

PRELIMINARY OFFICIAL STATEMENT DATED JULY 1, 2015

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming the material accuracy of representations and continuing compliance by the Town with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Notes is not included in gross income of the owners thereof for purposes of Federal income taxation pursuant to section 103 of the Code, and is not treated as a preference item for purposes of computing the Federal alternative minimum tax. Interest on the Notes may be includable in the calculation of certain taxes under the Code, including the adjusted current earnings for purposes of computing the Federal alternative minimum tax imposed on corporations (as defined for Federal income tax purposes). In the opinion of Bond Counsel, based on existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. (See Appendix B, "Form of Opinion of Bond Counsel and Tax Exemption" herein.)

**TOWN OF OXFORD
CONNECTICUT**



\$6,238,000

**General Obligation Bond Anticipation Notes
BANK QUALIFIED, BOOK-ENTRY-ONLY (the "Notes")
Sale Date: Tuesday, July 7, 2015**

Town officials will accept sealed bids and electronic bids for the Notes via PARITY® until 11:30 AM (EDT) on Tuesday, July 7, 2015 at the Office of the Finance Director, 486 Oxford Road, Oxford, Connecticut as described in the Notice of Sale dated July 1, 2015.

Dated: July 23, 2015

To Mature: July 21, 2016

Coupon (%)	Yield (%)	CUSIP
		691412

The Notes will be general obligations of the Town of Oxford, Connecticut and the Town will pledge its full faith and credit to pay the principal of and interest on the Notes when due. (See "Security and Remedies" herein).

The Notes are not subject to redemption prior to maturity.

The Certifying, Registrar, Paying and Transfer Agent for the Notes will be U.S. Bank National Association, 225 Asylum Street, 23rd Floor, Hartford, CT 06103.

The Notes are offered for delivery when, as and if issued, subject to the approving opinions of Joseph Fasi LLC, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Notes in definitive book-entry form will be made to DTC in New York, New York, or its agents, on or about July 23, 2015.

This page contains certain information for quick reference only. It is NOT a summary of this Issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

This Preliminary Official Statement and the information contained herein are deemed final for the purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1) and are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

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No dealer, broker, salesman, or other person has been authorized by the Town to give any information or to make any representations other than those contained in this Official Statement or any supplement which may be issued hereto, and if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Official Statement has been prepared only in connection with the initial offering and sale of the Notes and may not be reproduced or used in whole or in part for any other purpose.

The information, estimates, and expressions of opinion in this Official Statement are subject to change without notice.

NOTICE OF SALE
\$6,238,000
TOWN OF OXFORD, CONNECTICUT
GENERAL OBLIGATION BOND ANTICIPATION NOTES

The Town of Oxford, Connecticut (the "Issuer"), will receive **SEALED PROPOSALS and ELECTRONIC BIDS via PARITY[®]** until:

11:30 A.M. (E.D.T.)
Tuesday, July 7, 2015

at the **Office of the Finance Director, 486 Oxford Road, Oxford, Connecticut 06478**, for the purchase of:

\$6,238,000 TOWN OF OXFORD
GENERAL OBLIGATION BOND ANTICIPATION NOTES

BANK QUALIFIED

The Notes will be dated **July 23, 2015**, will be payable to the registered owner on **July 21, 2016** and are not subject to redemption prior to maturity. They will bear interest (which interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months) payable at maturity at the rate or rates per annum fixed in the proposal or proposals accepted for their purchase, which rates shall be in multiples of 1/100 of 1% per annum.

The Notes will be issued by means of a book-entry system with no physical distribution of note certificates made to the public. The Notes will be issued in registered form and one note certificate for each interest rate will be issued to The Depository Trust Company, New York, New York (DTC), registered in the name of its nominee, Cede & Co., and immobilized in their custody. The book-entry system will evidence ownership of the Notes in the minimum principal amounts of \$1,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The winning bidder or bidders, as a condition to delivery of the Notes, will be required to deposit the note certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Notes will be payable by the Issuer or its agent in same-day funds to DTC or its nominee as registered owner of the Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Submitting Proposals

Proposals for the purchase of said Notes must be in the form of proposal for purchase attached hereto. A proposal may be for all or any part of the Notes but any proposal for a part must be for a minimum of \$100,000, of principal amount per interest rate bid, or a whole multiple thereof, except that one such proposal for a part may include the odd \$138,000, of principal amount per interest rate bid, and the total of all principal amounts bid shall not exceed \$6,238,000. No bid for less than par and accrued interest, if any, will be considered.

Sealed proposals for the Notes must be enclosed in sealed envelopes marked "Proposal for Notes" and addressed to George R. Temple, First Selectman; Jeffrey J. Haney, Sr., Selectman; David W. McKane, Selectman; Michael F. Angelini, Sr., Town Treasurer; and James A. Hliva, Finance Director, c/o Office of the Finance Director, 486 Oxford Road, Oxford, Connecticut 06478.

Unless all bids are rejected the Notes will be awarded to the bidder or bidders offering to purchase the Notes at the lowest net interest cost, computed as to each interest rate stated by adding the total interest which will be paid at such rate and deducting therefrom the premium offered, if any. As between proposals resulting in the same lowest net interest cost to the Issuer, the award will be made on the basis of the highest principal amount of the Notes specified. The Issuer reserves the right to award to any bidder all or any part of the Notes bid for in his

proposal. If a bidder is awarded only a part of the Notes bid for in his proposal, any premium offered in such proposal will be proportionately reduced so that the resulting net interest cost to the Issuer with respect to the Notes awarded is the same as that contained in the bidder's proposal with respect to the entire amount bid, carried to four places.

Any bid received after the time specified, as determined in the sole discretion of the Issuer, will not be reviewed or honored by the Issuer.

Electronic Proposals Bidding Procedure. Electronic bids for the purchase of the Notes must be submitted through the facilities of *PARITY*[®] until 11:30 A.M. (E.D.T.) on Tuesday, July 7, 2015. Any prospective bidder must be a subscriber of i-Deal's BiDCOMP competitive bidding system. Further information about *PARITY*[®], including any fee charged, may be obtained from *PARITY*[®], c/o i-Deal LLC, 1359 Broadway, 2nd Floor New York, New York 10018, Attention: Customer Support (telephone: (212) 849-5021 - email notice: parity@i-deal.com). The Issuer neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of *PARITY*[®] is communicated to the Issuer, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Issuer. By submitting a bid for the Notes via *PARITY*[®], the bidder represents and warrants to the Issuer that such bidder's bid for the purchase of the Notes is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Notes on the terms described in this Notice. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of *PARITY*[®], or the inaccuracies of any information, including bid information or worksheets supplied by *PARITY*[®], the use of *PARITY*[®] facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

Disclaimer. Each of *PARITY*[®] prospective electronic bidders shall be solely responsible to make necessary arrangements to access *PARITY*[®] for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice. Neither the Issuer nor *PARITY*[®] shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer or *PARITY*[®] shall be responsible for a bidder's failure to make a bid or for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, *PARITY*[®]. The Issuer is using *PARITY*[®] as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Notes. The Issuer is not bound by any advice and determination of *PARITY*[®] to the effect that any particular bid complies with the terms of this Notice and in particular the bid requirements herein set forth. All cost and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via *PARITY*[®] are the sole responsibility of the bidders; and the Issuer is not responsible directly or indirectly, for any of such costs or expenses. If the prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Notes, the prospective bidder should telephone *PARITY*[®] at (212) 849-5021. If any provision of this Notice shall conflict with information provided by *PARITY*[®], this Notice shall control.

For the purpose of the electronic bidding process, the time maintained on *PARITY*[®] shall constitute the official time.

Award

The Notes will be awarded or all bids will be rejected promptly after each respective bid opening and not later than 4:00 P.M. (Hartford time) on July 7, 2015. The right is reserved to reject any and all proposals and to waive any irregularity or informality with respect to any proposal.

Legal Opinion

The legality of the issue will be passed upon by Joseph Fasi LLC, Bond Counsel, of Hartford, Connecticut, and the winning bidder or bidders will be furnished with their opinion without charge.

The Notes will be general obligations of the Issuer payable, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount except as to classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the Issuer and under existing statutes the State of Connecticut is obligated to pay the Issuer the amount of tax revenue which the Issuer would have received except for the limitation upon its power to tax such dwelling houses.

The legal opinion will further state that, under existing statutes and court decisions interest on the Notes (i) is not included in the gross income of the owners thereof for purposes of Federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not treated as a preference item for purposes of computing the Federal alternative minimum tax; such interest is, however, includable in the adjusted current earnings of a corporation (as defined for federal income tax purposes) for purposes of computing the Federal alternative minimum tax imposed on corporations under the Code.

Under existing statutes, the interest on the Notes is **excluded** from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay Federal alternative minimum tax.

In rendering the legal opinion, Joseph Fasi LLC will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Tax Regulatory Agreement entered into by the Issuer for the benefit of the owners of the Notes, and further, will assume continuing compliance by the Issuer with the covenants and procedures set forth in such Tax Regulatory Agreement.

Reoffering Certification

IT SHALL BE THE RESPONSIBILITY OF THE WINNING BIDDER OR BIDDERS TO CERTIFY TO THE ISSUER BEFORE THE DELIVERY OF THE NOTES AND IN A MANNER SATISFACTORY TO BOND COUNSEL THE PRICE OR PRICES AT WHICH A SUBSTANTIAL AMOUNT OF THE NOTES WERE INITIALLY OFFERED AND SOLD TO THE PUBLIC.

Documentation to Winning Bidders

The winning bidder or bidders will also be furnished with a Signature and No Litigation Certificate, a Receipt of payment satisfactory in form to said firm, a confirmed copy of the Official Statement prepared for this sale, a certificate signed by the appropriate officials of the Issuer relating to the accuracy and completeness of information contained in the Official Statement, and an executed Continuing Disclosure Agreement.

Certifying/Paying Agent

The Notes will be certified by U.S. Bank National Association.

Bank Qualification

The Notes **SHALL** be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b) of the Code for purposes of the deduction by financial institutions for interest expenses allocable to the Notes.

Delivery and Payment

The Notes will be delivered to DTC or its Agent via "Fast" on or about July 23, 2015. The deposit of the Notes with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the winning bidder or bidders to obtain CUSIP numbers for the Notes prior to delivery, and the Issuer will not be responsible for any delay occasioned by the inability to deposit the Notes with DTC due to the failure of the winning bidder or bidders to obtain such numbers and to supply them to the Issuer in a timely manner. The Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

The purchase price must be paid in Federal Funds.

Deemed Final; Pricing Information

The Official Statement is in a form "deemed final" by the Issuer for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision or amendment. The Issuer will provide each winning bidder a reasonable number of copies of the Official Statement prepared for this issue at the Issuer's expense and delivered not later than seven business days after the bid opening. Additional copies may be obtained by the winning bidder at its own expense by arrangement with the printer. If the Issuer's financial advisor is provided with the necessary information from the winning bidder by noon of the day after the bid opening, the copies of the Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Notes.

Continuing Disclosure

The Issuer will undertake in a Continuing Disclosure Agreement entered into in accordance with the requirements of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission, to provide timely notice of the occurrence of certain material events with respect to the Notes. The winning bidder's obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to the delivery of the Notes, an executed copy of the Continuing Disclosure Agreement for the notes.

More Information

More information regarding this issue and the Issuer, reference is made to the Official Statement. Bid forms and copies of the Official Statement dated July 7, 2015, may be obtained from Dennis Dix, Jr., Principal, DIXWORKS, LLC, 241 Avon Mountain Road, Avon, Connecticut 06001-3942, (860) 676-0609.

George R. Temple
First Selectman

Jeffrey J. Haney, Sr.
Selectman

David W. McKane
Selectman

Michael F. Angelini, Sr.
Town Treasurer

James A. Hliva
Finance Director

July 1, 2015

(See attached for form of Proposal for Purchase)

PROPOSAL FOR NOTES

July 7, 2015

George R. Temple, First Selectman
Jeffrey J. Haney, Sr., Selectman
David W. McKane, Selectman
Michael F. Angelini, Sr., Town Treasurer
James A. Hliva, Finance Director
Town of Oxford
c/o Office of the Finance Director
486 Oxford Road
Oxford, Connecticut 06478

Gentlemen:

Subject to the provisions of the Notice of Sale dated July 1, 2015, which Notice is made a part of this proposal, we offer to purchase the indicated principal amount of \$6,238,000 of Town of Oxford, Connecticut General Obligation Bond Anticipation Notes and to pay therefor par and accrued interest, if any, to the date of delivery, and pay the premium specified below, if any (and we provide our computations of net interest cost carried to four decimals and made as provided in the above-mentioned Notice of Sale, but not constituting any part of the foregoing proposal) as follows:

Principal amount _____ %
Stated interest rate _____ Percent Net Interest Cost
Premium _____ (Four Decimals)

Principal amount _____ %
Stated interest rate _____ Percent Net Interest Cost
Premium _____ (Four Decimals)

Principal amount _____ %
Stated interest rate _____ Percent Net Interest Cost
Premium _____ (Four Decimals)

Principal amount _____ %
Stated interest rate _____ Percent Net Interest Cost
Premium _____ (Four Decimals)

The undersigned hereby agrees to accept delivery of and make payment for the indicated principal amount of Notes in Federal Funds on the date of the Notes or as soon thereafter (but no later than 30 days thereafter) as such Notes may be prepared and ready for delivery by the Issuer.

(Name of Bidder)

(Mailing Address)

(Telephone Number)

(Authorized Signature)

(Facsimile Number)

NOTE ISSUE SUMMARY

The information in this Note Issue Summary and the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.

