps to ensure that bank reconciliations are prepared on a monthly basis and necessary adjustments are posted in a timely manner for accurate presentation of cash balances, revenues and expenditure reporting.

Significant Deficiency, Noncompliance

2025-004 Strengthen controls to ensure warrants are not issued without sufficient funds.

Repeat Finding: No

Criteria: The City is required, by state statutes, to ensure that sufficient funds are available prior to issuing warrants and the payment of claims in all funds of the City. Mississippi statutes prohibit the signing of warrants or delivery of warrants until there is sufficient money in the funds upon which it is drawn to pay the same.

Condition: The City issued warrants on a fund which did not have sufficient money to pay the warrants. As of September 30, 2025, the \$1.6 million Special Assessments Debt Service Fund had a negative cash balance of \$6,665.

Cause: The City did not ensure compliance with state statutes and ensure that sufficient cash was available prior to paying warrants.

Effect: Failure to assess the remaining cash balance of a fund prior to the issuance of warrants resulted in the use of another fund's cash for purposes other than their intended purpose.

Recommendation: The City should ensure that all expenditures are within the final amended budget amounts. The City should generate monthly budget to actual revenue and expense reports that should be used to ensure budgets are amended before expenses are disbursed in excess of budgeted amounts.

**Views of
Responsible
Officials:**

The City will take steps necessary to ensure sufficient cash is available prior to issuing warrants for all funds of the City. Accounts will be monitored on a monthly basis.

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2025

Significant Deficiency, Noncompliance

2025-005 Strengthen controls to ensure compliance with state purchasing laws.

Repeat Finding: No

Criteria: The City is to maintain internal controls to ensure accurate processing of transactions for the fair presentation of its financial records. The City is to comply with state purchasing laws for all applicable purchases over certain dollar thresholds.

Condition: The City had two instances of noncompliance for the year ended September 30, 2025.

Cause: The City did not obtain competitive quotes or bids from vendors for purchases applicable to purchase laws.

Effect: The City was out of compliance with state purchase law requirements.

Recommendation: The City should implement adequate internal controls over all purchases to ensure that the City strictly adheres to the purchase laws in all departments of the City.

**Views of
Responsible
Officials:**

The City will take the necessary steps to ensure that controls over purchasing are revised to guarantee future compliance. The city is developing a purchasing policy and will hold periodic training with department heads on purchase laws.

SECTION 3 – FEDERAL AWARD FINDINGS:

No findings noted.