Issuer:	Town of Oxford, Connecticut (the "Town")
Issue:	\$6,238,000 General Obligation Bond Anticipation Notes, Book-Entry-Only (the "Notes")
Basis of Award:	Lowest Net Interest Cost ("NIC") as of the dated date.
Dated and Delivery Date:	July 23, 2015
Interest Due:	July 21, 2016
Principal Due:	July 21, 2016
Purpose and Authority:	The Notes are being issued for the purchase of land and school projects as authorized by the voters of the Town. (See "Authorization and Purpose of the Notes" herein).
Redemption:	The Notes are <u>not</u> subject to redemption prior to maturity.
Security:	The Notes will be general obligations of the Town of Oxford, Connecticut, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Notes when due.
Credit Rating:	The Town has NOT made an application to Moody's Investors Service, Inc. ("Moody's") for a rating on the Notes. The Town's outstanding bonds are rated an underlying "Aa2" by Moody's. (See "Ratings" herein).
Note Insurance:	The Town does not expect to purchase a credit enhancement facility.
Tax Exemption:	Refer to Appendix B "Opinion of Bond Counsel and Tax Exemption" herein.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, notices of material events with respect to the Notes pursuant to a Continuing Disclosure Agreement to be executed by the Town in substantially the form attached as Appendix C to this Official Statement.
Bank Qualification:	The Notes <u>shall</u> be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Notes.
Registrar, Transfer Agent, Certifying Agent and Paying Agent:	U.S. Bank National Association, Goodwin Square, 225 Asylum Street, 23rd Floor, Hartford, CT 06103
Legal Opinion:	Joseph Fasi LLC, of Hartford, Connecticut will serve as Bond Counsel. Contact: Joseph P. Fasi, Esq. Phone: (860) 296-0510. Fax: (860) 296-0541. Email: jfasi@fasilaw.com .
Delivery and Payment:	It is expected that delivery of the Notes in book-entry-only form will be made to The Depository Trust Company on or about July 23, 2015. Delivery of the Notes will be made against payment in Federal funds.
Issuer Official:	Questions concerning this Official Statement should be directed to: Mr. James A. Hliva, Finance Director, Town of Oxford, 486 Oxford Road, Oxford, CT 06478. Telephone: (203) 828-6513. Fax: (203) 888-2136. Email: financedirector@oxford-ct.gov .
Municipal Advisor:	DIXWORKS LLC, 241 Avon Mountain Road, Avon, CT 06001-3942. Contact: Dennis Dix, Jr., Principal. Phone: (860) 676-0609. Fax: (860) 676-1649. Email: dixworks@comcast.net .

The Preliminary Official Statement will be available ONLY on <https://www.newissuehome.i-deal.com>. No hard copies will be provided.

I. NOTE INFORMATION

Introduction

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Oxford, Connecticut (the "Town") in connection with the original sale of \$6,238,000 of General Obligation Bond Anticipation Notes (the "Notes") of the Town.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Notes. Any statement made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the original official documents, and all references to the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

The presentation of information is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town. The information in this Official Statement has been prepared by the Town's Municipal Advisor, DIXWORKS LLC, Avon, Connecticut (the "Municipal Advisor"), from information supplied by Town officials and other sources as indicated. The Municipal Advisor does not assume responsibility for the sufficiency, accuracy, or completeness of the statements made herein and makes no representation that it has independently verified the same. DIXWORKS LLC is an independent municipal bond advisory firm and is not engaged in the business of providing investment advice, or of underwriting, trading, or distributing municipal or other public securities. The Town and the Municipal Advisor have entered into a municipal advisory agreement to conform to Municipal Securities Rulemaking Board (MSRB) Rule G-23.

Set forth in Appendix A – "Basic Financial Statements" hereto is a copy of the report of the independent auditors for the Town with respect to the financial statements of the Town included in that appendix. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Bond Counsel are not passing upon and do not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth in Appendix B "Opinion of Bond Counsel and Tax Exemption" herein) and they make no representation that they have independently verified the same.

Redemption

The Notes are not subject to redemption prior to maturity.

Description of the Notes

The Notes will be dated July 23, 2015 and will be due and payable as to both principal and interest on July 21, 2016. The Notes are not subject to redemption prior to maturity. The Notes will be issued as fully registered Notes in denominations of \$1,000 or any integral multiple thereof. A book-entry-only system will be employed evidencing ownership of the Notes with transfers of ownership on the records of the Depository Trust Company, New York, New York ("DTC"), and its participants pursuant to the rules and procedures established by DTC and its participants. See "Book-Entry-Only Transfer System" herein. Interest shall be calculated on the basis of a 30-day month and a 360-day year at such rate or rates per annum, and yield and price as are specified by the Underwriter and set forth on the cover page of the Official Statement (see "Underwriting" herein). The Certifying Agent, Paying Agent, Registrar and Transfer Agent will be U.S. Bank National Association, Goodwin Square, 225 Asylum Street, 23rd Floor, Hartford, CT 06103. The legal opinion on the Notes will be rendered by Joseph Fasi LLC, Bond Counsel, of Hartford, Connecticut in substantially the form set forth in Appendix B to this Official Statement.

Security and Remedies

The Notes will be general obligations of the Town of Oxford, Connecticut and the Town will pledge its full faith and credit to pay the principal of and interest on the Notes when due.

Unless paid from other sources, the Notes are payable from general property tax revenues. The Town has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income taxable at limited amounts. On the last completed Grand List of the Town there were no acres of such classified forest land. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation upon its power to tax such dwelling houses, or the Town may place a lien on the property for the amount of tax relief granted plus interest.

Payment of the Notes is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Notes.

There are no statutory provisions for priorities in the payment of general obligations of the Town. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Notes, or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation debt and a court of competent jurisdiction has power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have power in appropriate proceedings to order payment of a judgment on such debt from funds lawfully available therefor or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal or interest on such debt would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted by Congress or the Connecticut General Assembly extending the time for payment or imposing other restraints on enforcement insofar as the same may be constitutionally applied, and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, amended in 1993, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district or any other political subdivision of the State having the power to levy taxes and to issue Notes or other obligations.

Qualification for Financial Institutions

The Notes **shall** be designated qualified tax-exempt obligations by the Issuer under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended for purposes of the deduction by financial institutions for certain interest expense incurred to carry the Notes.

Availability of Continuing Disclosure

The Town of Oxford prepares, in accordance with State law, annual independently audited financial statements and files such annual report with the State Office of Policy and Management within six months of the end of its fiscal year. The Town provides, and will continue to provide, various municipal credit rating agencies ongoing disclosure in the form of annual audited financial statements, adopted budgets and other materials relating to its management and financial condition, as may be necessary or requested.

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, timely notices of material events with respect to the Notes pursuant to Continuing Disclosure Agreements, to be executed in substantially the form of Appendix C to this Official Statement.

The Town has entered into prior Continuing Disclosure Agreements for the benefit of holders of its debt obligations to provide annual financial information and material event notices pursuant to SEC Rule 15c2-12(b)(5). To date, the Town has not failed to meet any of its undertakings under such agreements.

The Underwriter's obligation to purchase the Notes shall be conditioned upon its receiving, at or prior to the delivery of the Notes, an executed copy of the Continuing Disclosure Agreement for Notes.

Book-Entry-Only Transfer System

The information contained in the following paragraphs of this subsection "Book-Entry-Only Transfer System" has been provided by The Depository Trust Company, New York, New York ("DTC"). The Town makes no representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

DTC will act as securities depository for the Notes (the “Notes”). The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each maturity and interest rate of the Notes in the aggregate principal amount of such maturity and interest rate, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on, and redemption premium, if any, with respect to the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Town or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption

premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

NEITHER THE TOWN, THE PAYING AGENT, NOR THE UNDERWRITER SHALL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR ANY BENEFICIAL OWNER WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; (2) THE PAYMENT BY DTC, ANY DTC PARTICIPANT, OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR INTEREST ON THE NOTES; (3) ANY NOTICE PERMITTED OR REQUIRED TO BE GIVEN BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT, TO ANY DTC PARTICIPANT, INDIRECT PARTICIPANT, OR BENEFICIAL OWNER; OR (4) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS NOTE HOLDER.

Authorization and Purpose

New High School Construction: A \$41,600,000 appropriation and bond authorization was approved at a referendum vote at an adjourned Town Meeting held on June 22, 2004 for the construction phase of the New High School.

High School Soccer/Practice Fields: A \$800,000 appropriation and bond authorization was approved at a referendum vote at an adjourned Town Meeting held on August 30, 2007 for the construction of two soccer/practice fields at the Oxford High School.

High School Baseball/Softball Fields: A \$415,000 appropriation and bond authorization was approved at a referendum vote at an adjourned Town Meeting held on August 30, 2007 for the construction and installation of a baseball field and a softball field, including drainage and electrical work and acquisition and installation of backstops and infield fencing.

High School Outdoor Facilities Improvement: A \$150,000 appropriation and bond authorization was approved at a referendum vote at an adjourned Town Meeting held on August 30, 2007 for miscellaneous improvements to outdoor facilities at the Oxford High School, consisting of construction of an additional sidewalk and north parking lot and installation of a water line.

Land Acquisition: A \$1,200,000 appropriation and \$800,000 bond authorization was approved at a Town Meeting held on May 10, 2010 for the acquisition for open space preservation, recreation, conservation and other related public purposes of approximately 66 acres of land and all appurtenances thereto located at 53 Quaker Farms Road.

High School Athletic Complex: A \$3,100,000 appropriation and bond authorization was approved at referendum on August 16, 2012 for the construction of an athletic complex at Oxford High School, including an artificial turf multipurpose field, synthetic running track, bleachers, lighting and other improvements.

Quaker Farms School Roof Replacement: A \$800,000 appropriation and bond authorization was approved at a Town Meeting held on February 17, 2015 for the planning, acquisition and construction of the replacement of the Quaker Farms School roof.

Proceeds of the Notes

The proceeds of the Notes will be used to finance the following projects ¹:

Project	Authorized	Date Authorized	BANs Outstanding	Pay Downs	New Money	BANs This Issue	Legal Limit ¹
High School Construction	\$41,600,000	6/22/04	\$1,823,250	\$ 50,000	--	\$1,773,250	11/6/16; 11/1/17
High School Soccer/Practice Fields	800,000	8/30/07	510,000	30,000	--	480,000	11/1/17
High School Baseball/Softball Fields	415,000	8/30/07	276,750	25,000	--	251,750	8/30/17
High School Outdoor Facilities	150,000	8/30/07	113,000	5,000	--	108,000	11/1/17
Land Acquisition	800,000	5/10/10	220,000	40,000	--	180,000	7/28/20
Great Hill Road Improvements	1,210,000	4/13/11	242,000	242,000	--	--	--
High School Athletic Complex	3,100,000	8/16/12	3,100,000	155,000	--	2,945,000	3/7/23
Quaker Farms School Roof Replacement	800,000	2/17/15	--	--	\$500,000	500,000	7/23/25
	<u>\$48,875,000</u>		<u>\$6,285,000</u>	<u>\$547,000</u>	<u>\$500,000</u>	<u>\$6,238,000</u>	

¹ Earliest occurring legal limit

State School Construction Grants

Pursuant to Section 10-287i of the Connecticut General Statutes, the State of Connecticut will provide proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996 (the "Current Program").

Under the prior program affecting projects approved prior to July 1, 1996, a municipality issues bonds for the entire amount of the school construction project and the State of Connecticut reimburses the municipality for the principal and interest costs for eligible school construction projects over the life of outstanding school bonds and subsequent bond issues necessary to completely fund the approved school project. As of June 30, 2015, the Town expects no future school building grants under the old program.

Under the Current Program, the State of Connecticut is making proportional progress payments for eligible construction costs during project construction. The State grants are paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality issues its bonds only for its share of project costs.

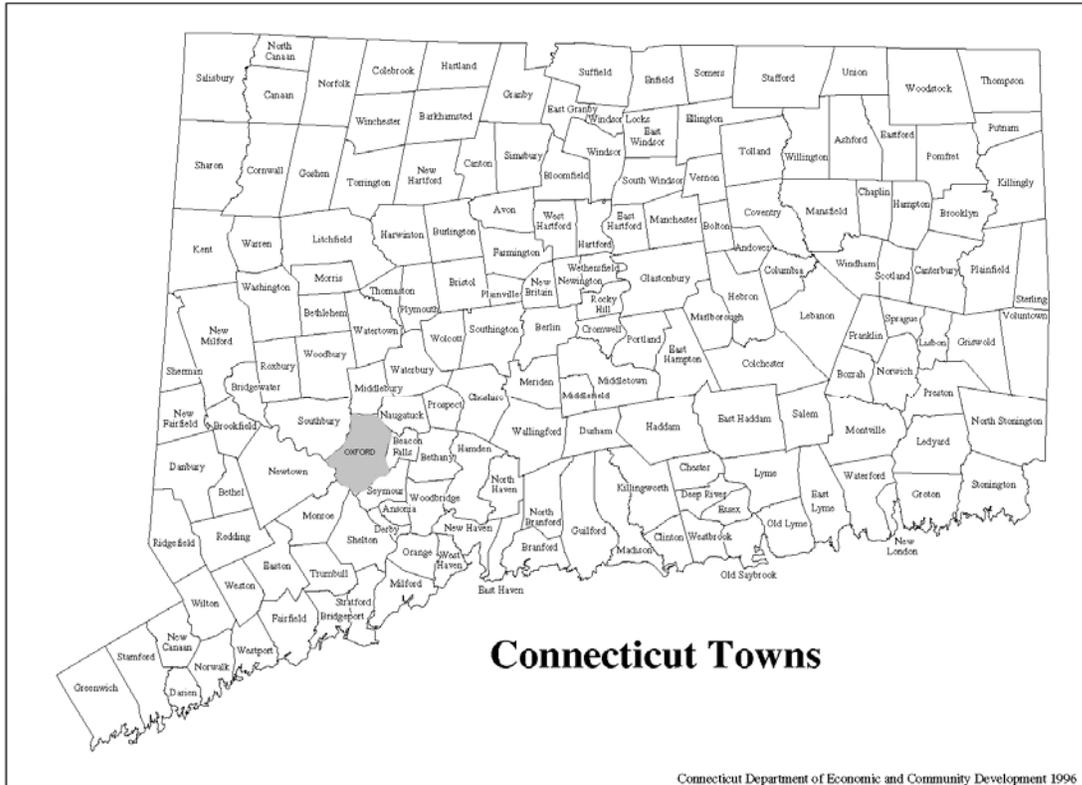
The following projects will be reimbursed at the estimated reimbursement rate shown below:

Project	Authorization	Estimated Non-reimbursable Costs	Estimated Reimbursable Costs	Reimbursement Rate (%)	Estimated Grants
New HS Construction	\$41,600,000	\$ 1,100,000	\$ 40,500,000	49.29	\$19,962,450
New HS Natatorium	2,311,987	251,135	2,060,852	24.65	508,000
Center School Addition	1,184,410	--	1,184,410	48.57	575,268
HS Equipment	1,360,000	394,287	965,713	49.29	476,000
HS Practice Soccer Fields	800,000	313,185	486,815	24.65	120,000
HS Baseball/Softball Fields	415,000	162,465	252,535	24.65	62,250
Quaker Farms Roof	800,000	--	800,000	37.50	300,000
Total	<u>\$48,471,397</u>	<u>\$ 2,221,072</u>	<u>\$ 46,250,325</u>		<u>\$22,003,968</u>

Ratings

The Town has NOT made an application to Moody's Investors Service, Inc. ("Moody's") for a rating on the Notes. The Town's outstanding bonds are rated "Aa2" by Moody's. Such rating reflects only the views of such organization and any explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. The Town furnished certain information and materials to the rating agency, some of which may not have been included in this Official Statement. There is no assurance that such rating will continue for any given period of time or that the rating will not be revised or withdrawn entirely by the agency if, in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of such rating may have an effect on the market price of the Town's outstanding bonds and notes, including the Notes.

II. THE ISSUER



Description of the Municipality

The Town of Oxford has an area of 33.4 square miles in New Haven County, and is nearly centrally located between New Haven, Danbury, Bridgeport and Waterbury. Oxford is bordered on the north by Middlebury, on the east by Naugatuck and Beacon Falls, on the south by Seymour, and on the west by Southbury and the Housatonic River. Oxford has access to the New Jersey, New York and Boston markets via I-84 at exits 15 & 16 and Route 8 south to I95. Oxford was founded in 1741, carved from the then-adjointing communities of Derby, Woodbury and Waterbury and incorporated as a Town in 1798.

Oxford is now the fastest growing town in Connecticut with population growth of 29% since 2000. In-town employment has grown 50% in the last 6 years and is forecast to increase further with major new facilities being completed at the Waterbury-Oxford Airport.

Industrial/commercial Grand List has expanded 97% since fiscal year 2006-2007 due to infrastructure extensions, new commercial and industrial subdivisions, and construction of 23 new industrial buildings in the Town's new industrial parks.

A healthy pipeline of future development is represented by 20 additional building approvals and new subdivision opportunities that are being considered by investors and developers.

Economic development efforts in Oxford have moved steadily forward despite the national financial crisis of 2008 and the related decline in the overall economy. Vacancy rates for existing flex space buildings remain low and several buildings have changed hands after only short periods of market exposure.

Interest in Oxford remains strong due to reasonable land and floor space costs, a consistently low tax rate, and the Town's reputation for providing predictable and efficient regulatory processes that respect developers and investors and ensure timely project completion.

Oxford's industrial zone and parcels in adjoining Southbury and Middlebury surrounding the Waterbury-Oxford Airport have been formed into a State sponsored "Enterprise Zone" to further exploit economic development opportunities going forward.

The Connecticut Siting Council, which has jurisdiction over the placement of utilities, recently approved a 785-megawatt natural-gas-fired power plant near the Oxford Airport to be owned and operated by Competitive Power Ventures (CPV). An agreement between the Town and CPV provides for an initial \$5,000,000 to the Town as a payment in Lieu of Taxes (PILOT) and then approximately \$2.3 million in PILOT payments per year for the next 18 years. CPV and the Town are negotiating agreement revisions based on increased plant capacity and PILOT payments.

The Town continues to pursue commercial development in the commercial zones south on parcels adjoining Route 67.

Oxford has approved 1,305 age restricted housing units in five unique developments. Three of these developments have completed construction and sale of 537 units as of October, 2014 which will contribute approximately \$3.8 million in annual tax revenue at the current year's 24.96 mill rate.

One of the remaining age restricted approvals has been converted to two bedroom town house configurations with 20% of the units offered as deed restricted units in compliance with State affordable housing mandates.

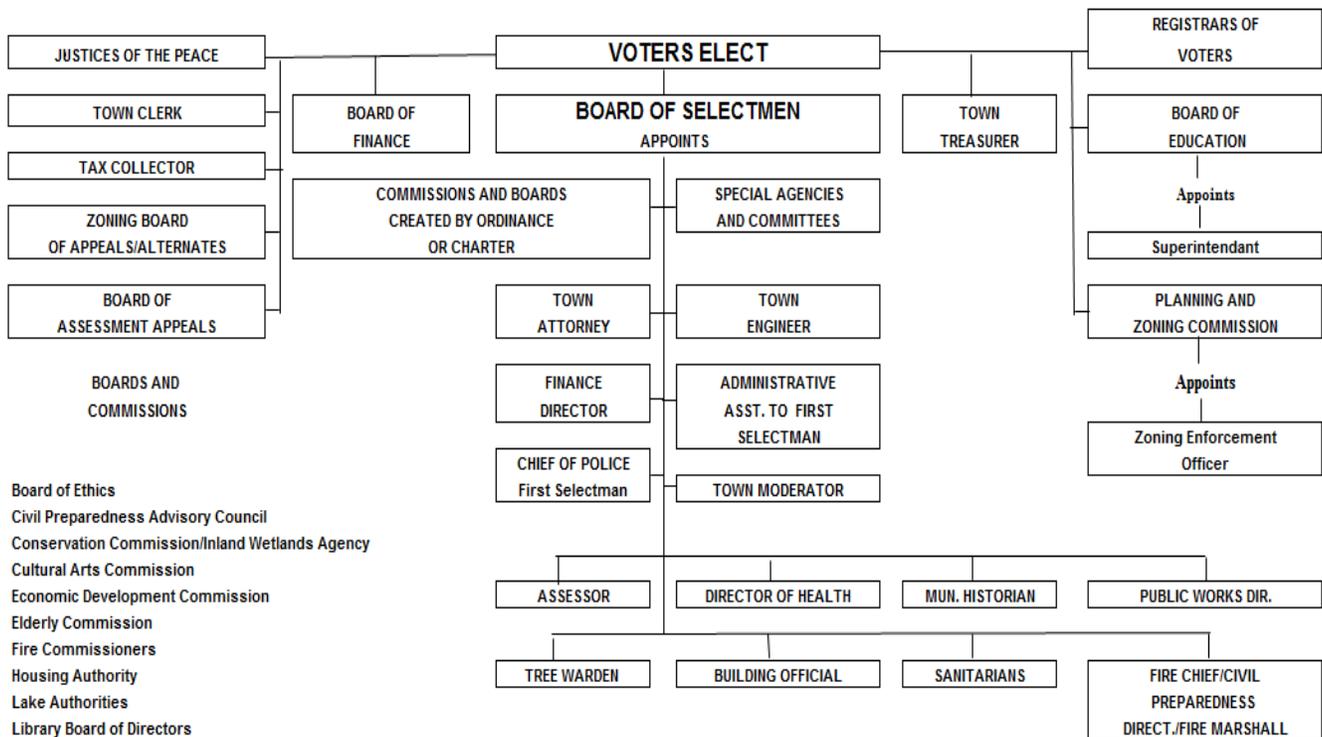
Form of Government

The Town of Oxford has a Selectmen, Board of Finance, Town Meeting, form of government. The Board of Selectmen consisting of three members, chaired by the First Selectman, is elected biennially. The Town's Charter became effective in 1991, and was most recently amended in November, 2011.

The Board of Selectmen is directly responsible for planning, organizing and directing municipal activities, except for schools and commissions separately elected or appointed. The six-member Board of Finance is responsible for finalizing the Town budget and setting the mill rate.

The Town's full-time staff includes a Town Clerk, Assistant Town Clerk, Tax Collector, Assessor, Public Works Director, Director of Finance, Zoning Enforcement Officer, Building Official, and Selectmen's Administrative Assistant.

Organization Chart



BOARDS AND COMMISSIONS

- Board of Ethics
- Civil Preparedness Advisory Council
- Conservation Commission/Inland Wetlands Agency
- Cultural Arts Commission
- Economic Development Commission
- Elderly Commission
- Fire Commissioners
- Housing Authority
- Lake Authorities
- Library Board of Directors
- Parks and Recreation Commission
- Planning and Zoning Commission Alternates
- Police Commission
- Water Pollution Control Authority
- Website Committee

Prepared by: DIXWORKS LLC
June 18, 2015

Source:
Town of Oxford Charter, rev. 2011
Connecticut State Manual and Register as of July 9, 2014

The First Selectman acts Ex Officio on all Boards and Commissions.

Principal Municipal Officials

<u>Office</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Current Term</u>	<u>Length of Service</u>
First Selectman	George R. Temple	Elected	2 years	3.5 years
Selectman	Jeffrey J. Haney, Sr.	Elected	2 years	3.5 years
Selectman	David W. McKane	Elected	2 years	7.5 years
Town Treasurer	Michael F. Angelini, Sr.	Elected	2 years	11.5 years
Town Clerk	Margaret A. West	Elected	4 years	12.5 years
Tax Collector	Sharon Scinto ¹	Elected	4 years	3.0 years
Assessor	Eva Lintzner	Appointed	Indefinite	9.0 years
Finance Director	James A. Hliva	Appointed	Indefinite	9.5 years
Chairman, Board of Finance	John Kiley	Elected	4 years	1.5 years
Superintendent of Schools	Ana Ortiz	Appointed	3 years	1.0 years
Town Attorney	Kevin Condon	Appointed	Term of SM	3.5 years

¹ Appointed September 2012

Source: Connecticut State Manual and Register, 2014, Connecticut Secretary of State

Municipal Services

Police. The Town contracts with the Connecticut State Police for six full-time Resident State Troopers while employing seven full-time officers and one part-time officer.

Fire/Ambulance. The Town is served by three volunteer fire companies strategically located within the Town. Training of the fire and ambulance personnel is ongoing and conducted to and beyond state requirements. Further, volunteer personnel conduct visits and programs for schools and civic organizations for the purpose of fire prevention and proper response to emergencies. The Fire Marshall and his deputies are responsible for enforcement of state and local fire codes. In the interest of public safety, all buildings and facilities of public service are inspected annually. All fires are investigated and all new public facility construction is reviewed for compliance with state and local requirements.

The Oxford Ambulance Corps serves the Town. Training of Ambulance and Fire Department personnel in rescue techniques, E.M.T., first aid, and firefighting techniques is conducted on an ongoing basis.

Public Works. The Public Works Department is responsible for maintenance, cleaning, repair and construction of public streets and storm drainage systems. Snow removal and sanding of public streets and parking areas, tree removal, trimming and plantings within street rights of way are also the responsibility of this department. Public Works maintains 112 miles of public roads.

Water Pollution Control. The Water Pollution Control Authority ("WPCA") oversees state mandates for water pollution control. A full-time WPCA employee oversees the pump stations and sewer lines which discharge into the Naugatuck and Seymour Sewer Treatment Networks.

Building Official. The Building Department is responsible for issuing building and driveway permits and for making inspections as required by the Connecticut Basic Building Code. The Department is staffed by a full-time clerk, one full-time inspector and one part-time inspector.

Health Department. The Town is served by the Pomperaug Health District which provides a Director of Health and Sanitarians which are responsible for performance of functions as outlined by Connecticut General Statutes, the Public Health Code, Connecticut Department of Health Services, and applicable Town Ordinances.

The responsibility of the Sanitarians includes complaints, soil investigations, septic installations, well approvals, water pollution, housing conditions, insect and rodent infestations, influenza inoculations, and other health related matters. The Sanitarians also review applications, plans, layouts, and issues permits, licenses, and compliance certificates to approved applicants.

Library. The Oxford Public Library is staffed by four full-time employees and is supported by additional part-time staff. The Library provides books and media for recreational use as well as non-fiction collection for research and informational purposes.

Community Carpool. The Community Carpool Commission maintains a vehicle for residents of the municipality to utilize for transportation to doctors' offices, hospitals and other necessary destinations when residents are unable to secure transportation. Almost a full time service, the Commission is run by a volunteer organization.

Parks & Recreation. This department provides a variety of programs designed to meet physical, social, cultural and educational recreational needs.

Programs for children include baseball, softball, T-ball, soccer, and basketball leagues. Programs for adults include softball, volleyball, and basketball programs. Jackson's Cove is staffed with lifeguards and maintained during the summer season. Other recreational offerings include trips to various sporting events, a swim program and an annual Easter egg hunt. Three parks and three school grounds are maintained for the Town's outdoor recreational programs.

Cultural Arts. This committee provides a series of activities including the Summer Evening Concerts, a Christmas Program, a biannual Arts Showcase, a Dance Program, and School Arts Showcase.

Senior Citizens Center. The Oxford Senior Center opened in January 2008 for daily activities. Free transportation is provided to local shopping places and to Town Hall. Regular senior activities include cards, bingo, exercise, and luncheons. Health care and health education is offered along with health screening services. Other activities including trips, tax information, and other assistance available to seniors is disseminated by a Senior Director.

Solid Waste. The Town has executed a Service Contract (the "Service Contract") with Connecticut Resources Recovery Authority (the "Authority") for disposal of solid waste through the Mid-Connecticut System (the "System"). The Service Contract became effective upon execution and will remain in effect so long as any bonds issued by the Authority remain outstanding, provided the last installment of principal on any bond shall become due no later than 30 years from the effective date of the Service Contract.

Each municipality participating in the System and signing a Service Contract, including the Town, has agreed to cause to be delivered to the System a specific amount of solid waste under the legal control of the municipality. The Authority is required to impose service payments at a uniform rate per ton for all municipalities. If the municipality delivers less than its minimum commitment (as defined in the Service Contract) such rates shall be applied to its minimum commitment amount. The Town is obligated to deliver to the System a minimum of 26,500 tons per year of solid waste.

The Authority is required to accept and dispose of solid waste in accordance with the Service Contract and with acceptable business standards. Each municipality retains the responsibility for the collection, disposal and treatment of solid waste which does not meet the requirements of or which the Authority refuses or is unable to accept under the Service Contract.

The Authority is required to calculate and impose Service Payments for all solid waste accepted at the System, such that the aggregate of all such Service Payments received by the Authority shall be sufficient to pay for the net cost of operation of the System as defined in the Service Contract. Service Payments shall be at a uniform rate per ton for all municipalities. If a municipality delivers less than its Minimum Commitment (as defined in the Service Contract) such rate shall be applied to its Minimum Commitment amount. The Authority is required to submit bills to the participating municipalities on or before the fifteenth day following the end of a billing period. Municipalities are required to pay Service Payments within 30 days of the date of invoice. For fiscal year 2015-16 the tipping fee is \$64.50 per ton, with no fee for recycling.

All municipalities, including the Town, pledge their full faith and credit for the payments of all Service Payments and any delayed-payment charges and costs and expenses of the Authority and its representatives in collecting overdue Service Payments. Each municipality agrees that its obligation to make any such Service Payments and other such payments, in the amounts and at the time specified in the Service Contract, whether to the Authority or the trustee, shall be absolute and unconditional, shall not be subject to any setoff, counterclaim, recoupment, defense (other than payment itself) or other right which the municipality may have against the Authority, the trustee or any other person for any reason whatsoever, shall not be affected by any defect in title, compliance with the plans and specifications, condition, design, fitness for use of or damage to or loss or destruction of, the System or any part thereof and so long as the Authority shall accept solid waste delivered by the municipally pursuant to the Service Contract, shall not be affected by any interruption or cessation in the possession, uses or operation of the System or any part thereof by the Authority or the operator of the System or any reason whatever.

To the extent that a municipality does not make provisions or appropriations necessary to provide for and authorize the payment by such municipality to the Authority of the payments required to be made by it under the Service Contract, the remaining municipalities, including the Town, must levy and collect such general or special taxes or cost sharing or other assessments as may be necessary to make such payments in full when due thereunder.

In the event of any disputes as to any portion of any bill, the disputing municipality will nevertheless pay the full amount of the disputed charges when due and will within 30 days from the date of the disputed bill, give written notice of the dispute to the Authority. The dispute will then be resolved under the dispute resolution provisions of the Service Contract.

Employee Relations and Collective Bargaining

The following table illustrates the full-time equivalent Town employment rolls for the last five fiscal years:

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Government	92	92	92	92	92
Board of Education	281	281	270	271	281
Total	<u>373</u>	<u>373</u>	<u>362</u>	<u>363</u>	<u>373</u>

Source: First Selectman's Office and Superintendent's Office, Town of Oxford

The following table shows the present breakdown of general government employees by department:

<u>Department</u>	<u>Full-Time</u>	<u>Regular Part-Time</u>
Administration	18	6
Public Safety	10	1
Public Works.....	14	--
Education and Culture (Library)	4	3
Planning and Development	4	1
Parks and Recreation.....	1	30
Total	<u>51</u>	<u>41</u>

Source: First Selectman's Office, Town of Oxford

Municipal Employee Bargaining Units ¹

<u>General Government</u>	<u>Positions Covered</u>	<u>Current Contract Expiration Date</u>
Public Works – Teamsters Local #667	13	June 30, 2018
Supervisors – Local 818 of Council #4 AFSCME	5	June 30, 2017
Municipal – Local 424 Unit 67 UPSEU	13	June 30, 2017
Police – AFSCME #16	7	June 30, 2013 ^{1,2}
Sub-Total General Government Organized.....	<u>36</u>	
Sub-Total General Government Non-union ³	<u>56</u>	
Sub-Total General Government	<u>92</u>	
<u>Board of Education</u>		
Teachers – Oxford Education Association	165	August 31, 2015 ^{1,2}
Administrators – Oxford Administrators Association	7	June 30, 2016
Custodians – AFSCME 1301-30	16	June 30, 2015 ^{1,2}
Paraprofessionals – AFSCME 1303-245	43	June 30, 2015 ^{1,2}
Secretaries, Bookkeepers, Clerks, Typists – AFSCME 1303-413	15	June 30, 2016
Sub-Total Board of Education Organized	<u>246</u>	
Sub-Total Board of Education Non-union	<u>35</u>	
Sub-Total Board of Education.....	<u>281</u>	
Total Board of Education and General Government.....	<u>373</u>	

¹ The negotiation of collective bargaining agreements is subject to binding arbitration under Connecticut General Statutes

² In negotiation

³ Includes part-time employees but not election workers or parks & recreation summer help

Source: First Selectman's Office and Superintendent's Office, Town of Oxford

General Statutes Sections 7-473c, 7-474, and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipality may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review

the decisions on each of the rejected issues. The panel must accept the last best offer of either of the parties. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration of teachers' contracts, in assessing the financial capability of a municipal entity, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and the wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

Educational Services

The Oxford public school system is administered by a biennially elected nine-member Board of Education which guarantees minority party representation. Members are elected for terms of four years every other election. The Superintendent of Schools has administrative authority over Oxford's four schools. School buildings consist of the Oxford High School (grades 9-12, built in 2007), the Great Oak Middle School (grades 6-8, built in 1969 and renovated in 1978), the Oxford Center School (grades 3-5, built in 1949 and renovated in 1956), and Quaker Farms elementary school (grades PreK-2, built in 1990).

School Facilities

<u>School</u>	<u>Grades</u>	<u>Class-rooms</u>	<u>Enrollment 10/1/14</u>	<u>Town Maximum Capacity</u>
High School	9-12	25	575	750
Great Oak Middle School	6-8	27	517	672
Oxford Center School	3-5	32	480	504
Quaker Farms Elementary School	PreK-2	20	396	480
		104	1,968	2,406

Source: Superintendent's Office, Town of Oxford Board of Education

School Enrollment

As of October 1

<u>School Year</u>	<u>PreK-2</u>	<u>3-5</u>	<u>6-8</u>	<u>9-12</u>	<u>Total Enrollment</u>
		Historical			
2005-2006	548	495	516	616	2,175
2006-2007	570	493	513	620	2,196
2007-2008	564	500	547	622	2,233
2008-2009	573	533	490	622	2,218
2009-2010	562	537	509	567	2,175
2010-2011	543	525	500	629	2,197
2011-2012	504	518	532	584	2,138
2012-2013	470	507	529	589	2,095
2013-2014	428	503	514	600	2,045
2014-2015	396	480	517	575	1,968
		Projected			
2015-2016	413	439	500	605	1,957
2016-2017	423	400	499	601	1,923
2017-2018	445	380	464	585	1,874
2018-2019	437	382	433	586	1,838
2019-2020	433	389	395	576	1,793

Source: Superintendent's Office, Town of Oxford Board of Education

III. ECONOMIC AND DEMOGRAPHIC INFORMATION

Population and Density

Year	Actual Population ¹	% Increase	Density ²
1960	3,300	--	99
1970	4,510	36.7	135
1980	6,634	47.1	199
1990	8,685	30.9	260
2000	9,821	13.1	294
2013 ³	12,683	29.1	380

¹ 1960-2000 - U.S. Department of Commerce, Bureau of Census

² Per square mile: 33.4 square miles

³ 2013 - U.S. Department of Commerce, Bureau of Census, American Community Survey, 2009 - 2013

Age Distribution of the Population

Age	Town of Oxford		State of Connecticut	
	Number	Percent	Number	Percent
Under 5	683	5.4	197,395	5.5
5 - 19	2,650	20.9	712,697	19.8
20 - 34	1,471	11.6	657,966	18.4
35 - 44	1,927	15.2	469,746	13.1
45 - 54	2,321	18.3	568,510	15.9
55 - 64	1,919	15.1	456,963	12.8
65 and over	1,712	13.5	520,284	14.5
Total	12,683	100.0	3,583,561	100.0
Median Age (Years)	43.4		40.2	

Source: U.S. Department of Commerce, Bureau of Census, American Community Survey, 2009 - 2013

Income Distribution

Income Range	Town of Oxford		State of Connecticut	
	Families	Percent	Families	Percent
Less than \$10,000	21	0.6	29,895	3.3
10,000 - 14,999	62	1.7	19,176	2.1
15,000 - 24,999	27	0.7	47,319	5.2
25,000 - 34,999	72	1.9	56,997	6.3
35,000 - 49,999	215	5.8	86,025	9.5
50,000 - 74,999	493	13.2	143,989	15.9
75,000 - 99,999	704	18.9	131,874	14.6
100,000 - 149,999	1030	27.6	187,718	20.9
150,000 - 199,999	540	14.5	90,602	10.0
200,000 or more	564	15.1	109,982	12.2
Total	3,728	100.0	903,577	100.0
Median Family Income	\$109,235		\$87,245	

Source: U.S. Department of Commerce, Bureau of Census, American Community Survey, 2009 - 2013

Income Levels

	Town of Oxford	State of Connecticut
Per Capita Income, 2013	\$ 42,719	\$37,892
Per Capita Income, 2000	\$ 28,250	\$28,764
Per Capita Income, 1989	\$ 18,961	\$20,189
Median Family Income, 2013	\$109,235	\$87,245
Median Family Income, 2000	\$ 80,422	\$65,521
Median Family Income, 1989	\$ 56,966	\$49,199
Percent Below Poverty, 2013	4.0%	10.2%

Source: U.S. Department of Commerce, Bureau of Census

Educational Attainment

Years of School Completed Age 25 & Over

Grade Levels	Town of Oxford		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade	200	2.3	109,969	4.5
9th to 12th grade	331	3.8	156,401	6.4
High school graduate	2,428	27.9	674,478	27.6
Some college, no degree	1,784	20.5	432,546	17.7
Associate's degree	513	5.9	178,395	7.3
Bachelor's degree	2,158	24.8	498,527	20.4
Graduate or professional degree	1,288	14.8	393,446	16.1
Total	8,703	100.0	2443,761	100.0
Total high school graduate or higher (%)	93.9%		89.2%	
Total bachelor's degree or higher (%)	39.7%		36.5%	

Source: U.S. Department of Commerce, Bureau of Census, American Community Survey, 2009 - 2013

Major Employers

As of June, 2015

Name	Business	Estimated Number of Employees
Town of Oxford	Municipality/Board of Education	373
Key Air	Aircraft Charter	155
RBC Bearings, Inc.	Bearings Manufacturer	155
Alliance Energy	Energy and Tech Service	150
PTA Corporation	Manufacturer – Injection Molding	70
Macton Corporation	Manufacturing - Turntables	45
Morse Watchman, Inc.	Security Systems	45
Visiting Nurses of Connecticut	Visiting Nurses	45
Polder, Inc.	Bed, Bath, & Beyond Distributor	40
Guerrera Construction	Construction	40

Source: Finance Director's Office, Town of Oxford

Employment by Industry
Employed Persons 16 Years and Over

Sector	Town of Oxford		State of Connecticut	
	Number	Percent	Number	Percent
Agriculture, forestry, fisheries, mining	37	0.6	6,945	0.4
Construction	436	6.5	99,444	5.7
Manufacturing	1021	15.2	193,945	11.0
Wholesale trade	228	3.4	43,550	2.5
Retail trade	629	9.4	191,841	10.9
Transportation, Warehousing, Utilities	191	2.8	65,630	3.7
Information	206	3.1	41,588	2.4
Finance, Insurance, Real Estate	530	7.9	160,976	9.1
Professional, Scientific, Management, Admin ..	883	13.1	194,959	11.1
Education, Health, Social Services	1572	23.3	464,177	26.4
Arts, Entertainment, Recreation, Leisure Serv. .	351	5.2	148,097	8.4
Other Services	273	4.1	81,443	4.6
Public administration	361	5.4	66,817	3.8
Total Labor Force, Employed	6,718	100.0	1,759,412	100.0

Source: U.S. Department of Commerce, Bureau of Census, American Community Survey, 2009 - 2013

Employment Data

Period	Town of Oxford		Percentage Unemployed		
	Employed	Unemployed	Town of Oxford	Bridgeport Labor Market	State of Connecticut
May, 2015 ¹	6,889	329	4.6	5.4	5.6
February, 2015 ¹	6,661	421	5.9	6.7	6.9
November, 2014 ¹	7,222	391	5.1	5.8	6.2
September, 2014 ¹	7,125	318	4.3	5.6	5.9
Annual Averages					
2013	6,894	438	6.0	7.2	7.8
2012	6,886	461	6.3	7.8	8.4
2011	7,022	510	6.8	8.2	8.8
2010	7,135	553	7.2	8.5	9.1
2009	7,117	503	6.6	7.8	8.2
2008	7,162	346	4.6	5.3	5.7
2007	7,080	256	3.5	4.1	4.6
2006	6,647	231	3.4	3.9	4.3
2005	6,174	242	3.8	4.6	4.9
2004 ²	6,144	234	3.7	4.6	4.9

¹ Not seasonally adjusted

² Revised October, 2006

Source: Department of Labor, State of Connecticut.

Age Distribution of Housing

Year Built	Town of Oxford		State of Connecticut	
	Units	Percent	Units	Percent
1939 or earlier	307	6.6	336,587	22.6
1940 to 1969	1263	27.2	538,727	36.2
1970 to 1979	807	17.4	200,576	13.5
1980 to 1989	665	14.3	192,185	12.9
1990 to 1999	607	13.1	111,295	7.5
2000 and later.....	990	21.3	107,625	7.2
Total housing units, 2010	4,639	100.0	1,486,995	100.0
Percent Owner Occupied, 2010		91.7%		67.8%

Source: U.S. Department of Commerce, Bureau of Census, American Community Survey, 2009 - 2013

Housing Inventory

Type	Town of Oxford		State of Connecticut	
	Units	Percent	Units	Percent
1-unit detached	4,319	93.0	882,026	59.4
1-unit attached	157	3.4	80,070	5.4
2 to 4 units	150	3.3	252,085	16.9
5 to 9 units	--	--	80,615	5.4
10 or more units	13	0.3	179,348	12.1
Mobile home, trailer, other	--	--	12,851	0.8
Total Inventory	4,639	100.0	1,486,995	100.0

Source: U.S. Department of Commerce, Bureau of Census, American Community Survey, 2009 - 2013

Owner-Occupied Housing Values

Specified Owner-Occupied Units	Town of Oxford		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000	45	1.1	20800	2.3
\$ 50,000 to \$ 99,999	16	0.4	24638	2.7
\$100,000 to \$149,999	59	1.5	66934	7.3
\$150,000 to \$199,999	218	5.5	135714	14.8
\$200,000 to \$299,999	772	19.4	264832	28.8
\$300,000 to \$499,999	2216	55.7	250076	27.2
\$500,000 to \$999,999	582	14.6	114622	12.5
\$1,000,000 or more	71	1.8	41872	4.6
Total	3,979	100.0	919,488	100.0
Median Sales Price.....		\$363,700		\$278,900

Source: U.S. Department of Commerce, Bureau of Census, American Community Survey, 2009 - 2013

Building Permits

Fiscal Year Ending 6/30	Residential		Commercial/Industrial		Total	
	No.	Value	No.	Value	No.	Value
2015 ¹	172	\$5,525,761	33	\$3,065,350	205	\$8,591,111
2014	299	14,313,795	24	497,900	323	14,811,695
2013	263	8,130,111	33	1,999,207	296	10,129,318
2012	251	4,535,896	24	3,349,111	275	7,885,007
2011	271	8,908,780	17	2,647,852	288	11,556,632
2010	233	7,093,761	23	1,350,537	256	8,444,298
2009	266	12,516,500	22	1,372,800	288	13,889,300
2008	337	18,710,836	47	3,944,396	384	22,655,232
2007	281	13,812,470	11	5,291,300	292	19,103,770
2006	195	32,701,540	5	1,478,000	200	34,179,540

¹ As of May 31, 2015

Source: Building Department, Town of Oxford

IV. TAX BASE DATA

Property Tax Assessment

The maintenance of an equitable tax base by locating and appraising all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor's Office. The Grand List represents the total assessed values for all taxable and tax exempt real estate, taxable personal property, and motor vehicles located within the Town as of October 1. Grand List information is used by municipalities to set the mill rate which in turn becomes the basis for the Towns' annual tax levy. Assessments for real and personal property are computed at seventy percent (70%) of the market value at the time of last revaluation, and at 70% of the annual approval of Motor Vehicles by the Office of Policy and Management. Section 12-62 et. seq. of the Connecticut General Statutes govern real property assessments and establish the revaluation cycle for Connecticut municipalities of a revaluation every five years and, generally, a physical inspection every ten years. For the list of October 1, 2014, Oxford's Net Taxable Grand List amounted to \$1,442,578,157. The Town of Oxford completed a general property revaluation effective October 1, 2010 for the fiscal year 2011 - 2012. The next revaluation is required to be completed on the list of October 1, 2015 for the fiscal year 2016 - 2017. Section 12-62 imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. However, the statute permits the phase-in of a real property assessment increase resulting from a revaluation over a period of up to five years. Any property owner may seek to appeal its assessment by filing a written appeal to a Town's Board of Assessment Appeals. The Board of Assessment Appeals elects to hear such appeals and determines whether adjustments to the Assessor's list relating to assessments under appeal are warranted. Under Connecticut law, taxpayers who are dissatisfied with a decision by a Town's Board of Assessment Appeals may appeal the decision to the Connecticut Superior Court.

When a new structure or modification to an existing structure is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Inspector. A physical appraisal is then completed and the structure classified and priced from a schedule developed as of the revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

Motor vehicle lists are furnished to municipalities by the State of Connecticut Department of Motor Vehicles and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule developed by the Connecticut Association of Assessing Officials and as recommended by the State Office of Policy and Management. Section 12-71b of The Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date are subject to property tax as follows: 1) vehicles registered subsequent to November 1 but prior to the following August 1, are subject to a prorated tax based on the period of time from the date of registration until the following October 1; 2) vehicles purchased in August and September are not taxed until the next October 1 Grand List. With respect to replacement vehicles (as compared to additional vehicles) Section 12-71b provides for similar prorating of taxes on the new vehicle and a credit with respect to taxes due on the replaced vehicle during the assessment year.

All commercial personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's check and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at seventy percent (70%) of present market value.

Section 12-124a of the Connecticut General Statutes permits a municipality, upon approval by its legislative body, to abate property taxes on owner-occupied residences to the extent that the taxes exceed eight percent of the owner's total income, from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest at 6% per annum, or at such rate approved by the legislative body, at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien. The Town has not approved the use of this property tax abatement provision.

Section 12-170v of the Connecticut General Statutes permits a municipality, upon approval by its legislative body, to freeze the property taxes due for certain low-income elderly residents. Any municipality providing such property tax relief may place a lien upon such property in the amount of total tax relief granted plus interest. The Town has not approved the use of this property tax abatement provision.

Property Tax Levy

Property taxes are levied on all taxable assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. Real and personal property taxes are generally payable in two installments on July 1 and January 1, except that real and personal property taxes under \$100 are payable in one installment on July 1. Motor vehicle tax bills are payable in July. Personal property taxes of \$100.00 or less are payable in July. A margin against delinquencies, legal

reductions, and Grand List adjustments, such as Assessor errors, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. An estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed at least four times a year with interest charged at the rate of one and one-half percent per month with a minimum charge of \$2. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are automatically liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle, real estate, and personal property tax accounts are transferred to a suspense account when collection appears unlikely at which time they cease to be carried as receivables. Tax accounts are transferred to suspense accounts no later than fifteen years after the due date in accordance with state statutes.

Comparative Assessed Valuations

Grand List as of 10/1	Real Property (%)	Personal Property (%)	Motor Vehicle (%)	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	% Change
2014	85.1	6.8	8.1	\$1,458,179,117	\$15,600,960	\$1,442,578,157	1.14
2013	85.3	6.9	7.8	1,442,702,265	16,435,710	1,426,266,555	1.27
2012	85.7	6.7	7.6	1,425,341,100	16,988,430	1,408,352,670	0.38
2011	85.7	6.7	7.6	1,415,840,194	12,876,160	1,402,964,034	0.44
2010 ¹	85.8	6.9	7.3	1,408,276,150	11,469,760	1,396,806,390	(4.88)
2009	86.7	6.6	6.7	1,479,669,507	11,132,400	1,468,537,107	4.47
2008	89.8	3.4	6.8	1,416,190,835	10,482,110	1,405,708,725	2.88
2007	89.9	2.9	7.2	1,374,867,757	8,474,202	1,366,393,555	2.43
2006	90.1	2.7	7.2	1,341,396,168	7,247,617	1,334,148,551	4.40
2005 ¹	90.1	2.8	7.1	1,284,501,452	6,861,382	1,277,640,070	56.43

¹ Revaluation

Source: Assessors' Office, Town of Oxford, as of 10/1 (before Supplemental Motor Vehicles)

Tax Exempt Property

The following categories of exempt properties are not included in the Grand List.

<u>Public</u>	<u>Assessed Value 10/1/14 ¹</u>
Town of Oxford.....	\$ 48,183,600
State of Connecticut	42,835,500
Sub-Total Public	<u>91,019,100</u>
<u>Private</u>	
Churches.....	6,362,200
Agricultural	238,500
Volunteer Fire Companies.....	161,700
Veteran's Organizations.....	925,300
Cemeteries.....	520,300
Non-profit Camps.....	521,700
Scientific, Educational, Historical, Charitable	8,242,300
Sub-Total Private	<u>16,972,000</u>
Total Exempt	<u>\$107,991,100</u>
Percent Compared to Net Taxable Grand List	7.49%

¹ Net Taxable Grand List 10/1/14: \$1,442,578,157

Source: Assessor's Office, Town of Oxford

Property Tax Levies and Collections

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List	Mill Rate ¹	Adjusted Tax Levy	Percent Collected in Year Due	Uncollected (Pro Forma)	
						Percent Uncollected in Year Due	Percent Uncollected as of 5/31/15
2014 ¹	2016	\$1,442,578,157	24.96	\$35,641,351		-- In Process	--
2013 ¹	2015	1,426,266,555	24.87	35,972,658	98.3	1.7	1.7
2012	2014	1,408,352,670	24.75	35,064,485	98.4	1.6	1.0
2011	2013	1,402,964,034	24.10	33,320,400	98.1	1.9	0.9
2010 ²	2012	1,396,806,390	23.21	32,456,789	98.1	1.9	0.7
2009	2011	1,468,537,107	21.05	30,990,184	98.0	2.0	0.2
2008	2010	1,405,708,725	20.44	27,192,114	97.9	2.1	0.6
2007	2009	1,366,393,555	20.33	27,988,747	97.9	2.1	0.3
2006	2008	1,334,148,551	19.37	25,971,396	97.3	2.7	0.2
2005 ²	2007	1,277,640,070	19.37	24,756,757	97.3	2.7	0.3
2004	2006	819,890,993	27.69	23,237,953	95.9	4.1	0.2

¹ Subject to accrual and final audit.

² Revaluation

Source: Annual Financial Reports, Town of Oxford, fiscal years 2006 – 14
Tax Collector and Assessor, Town of Oxford, fiscal years ending June 30, 2015 and 2016

Property Taxes Receivable

Fiscal Year Ending 6/30	Total	Current Year
2015 ¹	\$2,383,408	\$628,158
2014	2,117,823	553,676
2013	4,147,864	631,965
2012	4,307,864	609,485
2011	4,428,497	617,196
2010	4,566,723	571,109

¹ Preliminary. Subject to audit.

Source: Annual Financial Reports, 2010 - 2014, Town of Oxford
Tax Collector's Office, Town of Oxford, June 30, 2015

Property Tax Revenues

Fiscal Year	General Fund Revenues	Property Tax Revenues	Property Tax as a Percentage of General Fund Revenues
2016 ¹	\$44,024,215	\$34,907,351	79.29
2015 ¹	42,909,589	34,382,115	80.13
2014	46,017,760	35,883,902	77.98
2013	44,190,396	33,941,529	76.81
2012	42,718,153	32,541,059	76.18
2011	40,815,489	30,850,616	75.59
2010	39,261,493	29,026,537	73.93
2009	38,980,310	27,949,703	71.70
2008 ²	44,148,160	26,190,671	59.32
2007	33,099,294	24,760,650	74.81
2006	32,101,396	23,117,372	72.01

¹ Adopted budget

² Includes one-time pass-through payment by State Teachers' Retirement System for pensions liability of \$6,738,064, an increase of \$5,837,591

Source: Annual audited financial reports; budgets for fiscal years 2014-2015 and 2015-2016

Ten Largest Taxpayers

<u>Name</u>	<u>Nature of Business</u>	<u>Assessed Value</u>	<u>Percent of Net Taxable Grand List ¹</u>
Algonquin Gas Transmission LLC	Utility	\$27,178,020	1.88
Eversource	Utility	23,097,500	1.60
Ziff Brothers Investments LLC	Aircraft	5,982,600	0.41
Firstlight Hydro Generation Co.	Power company	5,049,300	0.35
HF Industrial Park Limited Partnership	Commercial real estate	4,935,100	0.34
Glendale at Oxford LLC	Retirement home	4,753,900	0.33
Pulte Homes of New England LLC	Residential real estate	4,243,600	0.29
Yankee Gas Services Co.	Utility	3,650,900	0.25
Timberlake Development Partners	Residential real estate	3,470,800	0.24
Macton Corp	Design/mfr. Comm/indust. turntables	3,451,440	0.24
	Total	\$85,813,160	5.95

¹Based on Net Taxable Grand List 10/1/14: \$1,442,578,157
Source: Assessor's Office, Town of Oxford

V. FINANCIAL ADMINISTRATION

Financial Reporting

The financial statements of the Town are prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Fiscal Year

The Town's fiscal year begins July 1 and ends June 30.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the primary 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 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 within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, charges for services, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

Budget Procedure

The Town's general budget policies in the General Fund are as follows:

- 1) No later than January 15 of each year, the head of each office or agency of the Town, supported wholly or in part from Town funds or for which a specific appropriation is made, except the Board of Education, files with the Board of Selectmen a detailed estimate of the expenditures to be made in the ensuing year.
- 2) The Board of Selectmen prepares a proposed budget including both estimated revenues and expenditures for presentation to the Board of Finance not less than sixty days prior to the annual budget meeting.
- 3) The Board of Education prepares a proposed budget consisting of estimates of revenues and estimates for expenditures, as outlined above and shall submit same to the Board of Finance not less than sixty days prior to the annual budget meeting.
- 4) The Treasurer submits to the Board of Finance, not less than seventy-five days prior to the annual budget meeting, an itemized estimate of the proposed revenue for the ensuing fiscal year. This shall include, but not limited to, the current funds available, anticipated revenue from interest bearing accounts, projected borrowing requiring bonding and anticipated state and federal grant monies.
- 5) The Board of Finance, after reviewing the budgets as presented by the Board of Selectmen and the Board of Education, shall prepare a budget for presentation at a public hearing as set forth in the charter. The Board of Finance shall hold one or more public hearings not later than fourteen days before the annual budget meeting. At the public hearings, the Board of Finance shall present estimates of revenue and expenditures as outlined above as well as Capital Projects to be undertaken during the ensuing fiscal year with plans for financing them. After such hearings, the Board of Finance shall revise the estimates as it deems desirable, and prepare a recommended Town Budget.

The budget for fiscal year 2015 -2016 was passed at a Town Meeting May 4, 2015 and at referendum on May 12, 2015.

Emergency Appropriations

For the purpose of meeting a public emergency threatening the lives, health or property of citizens, property of the Town, or the proper functions or operation of the Town, emergency appropriations may be made by a vote of not less than two-thirds of the entire membership of the Board of Selectmen, provided that the Board of Selectmen is acting pursuant to a declaration of a state of emergency as specified in Section 4-5 of the Charter. Emergency appropriations shall be restricted to those emergencies arising from natural disasters and other unforeseen events, and any delay in making such appropriation would further jeopardize the lives, health or property of citizens or property of the Town. The total amount of any such appropriation shall not exceed two hundred fifty thousand dollars (\$250,000) in any one fiscal year. Written notification of such appropriations shall be given to the Board of Finance within forty eight (48) hours and a copy shall be filed in the office of the Town Clerk as required by Section 2-5 of the Charter. In the absence of sufficient general fund resources to meet such emergency appropriations, additional means of financing shall be provided in such manner, consistent with the provisions of the General Statutes and the Charter, as may be determined by the Board of Selectmen with the advice of the Board of Finance.

Audit

The Town of Oxford, pursuant to the provisions of Chapter 111 of the Connecticut General Statutes (Sec. 7-391 through 397), is required to undergo an annual audit by an independent public accountant. The auditor, appointed by the Board of Finance, is required to conduct the audit under the standards adopted by the Secretary of the Office of Policy and Management by regulation and approved by the Auditor of Public Accounts. For the fiscal year ending June 30, 2014, the books and records of the Town were audited by Sandra E. Welwood LLC CPAs. For the fiscal year ending June 30, 2015, the books and records of the Town are being examined by Sandra E. Welwood LLC CPAs.

Investment Policies

The operating and working capital funds of the Town are invested at the direction of the Treasurer in the following short-term investments: 1) various certificates of deposit with Connecticut banks (prior to acquiring a CD, the Treasurer requires the prospective bank depositories to provide written evidence that the bank meets the collateral, risk based capital, and other requirements of the of Qualified Public Depositories as defined in Section 36-382 of the Connecticut General Statutes); 2) State of Connecticut Short-Term Investment Fund ("STIF") established pursuant to Section 3-27d of the Connecticut General Statutes (municipal funds deposited in STIF may be used by the State to acquire the investments set forth in Section 3-27d of the Connecticut General Statutes); 3) US Treasury securities; 4) repurchase agreements generally for no longer than three days.

Eligible investments for Connecticut municipalities are defined in Sections 7-400 and 7-402 of the Connecticut General Statutes. The Town expects to continue to invest in the foregoing instruments and those of a similar character.

Employee Pension System

All full-time employees of the Town, other than certified teachers are participants in the State of Connecticut Municipal Employees Retirement System (MERS), a cost sharing multiple-employer public employee retirement system with approximately 128 participating employees. The system is considered to be part of the State of Connecticut's financial reporting entity and is included in the State's financial reports as a pension trust fund. Financial reports are provided by the State of Connecticut Retirement & Benefit Services Division.

Plan benefits are set by statute of the State of Connecticut and include death and disability in addition to retirement benefits. Annual cost of living increases between 3% and 5% are paid to disabled members and non-disabled retired members who have reached age 65. Effective January 1, 2002, all other retired members received a 2.5% annual adjustment until age 65, at which point they will receive the same COLA as those currently age 65. For those retiring after December 31, 2001, annual cost of living increases will be between 2.5% and 6.0%. Benefits vest after 5 years of continuous service. Non-social security members contribute 5% of gross wages while those with social security pay 2.25% on gross wages and 5% on any earnings over the social security maximum. Members who retire between the ages of 55 and 62 with 5 years of service or after 25 years of service irrespective of age or social security status, are entitled to 2% times the years and months of service times the final average wage. After age 62, employees on social security are reduced by approximately 25%. There is no age reduction if the employee served 25 years even if they are younger than age 55.

For the year ended June 30, 2014, the Town's annual pension cost was \$842,294. It is anticipated that the fiscal year ending June 30, 2015 annual pension cost will be \$855,000.

Certified teachers in the Town are eligible to participate in the State of Connecticut's Teachers Retirement System, a multiple-employer, employer's noncontributory public employees' retirement system. A member who completes 10 years of Connecticut public school service is eligible for vested benefit commencing at age 60. Members are required to

contribute seven and one quarter percent of their annual salary to the system as required by section 10-183b(7) of the Connecticut General Statutes. The State contributes amounts based on actuarial estimates.

For additional information, see Appendix A – Notes to Financial Statements, Note 11 pages 31 and 32.

Other Post Employment Benefits (OPEB)

The Town provides post-retirement benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. An annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2012. The post-retirement plan does not issue standalone financial reports. From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the Town recognizes the cost of post-employment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability. The contribution requirements of plan members and the Town are established and may be amended by the Town. The Town determines the required contribution using the Projected Unit Credit Method.

As of June 30, 2014, membership in the plan consisted of 258 active members and 17 retirees and dependents for a total of 275 members. The Town's annual OPEB cost (expense) is calculated based on the ARC, an amount actuarially determined in accordance within the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if it were paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The actuarial accrued liability as of July 1, 2012 was estimated to be \$1,040,000. The Town's contributions represent payments made for premiums for insured individuals.

For additional information, see Appendix A – Notes to Financial Statements, Note 14, Other Post Employment Benefits, pages 33 to 35.

General Fund Balance Sheet
Five Year Summary of Actual Assets, Liabilities, and Fund Equity

	Actual 6/30/2014	Actual 6/30/2013	Actual 6/30/2012	Actual 6/30/2011	Actual 6/30/2010
ASSETS					
Cash and equivalents.....	\$ 5,125,916	\$ 8,816,773	\$ 5,233,624	\$ 5,575,604	\$ 4,958,762
Investments.....	4,021,679	--	--	--	--
Property taxes receivable (net).....	1,471,278	1,159,327	1,371,047	3,928,497	4,066,723
Assessments receivable (net).....	--	--	25,840	691,490	862,977
Other receivables	291,759	--	--	--	--
Intergovernmental receivables.....	95,076	252,434	831,449	572,760	172,790
Accounts.....	--	1,403,646	887,702	397,096	188,919
Due from pension trust fund	5,802	--	--	--	--
Prepaid expenses.....	105,258	960	634,110	93	10,022
Due from other funds.....	494,567	859,203	544,481	264,483	321,738
Total Assets	<u>\$11,611,335</u>	<u>\$12,492,343</u>	<u>\$ 9,528,253</u>	<u>\$11,430,023</u>	<u>\$10,581,931</u>
LIABILITIES AND FUND BALANCES					
Accounts payable/accrued liabilities.....	\$ 2,954,779	\$ 3,930,995	\$ 2,417,050	\$ 2,570,285	\$ 2,010,766
Due to other funds	968,875	1,360,983	1,101,338	796,657	--
Due to agency funds	103,890	--	--	--	--
Deferred revenues.....	8,490	1,072,653	1,282,202	4,595,381	4,849,576
Total Liabilities	<u>4,036,034</u>	<u>6,364,631</u>	<u>4,800,590</u>	<u>7,962,323</u>	<u>6,860,342</u>
Deferred Inflows of Resources					
Unavailable revenues - taxes	1,219,837	--	--	--	--
Fund Balances					
Nonspendable.....	105,258	--	--	--	--
Assigned.....	706,342	500,000	--	--	--
Unassigned	5,543,864	5,627,712	4,727,663	3,467,700	--
Undesignated.....	--	--	--	--	3,721,589
Total Fund Balances	<u>6,355,464</u>	<u>6,127,712</u>	<u>4,727,663</u>	<u>3,467,700</u>	<u>3,721,589</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$11,611,335</u>	<u>\$12,492,343</u>	<u>\$ 9,528,253</u>	<u>\$11,430,023</u>	<u>\$10,581,931</u>

Effective with the June 30, 2011 audited financials, fund balances are reported in accordance with Government Accounting Standards Board (GASB) Statement 54.

Source: Annual audited financial statements

General Fund Revenues and Expenditures
 Five Year Summary of Audited Revenues and Expenditures,
 Prior Year Estimated/Unaudited, and Current Year Adopted Budget

	Budget 2015-2016 ¹	Estimated/ Unaudited 6/30/15	Actual 6/30/14	Actual 6/30/13	Actual 6/30/12	Actual 6/30/11	Actual 6/30/10
REVENUES:							
Property Taxes.....	\$36,395,651	\$35,693,353	\$35,883,902	\$33,941,529	\$32,541,059	\$30,850,616	\$29,026,537
Assessments.....	--	--	2,000	8,845	6,302	65,896	66,423
Intergovernmental revenues.....	5,803,263	5,692,155	8,850,880	8,797,397	8,938,426	7,659,463	7,927,245
Investment and interest income.....	35,000	79,770	15,690	28,722	40,700	65,273	130,264
Licenses and permits.....	545,000	408,162	689,414	505,787	454,730	447,434	397,659
Charges for goods and services.....	225,000	222,101	197,978	196,965	86,276	204,151	226,540
Other revenues.....	1,020,301	283,939	377,896	711,151	650,660	1,522,656	1,486,825
Total Revenues.....	44,024,215	42,379,480	46,017,760	44,190,396	42,718,153	40,815,489	39,261,493
EXPENDITURES:							
General government.....	2,129,186	2,100,809	2,120,893	1,934,822	1,869,466	1,778,376	1,753,387
Conservation of health.....	969,155	1,103,722	1,118,815	1,032,409	1,035,086	1,025,666	1,004,890
Public safety.....	2,111,263	2,057,802	1,782,598	1,761,421	1,674,799	1,721,336	1,605,971
Public activities.....	503,727	481,462	467,959	440,600	417,396	435,514	402,945
Public works.....	2,210,350	1,894,588	1,860,082	1,720,716	1,807,483	1,849,147	1,739,573
Solid waste.....	298,938	260,781	240,004	242,528	262,244	255,980	252,845
Education.....	28,113,735	27,648,793	30,419,090	28,790,894	27,912,746	27,216,870	26,207,478
Library.....	259,581	256,425	247,867	241,318	236,828	245,177	232,397
Other.....	2,449,510	2,346,851	2,219,096	2,332,200	2,516,815	2,590,571	2,545,129
Grants.....	--	--	32,640	--	--	--	--
Capital outlay.....	1,217,000	411,666	1,292,122	282,576	319,941	408,349	381,428
Debt service.....	3,761,770	3,383,690	2,966,279	2,891,863	3,072,257	3,177,220	3,149,725
Total Expenditures.....	\$44,024,215	41,946,589	44,767,445	41,671,347	41,125,061	40,704,206	39,275,768
Excess (Deficiency) of Revenues over Expenditures.....	--	432,891	1,250,315	2,519,049	1,593,092	111,283	(14,275)
Other Financing Sources (Uses):							
Payment to refunded bond escrow agent ...	--	--	--	--	--	--	(1554,660)
Refunding bonds.....	--	--	--	--	--	--	1,600,000
Operating Transfers In.....	--	--	--	--	40,000	40,000	40,000
Operating Transfers Out.....	--	(723,000)	(1,022,563)	(1,119,000)	(373,129)	(405,172)	(200,000)
Loss on assets.....	--	--	--	--	--	--	(76,808)
Net Other Financing Sources (Uses).....	--	(723,000)	(1,022,563)	(1,119,000)	(333,129)	(365,172)	(191,468)
Net Change in Fund Balances.....	--	(290,109)	227,752	1,400,049	1,259,963	(253,889)	(205,743)
Fund Balance Beginning of Year.....	--	6,355,464	6,127,712	4,727,663	3,467,700	3,721,589	3,927,332
Fund Balance End of Year.....	--	<u>\$6,065,355</u>	<u>\$6,355,464</u>	<u>\$ 6,127,712</u>	<u>\$4,727,663</u>	<u>\$ 3,467,700</u>	<u>\$ 3,721,589</u>

¹.. Budgetary basis

FIVE YEAR CAPITAL IMPROVEMENT PLAN
Fiscal Years 2015-2016 through 2019-2020

		TOTAL	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FUNDING SOURCE
<u>BUILDINGS</u>								
BOARD OF EDUCATION	QUAKER FARMS SCHOOL	1,253,500	250,000	414,200	421,200	141,800	26,300	3
BOARD OF EDUCATION	CENTER SCHOOL	17,951,764	59,000	17,710,764	182,000	-	-	3,5,6
BOARD OF EDUCATION	GREAT OAK SCHOOL	2,454,500	163,500	1,847,500	217,500	218,500	7,500	3
BOARD OF EDUCATION	HIGH SCHOOL	134,570	65,770	53,800	15,000	-	-	3
BOARD OF EDUCATION	FACILITY STUDY	60,000	60,000	-	-	-	-	3
LIBRARY	NEW BUILDING	3,200,000	3,200,000	-	-	-	-	6
<u>VEHICLES</u>								
BUILDING	FORD EXPLORER	38,140	38,140	-	-	-	-	3
IWWC	FORD EXPLORER	38,140	38,140	-	-	-	-	3
FIRE MARSHAL	FORD EXPEDITION	48,000	48,000	-	-	-	-	3
POLICE	CRUISERS	197,450	39,490	39,490	39,490	39,490	39,490	3
PUBLIC WORKS	27 YD TRUCK PLOW & SANDER	187,204	187,204	-	-	-	-	3
PUBLIC WORKS	ROLLER	55,745	55,745	-	-	-	-	3
PUBLIC WORKS	PLOW	16,760	16,760	-	-	-	-	3
PUBLIC WORKS	4X4 TRUCK PLOW AND SANDER	108,000	108,000	-	-	-	-	3
PUBLIC WORKS	LOADER	239,127	239,127	-	-	-	-	3
FIRE DEPARTMENT	BOAT REPLACEMENT	36,000	36,000	-	-	-	-	3
FIRE DEPARTMENT	PUMPERS	670,000	670,000	-	-	-	-	3
<u>ROADS</u>								
PUBLIC WORKS	PAVING AND DRAINAGE	4,671,780	934,356	934,356	934,356	934,356	934,356	1
<u>OTHER</u>								
FIRE DEPARTMENT	KEYLESS ENTRY SYSTEM	30,000	30,000	-	-	-	-	3
FIRE DEPARTMENT	COMPARATOR DISPLAY	25,000	25,000	-	-	-	-	3
FIRE DEPARTMENT	UPGRADE BAY DOORS	1,700	1,700	-	-	-	-	3
FIRE DEPARTMENT	UPGRADE SCOTT AIR PACKS	350,000	350,000	-	-	-	-	3
CIVIL PREPAREDNESS	MEZZANINE STORAGE AREA	30,000	30,000	-	-	-	-	3
PARKS	TETLACK PARK	500,000	500,000	-	-	-	-	7
SELECTMEN	H.S. BASEBALL FIELDS	200,000	200,000	-	-	-	-	2
TOWN HALL	ROOF REPLACEMENT	50,000	50,000	-	-	-	-	2
HIGH SCHOOL	UPGRADE GENERATOR CIRCUITS	85,000	85,000	-	-	-	-	3
TOTAL		32,632,380	7,480,932	21,000,110	1,809,546	1,334,146	1,007,646	
<u>FUNDING SOURCES</u>								
1 CAPITAL & NONRECURRING		4,671,780	934,356	934,356	934,356	934,356	934,356	
2 LOCAL CAPITAL IMPROVEMENT		280,000	280,000	-	-	-	-	
3 GENERAL BUDGET		6,269,836	2,566,576	2,354,990	875,190	399,790	73,290	
4 LEASING GENERAL BUDGET		-	-	-	-	-	-	
5 SCHOOL CONSTRUCTION GRANTS		6,198,767	-	6,198,767	-	-	-	
6 BONDING		14,711,997	3,200,000	11,511,997	-	-	-	
7 OTHER		500,000	500,000	-	-	-	-	
8 OPEN SPACE FUND		-	-	-	-	-	-	
9 GENERAL FUND BALANCE		-	-	-	-	-	-	
TOTAL		32,632,380	7,480,932	21,000,110	1,809,546	1,334,146	1,007,646	

VI. DEBT SUMMARY

Principal Amount of Indebtedness ¹

As of July 23, 2015

(Pro Forma)

Long-Term Debt - Bonds

<u>Date</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue</u>	<u>Debt Outstanding (Pro Forma)</u>	<u>Date of Fiscal Year Maturity</u>
7/1/09	General Purpose	2.25-4.00	\$ 1,600,000	\$ 765,000	2020
7/27/11	General Purpose	2.00-4.00	370,000	370,000	2020
7/27/11	School	2.00-4.00	10,930,000	9,710,000	2027
5/17/12	General Purpose	2.00-4.00	1,197,500	1,002,000	2029
5/17/12	School	2.00-4.00	10,637,500	9,758,000	2029
	Total		<u>\$24,735,000</u>	<u>\$21,605,000</u>	

Short-Term Debt (Pro Forma)

<u>Project</u>	<u>Authorized</u>	<u>Date Authorized</u>	<u>BANs Outstanding</u>	<u>BANs This Issue</u>
High School Construction	\$41,600,000	6/22/04	\$1,823,250	\$1,773,250
High School Soccer/Practice Fields	800,000	8/30/07	510,000	480,000
High School Baseball/Softball Fields	415,000	8/30/07	276,750	251,750
High School Outdoor Facilities	150,000	8/30/07	113,000	108,000
Land Acquisition 2010	800,000	5/10/10	220,000	180,000
High School Athletic Complex	3,100,000	8/16/12	3,100,000	2,945,000
Quaker Farms Roof Replacement	800,000	2/17/15	--	500,000
	<u>\$47,665,000</u>		<u>\$6,285,000</u>	<u>\$6,238,000</u>

¹ See "Statement of Debt Limitation"

Other Long-Term Commitments

Leases

<u>Date</u>	<u>Purpose</u>	<u>Rate %</u>	<u>Original Issue</u>	<u>Leases Outstanding</u>	<u>Date of Fiscal Year Maturity</u>
1/10/11	Equipment	1.50	\$ 718,614	\$ 146,120	2016
8/23/12	Motor vehicles/equipment	1.57	792,392	333,751	2017
4/2/13	Motor vehicles/equipment	1.57	217,053	132,255	2018
1/14/14	Great Oak Roof/solar panel	2.443	550,000	453,186	2020
	Total		<u>\$2,278,059</u>	<u>\$1,065,312</u>	

General Fund Bonded Debt Maturity Schedule

As of July 23, 2015

(Pro Forma)

Fiscal Year	Principal	Interest	Total	Cumulative Percent Principal Retired
2016	\$ 1,705,000	\$ 770,888	\$ 2,475,888	7.89
2017	1,685,000	720,469	2,405,469	15.69
2018	1,710,000	662,187	2,372,187	23.61
2019	1,775,000	594,500	2,369,500	31.82
2020	1,760,000	525,363	2,285,363	39.97
2021	1,595,000	461,425	2,056,425	47.35
2022	1,565,000	403,975	1,968,975	54.59
2023	1,575,000	347,059	1,922,059	61.88
2024	1,500,000	288,747	1,788,747	68.83
2025	1,490,000	229,763	1,719,763	75.72
2026	1,480,000	171,075	1,651,075	82.57
2027	1,545,000	111,188	1,656,188	89.72
2028	1,395,000	52,650	1,447,650	96.18
2029	825,000	12,373	837,373	100.00
Total	\$21,605,000	\$5,351,662	\$26,956,662	

Overlapping/Underlying Debt

The Town of Oxford has no overlapping or underlying debt.

Debt Statement

As of July 23, 2015

(Pro Forma)

LONG-TERM DEBT

Loans

General Public Improvement	\$ 765,000
Schools	20,840,000
TOTAL LONG-TERM DEBT	21,605,000

SHORT-TERM DEBT

BOND ANTICIPATION NOTES (This Issue)	6,238,000
TOTAL DIRECT DEBT	27,843,000
Less: Grants/Assessments Receivable	None
TOTAL NET DIRECT AND OVERALL NET DEBT	\$27,843,000

Current Debt Ratios

As of July 23, 2015

(Pro Forma)

Population ¹	12,683
Net Taxable Grand List (10/1/14) ²	\$1,442,578,157
Estimated Full Value (70%)	\$2,060,836,352
Equalized Net Taxable Grand List (2012) ³	\$2,060,045,317
Money Income per Capita (2010) ⁴	\$42,719

¹ US Department of Commerce, Bureau of Census, American Community Survey, 2009 – 2013

² Revalued 10/1/10

³ Office of Policy and Management, State of Connecticut

⁴ US Department of Commerce, Bureau of Census, American Community Survey, 2009 - 2013

	Total Direct Debt \$27,843,000	Total Net Direct and Overall Net Debt \$27,843,000
Per Capita	\$2,195.30	\$2,195.30
Ratio to Net Taxable Grand List.....	1.93%	1.93%
Ratio to Estimated Full Value.....	1.35%	1.35%
Ratio to Equalized Net Taxable Grand List.....	1.35%	1.35%
Debt per Capita to Money Income per Capita	5.14%	5.14%

Bond Authorization Procedure

Departments, boards, commissions and committees may recommend to the Board of Selectmen appropriation and borrowing requirements for specific projects. The issuance of bonds or notes totaling not more than 10% of the current tax levy for any single purpose in any one fiscal year may, upon review and recommendation by the Board of Selectmen and the Board of Finance following the Board of Selectmen/Board of Finance joint review and Board of Finance public hearing, be approved by majority vote at a duly warned Town Meeting. The issuance of bond and notes for any amount over 10% of the current year tax levy may, upon review and recommendation by the Board of Selectmen and the Board of Finance following the Board of Selectmen/Board of Finance joint review and consideration by Town Meeting, be approved by majority vote at a referendum, subject to a 15% voter turnout requirement. Pursuant to State Statutes, issuance of refunding bonds may be authorized by approval of the Board of Selectmen, the legislative body as defined in Section 7-370c of the General Statutes.

Emergency Appropriations

To meet a public emergency affecting life, health, property, or the public peace, a public emergency ordinance, stating the facts constituting such public emergency, becomes effective upon enactment. No public hearing or notice of public hearing is required for any public emergency ordinance. A public emergency ordinance must be advertised in one or more newspapers having a circulation in the Town within ten days of adoption. Every such public emergency ordinance, including any amendments thereto, is automatically repealed at the termination of the sixty-first day following adoption.

Maturities

General obligation bonds (serial and term) are required to be payable in maturities wherein a succeeding maturity may not exceed any prior maturity by more than fifty percent or aggregate annual principal and interest payments must be substantially equal. The term of the issue may not exceed twenty years, except in the case of sewer bonds and certain school bonds which may mature in up to thirty years.

Temporary Financing

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable, and the legislative body schedules principal reductions by the end of the third and each subsequent year in an amount equal to a minimum of 1/20th (1/30th for water and sewer and certain school projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for sewer projects, by the amount of time temporary financing has been outstanding.

Temporary notes may be funded beyond ten years from the initial borrowing if a written commitment exists for State and federal grants for terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

Temporary notes may also be issued for up to fifteen years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year (whichever is sooner), and in each year thereafter, the notes may be issued in one year maturities for up to fifteen years in anticipation of water or sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

Limitation of Indebtedness

Municipalities shall not incur indebtedness through the issuance of Notes which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Pension Obligation Purposes:	3.00 times annual receipts from taxation

In no case however, shall total indebtedness exceed seven times the annual receipts from taxation.

"Annual receipts from taxation," (the "base") are defined as total tax collections (including interest and penalties) and state payments for revenue loss under CGS Sections 12-129d and 7-528.

The statutes also provide for exclusion from the debt limit calculation debt issued in anticipation of taxes; for the supply of water, gas, electricity; for the construction of subways for cables, wires, and pipes; for the construction of underground conduits for cables, wires, and pipes; and for two or more of such purposes. There are additional exclusions for indebtedness issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement and for indebtedness issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or contract but only to the extent such indebtedness can be paid from such proceeds. The statutes also permit the exclusion of debt authorized but unissued in the case where there are no borrowings outstanding against an authorization.

Statement of Statutory Debt Limitation

As of July 23, 2015
(Pro Forma)

Total Tax Collections (Including interest and lien fees) received by Town

for fiscal year ended June 30, 2014	\$35,691,267
Reimbursement for Revenue Loss On Tax Relief for the Elderly (CGS 12-129D)	41,252
BASE	<u>\$35,732,519</u>

	<u>General Purposes</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Obligation</u>
DEBT LIMITATION:					
2.25 times base.....	\$80,398,168	--	--	--	--
4.50 times base.....	--	\$160,796,336	--	--	--
3.75 times base.....	--	--	\$133,996,946	--	--
3.25 times base.....	--	--	--	\$116,130,687	--
3.00 times base.....	--	--	--	--	\$107,197,557
Total debt limitation	<u>80,398,168</u>	<u>160,796,336</u>	<u>133,996,946</u>	<u>116,130,687</u>	<u>107,197,557</u>
INDEBTEDNESS:					
Bonds Payable.....	2,137,000	19,468,000	--	--	--
Loans Payable	--	--	--	--	--
Notes Payable (This Issue).....	180,000	6,058,000	--	--	--
Authorized but Unissued	--	300,960	--	--	--
Total Net Indebtedness for					
Debt Limitation Calculation	<u>2,317,000</u>	<u>25,826,960</u>	<u>--</u>	<u>--</u>	<u>--</u>
DEBT LIMITATION IN EXCESS OF OUTSTANDING INDEBTEDNESS					
	<u>\$78,081,168</u>	<u>\$134,969,376</u>	<u>\$133,996,946</u>	<u>\$116,130,687</u>	<u>\$107,197,557</u>

Note: Although total net indebtedness for the purpose of calculating the Debt Limit amounts to \$28,143,960, total indebtedness for all classes cannot exceed seven times the base or \$250,127,633.

THE TOWN OF OXFORD, CONNECTICUT HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.

Authorized Unissued Debt

As of July 23, 2015

Project	Authorized	Bonded	Notes Outstanding	Paydowns/ Grants	Debt Authorized but Unissued ¹			New Money Available
					General Purpose	School	Sewer	
HS Construction	\$41,600,000	\$21,480,000	\$1,773,250	\$18,346,000	--	\$1,774,210	--	\$ 960
HS Soccer/Practice Fields	800,000	--	480,000	320,000	--	480,000	--	--
HS Baseball/soft-ball fields	415,000	--	251,750	163,250	--	251,750	--	--
HS Outdoor Facilities Improvements	150,000	--	108,000	42,000	--	108,000	--	--
HS Athletic Complex	3,100,000	--	2,945,000	155,000	--	2,945,000	--	--
Quaker Farm School roof	800,000	--	500,000	--	--	800,000	--	300,000 ²
Land Acquisition (53 Quakers Farms Road)	800,000	--	180,000	620,000	\$180,000	--	--	--
Great Hill Rd. Imp.	1,210,000	--	--	1,210,000	--	--	--	--
	<u>\$48,875,000</u>	<u>\$21,480,000</u>	<u>\$6,238,000</u>	<u>\$20,856,250</u>	<u>\$180,000</u>	<u>\$6,538,960</u>	<u>--</u>	<u>\$300,960</u>

¹ Includes outstanding BANs

² Expected to be paid from grants

Principal Amount of Outstanding Debt

Last Five Fiscal Years

As of June 30

	2015	2014	2013	2012	2011
Long-Term Debt					
Bonds/Notes	\$21,605,000	\$23,255,000	\$24,855,000	\$26,520,000	\$28,485,000
Short-Term Debt					
Bond Anticipation Notes...	6,285,000	6,677,000	6,664,000	4,349,000	3,907,000
Totals	<u>\$27,890,000</u>	<u>\$31,519,000</u>	<u>\$30,869,000</u>	<u>\$30,869,000</u>	<u>\$32,392,000</u>

Ratios of General Fund Long-Term Debt ¹ to Valuation, Population, and Income

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value ¹	General Fund Long-Term Debt	Ratio of Gen. Fund Long-Term Debt to Assessed Value (%)	Ratio of Gen. Fund Long-Term Debt to Estimated Full Value (%)	Gen. Fund Long Term Debt per Capita ²	Ratio of Long-Term Debt per Capita to per Capita Income (%) ³
2015	\$1,426,266,555	\$2,037,523,650	\$21,605,000	1.51	1.06	\$1,706.29	3.99
2014	1,408,352,670	2,011,932,386	23,255,000	1.65	1.16	1,836.60	4.30
2013	1,402,964,034	2,004,234,334	24,855,000	1.77	1.24	1,962.96	4.60
2012*	1,396,806,390	1,995,437,700	26,520,000	1.90	1.33	2,094.46	4.90
2011	1,468,537,107	2,097,910,153	28,485,000	1.94	1.36	2,249.64	5.27
2010	1,405,708,725	2,008,155,321	29,931,000	2.13	1.49	2,363.84	5.53
2009	1,366,393,555	1,951,990,793	31,284,000	2.29	1.60	2,466.61	5.77
2008	1,334,148,551	1,905,926,501	15,742,000	1.18	0.83	1,241.19	2.91
2007*	1,277,640,070	1,825,200,100	7,175,000	0.56	0.39	565.72	1.32
2006	816,890,993	1,166,987,133	6,428,000	0.79	0.55	506.85	1.19

¹ Assessment Ratio: 70%.

² Population: US Department of Commerce, Bureau of Census, American Community Survey, 2009-2013: 12,683

³ Money Income per Capita 2013: \$42,719

* Revaluation

**Ratios of Annual Long-Term General Fund Debt
Service Expenditures to General Fund Expenditures**

Fiscal Year Ended 6/30	Long-Term General Fund Debt Service	Total General Fund Expenditures	Ratio of Long-Term General Fund Debt Service To Total General Fund Expenditures (%)
2015 ¹	\$3,383,690	\$42,909,589	7.89
2014	3,353,279	42,321,173	7.92
2013	2,891,863	41,671,347	6.94
2012	3,072,257	41,125,061	7.47
2011	3,177,220	40,704,206	7.81
2010	3,149,725	39,275,768	8.02
2009	2,895,234	38,788,486	7.46
2008	2,738,033	43,884,149	6.24
2007	1,677,464	32,469,067	5.17
2006	1,670,073	31,332,839	5.33
2005	1,723,424	27,217,986	6.33

¹ Preliminary. Subject to audit. Budgetary basis.
Source: Audited financial statements, Town of Oxford

VII. LEGAL AND OTHER INFORMATION

Litigation

The Town of Oxford, its officers, employees, boards and commissions are named defendants in a number of lawsuits, tax appeals, administrative proceedings and other miscellaneous claims. It is the Town Attorney's opinion that such pending litigation will not be finally determined, individually or in the aggregate, so as to result in final judgments against the Town which would have a material adverse effect on the Town's financial position.

The Town's prior tax collector served in that capacity commencing in November 1992 and was dismissed from Town service in January 2010. In November 2011 she was arrested and charged with embezzlement from the Town of \$225,000 and also 4 counts of forgery.

Documents Furnished at Delivery

The Underwriter will be furnished the following documents when the Notes are delivered:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Notes or the levy or collection of taxes to pay them.
2. A Certificate on behalf of the Town signed by the Selectmen, Town Treasurer, and the Finance Director which will be dated the date of delivery and attached to a confirmed copy of the Official Statement and which will certify, to the best of said officials' knowledge and belief, that the description and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.
3. Receipt for the purchase price of the Notes.
4. The approving opinion of Joseph Fasi LLC, Bond Counsel, of Hartford, Connecticut in substantially the form attached to the Official Statement as Appendix B.
5. An executed Continuing Disclosure Agreement for Notes substantially in the form attached as Appendix C.
6. The Town of Oxford, Connecticut has prepared an Official Statement for the Note issue which is dated July _____, 2015. The Town deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12(b)(5), but it is subject to revision or amendment. The Town will make available at the Town's expense a reasonable number of copies of the Official Statement to the Underwriter.

Concluding Statement

This Official Statement is not to be construed as a contract or agreement between the Town and the purchaser or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any of such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provisions of law are subject to repeal or amendment.

Information herein has been derived by the Town from various officials, departments and other sources and is believed by the Town to be reliable, but such information, other than that obtained from official records of the Town, has not been independently confirmed or verified by the Town and its accuracy is not guaranteed.

This Official Statement has been duly prepared and delivered by the Town, and executed for and on behalf of the Town of Oxford by the following officials:

TOWN OF OXFORD, CONNECTICUT

BY: /s/ George R. Temple
GEORGE R. TEMPLE
First Selectman

BY: /s/ Jeffrey J. Haney, Sr.
JEFFREY J. HANEY, SR
Selectman

BY: /s/ David W. McKane
DAVID W. MCKANE
Selectman

BY: /s/ Michael F. Angelini, Sr.
MICHAEL F. ANGELINI, SR.
Town Treasurer

BY: /s/ James A. Hliva
JAMES A. HLIVA
Finance Director

July _____, 2015

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**APPENDIX A
BASIC FINANCIAL STATEMENTS
TOWN OF OXFORD, CONNECTICUT**

As of and for the Fiscal Year Ended June 30, 2014

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Appendix A -- BASIC FINANCIAL STATEMENTS are taken from the Comprehensive Annual Financial Report of the Town of Oxford, Connecticut for the Fiscal Year ended June 30, 2014 and does not include all combining and individual fund and account group financial statements and schedules and supplementary data. A copy of the complete report is available upon request from the office of the Finance Director, Town of Oxford Town Hall, 126 Church Street, Oxford, CT 06260 or at the Town’s website <http://www.oxford-ct.gov>.

Sandra E. Welwood, LLC

sewonlake@aol.com
Website: www.sewelwoodcpa.com
(203) 730-0509 / Fax: (203) 748-3584

Certified Public Accountants
46 Main Street
Danbury, CT 06810

INDEPENDENT AUDITOR'S REPORT

To the Board of Finance
Town of Oxford, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Oxford, Connecticut (the "Town") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town as of June 30, 2014, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 9 be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules 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 November 7, 2014, on our consideration of the Town'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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Sandra E. Welwood, LLC

Danbury, Connecticut
November 7, 2014

TOWN OF OXFORD, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

JUNE 30, 2014

As management of the Town of Oxford, Connecticut (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2014.

FINANCIAL HIGHLIGHTS

The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$71,733,473 (net position). Of this amount, \$7,404,542 may be used to meet the government's ongoing obligations to citizens and creditors. The government's total net fixed assets are \$97,364,904. The net change in assets is primarily attributable to increased tax revenues. As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balance of \$840,198.

As of the end of the current fiscal year, unassigned fund balance for the General Fund was \$5,543,864, or approximately 13.1% of the General Fund expenditures (on a budgetary basis).

The Town's total net debt, including bonds, bond anticipation notes, and other obligations, decreased by \$2,256,854 during the current fiscal year due primarily to the regularly scheduled bond payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the three basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to private-sector businesses.

The Statement of Net Position presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, highways and streets, solid waste disposal, human services, economic development, culture and recreation activities.

The government-wide financial statements can be found on pages 10 and 11 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of resources, as well as on balances of resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains thirteen (13) individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) for the General Fund, the High School Construction Fund, and the High School Athletic Complex Fund, which are considered to be major funds. Eight (8) special revenue funds and two (2) capital project funds are combined into aggregate funds in this presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental funds financial statements can be found on pages 12 through 14 of this report. A statement comparing budgeted amounts to actual amounts, in summary format, can be found on page 15. The Town adopts an annual appropriated budget for its General Fund.

Fiduciary Funds – Trust and agency funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals. These funds include pension trust and agency funds. The Town's Pension Trust Fund is reported in the financial statements. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations.

The fiduciary fund financial statements can be found on pages 16 and 17 of the report.

Notes to the Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 through 35 of this report.

Town of Oxford, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by \$71,733,473 (net position) at the close of the most recent fiscal year.

	<u>Governmental Activities</u>	
	<u>2014</u>	<u>2013</u>
<u>Assets</u>		
Current and other assets	\$ 12,001,596	\$ 13,006,253
Capital assets	<u>97,364,904</u>	<u>98,144,905</u>
Total assets	<u>109,366,500</u>	<u>111,151,158</u>
<u>Liabilities</u>		
Long-term liabilities outstanding	27,286,852	29,543,706
Other liabilities	<u>10,346,175</u>	<u>11,350,905</u>
Total liabilities	<u>37,633,027</u>	<u>40,894,611</u>
<u>Net Position</u>		
Net investment in capital assets	64,197,589	62,767,865
Restricted	131,342	10,410
Unrestricted	<u>7,404,542</u>	<u>7,478,272</u>
Total net position	<u>\$ 71,733,473</u>	<u>\$ 70,256,547</u>

By far, the largest portion of the Town's net position (89.5%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Town'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.

The remaining balance of unrestricted net position of \$7,404,542 may be used to meet the government's ongoing obligations to citizens and creditors.

Town of Oxford, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

The governmental activities increased the Town's net position by \$1,476,926.

	<u>Years Ending June 30,</u>	
	<u>2014</u>	<u>2013</u>
<u>Revenues:</u>		
Program revenues:		
Charges for services	\$ 2,183,232	\$ 1,998,755
Operating grants and contributions	9,093,144	8,888,939
Capital grants and contributions	-	380,628
General revenues:		
Property taxes, interest, and lien fees	36,058,571	33,723,830
Grants and contributions not restricted to specific programs	761,399	927,946
Interest and investment earnings	<u>15,713</u>	<u>28,770</u>
 Total revenues	 <u>48,112,059</u>	 <u>45,948,868</u>
<u>Expenses:</u>		
General government	2,169,572	1,983,039
Conservation of health	1,172,766	1,086,360
Public safety	2,126,895	2,114,847
Public activities	1,178,881	1,073,052
Public works	3,345,693	2,599,152
Solid waste	417,459	419,983
Education	32,980,710	31,433,090
Library	247,867	241,318
Interest on debt	743,554	795,225
Other	<u>2,251,736</u>	<u>2,332,200</u>
 Total expenses	 <u>46,635,133</u>	 <u>44,078,266</u>
 Change in net position	 1,476,926	 1,870,602
Net position, beginning of year	<u>70,256,547</u>	<u>68,385,945</u>
 Net position, end of year	 <u>\$ 71,733,473</u>	 <u>\$ 70,256,547</u>

The primary causes for the increase in net position relates to the following changes.

Major revenue factors included:

- Property tax revenues increased from the prior year by \$2,334,741 because of higher collection of back taxes in the current fiscal year.
- Revenue from capital decreased \$380,628 in the current fiscal year when compared to the previous year due to the Town receiving less grants from the State of Connecticut.
- Operating grants increased \$204,205 because teachers' retirement on-behalf revenue increased in the current fiscal year.

Town of Oxford, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

For governmental activities, 71% of the Town's expenses relate to education, 2% relate to debt service, 7% relate to public safety and conservation of health, 8% relate to public works and solid waste, 7% relate to government and public activities, and 5% to all other areas.

Major expense factors included:

- The cost of education services increased due to the State of Connecticut on-behalf payment of \$2,859,272 (compared to \$2,416,108 in the prior year) and approved budget increases.
- Public works costs increased due to increased highway maintenance.

FINANCIAL ANALYSIS OF THE FUND FINANCIAL STATEMENTS

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

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balance of \$840,198. The net balance constitutes unassigned fund balance of \$(804,852), committed for special funds \$802,539, committed for capital projects \$4,827 and nonspendable fund balance prepaid expenses and inventories of \$131,342. The negative unassigned fund balance of \$804,852 is caused by the deficit fund balances in the High School Construction (\$2,661,180), High School Athletic Complex (\$3,086,635), and the Capital and Nonrecurring (\$600,901) funds, which more than offset the General Fund unassigned fund balance of \$5,543,864.

General Fund

At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,543,864. As a measure of the General Funds' liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 13.1% of total General Fund expenditures (on a budgetary basis).

The Town's General Fund balance increased \$227,752 during the current fiscal year. The key factor in the increase is that the Town was under budget by \$1,212,967 due to an increase in intergovernmental grants and increased collection of back taxes.

Town of Oxford, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

Capital and Nonrecurring Fund

The fund is a pay-as-you-go funded capital improvement fund. It is funded with annual appropriations from the General Fund to finance planned capital projects. The annual appropriation from taxes was approved at \$916,000, for the 2014 fiscal year. Expenditures for capital projects and equipment in this fund were \$733,231.

GENERAL FUND BUDGETARY HIGHLIGHTS

For the 2014 fiscal year, actual results compared to the final budget were favorable by \$1,212,967 primarily from the following:

- Intergovernmental grant revenues were \$568,956 greater than budgeted because special education and other grants were not budgeted. Offsetting the special education grant revenue is \$467,203 of unbudgeted expenditures.
- A large collection of back taxes of \$600,000 recorded in property tax revenue was unbudgeted.
- Departmental revenues of licenses and permits were \$274,414 greater than budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets for its governmental activities as of June 30, 2014, amounts to \$97,364,904 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and park facilities. Capital assets, net of accumulated depreciation, are comprised of the following:

	<u>Governmental Activities</u>
Land	\$ 6,823,354
Construction in process	122,943
Buildings and improvements	64,479,561
Machinery, vehicles, and equipment	3,774,180
Infrastructure	<u>22,164,866</u>
Total (net of accumulated depreciation)	<u>\$ 97,364,904</u>

Town of Oxford, Connecticut
Management's Discussion and Analysis (Unaudited) (continued)

Debt Administration

The Town's bonded debt decreased \$1,600,000 from 2013 to a balance of \$23,255,000 at June 30, 2014. As of June 30, 2014, the Town had \$6,677,000 in outstanding bond anticipation notes and \$1,511,853 in notes payable. Long-term debt maturities are comprised of the following:

<u>Fiscal</u> <u>Year Ended:</u>	<u>Bond</u> <u>Principal</u>	<u>Bond</u> <u>Interest</u>	<u>Notes</u> <u>Principal</u>	<u>Notes</u> <u>Interest</u>
2015	\$ 1,650,000	\$ 821,338	\$ 446,541	\$ 21,124
2016 – 2020	8,635,000	3,273,407	1,065,312	46,546
2021 – 2025	7,725,000	1,730,969	-	-
2026 - 2029	<u>5,245,000</u>	<u>347,286</u>	<u>-</u>	<u>-</u>
	<u>\$ 23,255,000</u>	<u>\$ 6,173,000</u>	<u>\$ 1,511,853</u>	<u>\$ 67,670</u>

NEXT YEAR'S BUDGET AND RATES

The Town's budget for the 2014-2015 year is \$42,909,589, which is more than the 2013-2014 budget. The mil rate was approved at 24.87, which is 0.12 more than the 2013-2014 year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 486 Oxford Road, Oxford, Connecticut, 06478.

TOWN OF OXFORD, CONNECTICUT

**STATEMENT OF NET POSITION
JUNE 30, 2014**

Assets

Current assets:

Cash and cash equivalents	\$ 5,824,486
Investments	4,021,679
Receivables:	
Property taxes	1,471,278
Intergovernmental	252,063
Other	294,946
Due from Pension Trust Fund	5,802
Prepaid expenses	105,258
Inventory	26,084

Noncurrent assets:

Capital assets:	
Not being depreciated	6,946,297
Being depreciated, net of accumulated depreciation	90,418,607
Total assets	\$ 109,366,500

Liabilities

Current liabilities:

Accounts payable and accrued liabilities	\$ 3,149,791
Accrued interest payable	404,614
Due to Agency Funds	103,890
Unearned revenue	10,880
Bond anticipation and notes payable	6,677,000

Noncurrent liabilities:

Due within one year	2,151,541
Due in more than one year	25,135,311
Total liabilities	37,633,027

Net Position

Net investment in capital assets	64,197,589
Restricted for prepaid expenses and inventories	131,342
Unrestricted	7,404,542
Total net position	71,733,473
Total liabilities and net position	\$ 109,366,500

The notes to the financial statements are an integral part of this statement.

TOWN OF OXFORD, CONNECTICUT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General government	\$ (2,169,572)	\$ 966,318	\$ 51,085	\$ -	\$ (1,152,169)
Conservation of health	(1,172,766)	-	-	-	(1,172,766)
Public safety	(2,126,895)	32,098	-	-	(2,094,797)
Public activities	(1,178,881)	707,206	-	-	(471,675)
Public works	(3,345,693)	-	272,786	-	(3,072,907)
Solid waste	(417,459)	-	-	-	(417,459)
Education	(32,980,710)	477,610	8,769,273	-	(23,733,827)
Library	(247,867)	-	-	-	(247,867)
Interest on debt	(743,554)	-	-	-	(743,554)
Other	(2,251,736)	-	-	-	(2,251,736)
Total governmental activities	<u>\$ (46,635,133)</u>	<u>\$ 2,183,232</u>	<u>\$ 9,093,144</u>	<u>\$ -</u>	<u>(35,358,757)</u>
General Revenues:					
Property taxes, interest, and lien fees					36,058,571
Grants and contributions not restricted to specific programs					761,399
Interest and investment earnings					15,713
Total general revenues					<u>36,835,683</u>
Change in net position					1,476,926
Net position, beginning of year					<u>70,256,547</u>
Net position, end of year					<u>\$ 71,733,473</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF OXFORD, CONNECTICUT

**GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2014**

	General Fund	High School Construction Fund	High School Athletic Complex Fund	Nonmajor Funds	Total Governmental Funds
<u>Assets</u>					
Cash and cash equivalents	\$ 5,125,916	\$ -	\$ -	\$ 698,570	\$ 5,824,486
Investments	4,021,679	-	-	-	4,021,679
Receivables:					
Property taxes	1,471,278	-	-	-	1,471,278
Intergovernmental	95,076	-	-	156,987	252,063
Other	291,759	-	-	3,187	294,946
Due from other funds	494,567	171,820	13,365	783,690	1,463,442
Due from Pension Trust Fund	5,802	-	-	-	5,802
Prepaid expenses	105,258	-	-	-	105,258
Inventory	-	-	-	26,084	26,084
Total assets	\$ 11,611,335	\$ 171,820	\$ 13,365	\$ 1,668,518	\$ 13,465,038
<u>Liabilities</u>					
Accounts payable and accrued liabilities	\$ 2,954,779	\$ -	\$ -	\$ 195,012	\$ 3,149,791
Unearned revenue	8,490	-	-	2,390	10,880
Bond anticipation notes	-	2,833,000	3,100,000	744,000	6,677,000
Due to Agency Funds	103,890	-	-	-	103,890
Due to other funds	968,875	-	-	494,567	1,463,442
Total liabilities	4,036,034	2,833,000	3,100,000	1,435,969	11,405,003
<u>Deferred Inflows of Resources</u>					
Unavailable revenue - taxes	1,219,837	-	-	-	1,219,837
<u>Fund Balances</u>					
Nonspendable	105,258	-	-	26,084	131,342
Committed:					
Special funds	-	-	-	802,539	802,539
Capital projects	-	-	-	4,827	4,827
Assigned - next year's budget	706,342	-	-	-	706,342
Unassigned	5,543,864	(2,661,180)	(3,086,635)	(600,901)	(804,852)
Total fund balances	6,355,464	(2,661,180)	(3,086,635)	232,549	840,198
Total liabilities, deferred inflows of resources, and fund balances	\$ 11,611,335	\$ 171,820	\$ 13,365	\$ 1,668,518	
Amounts reported in the Statement of Net Position are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					97,364,904
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.					1,219,837
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.					(27,691,466)
Net position					\$ 71,733,473

The notes to the financial statements are an integral part of this statement.

TOWN OF OXFORD, CONNECTICUT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
FOR THE YEAR ENDED JUNE 30, 2014

	General Fund	High School Construction Fund	High School Athletic Complex Fund	Nonmajor Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 35,883,902	\$ -	\$ -	\$ -	\$ 35,883,902
Assessments	2,000	-	-	-	2,000
Intergovernmental	8,850,880	-	-	630,993	9,481,873
Program	-	-	-	879,577	879,577
Investment income	15,690	-	-	30	15,720
Licenses and permits	689,414	-	-	-	689,414
Charges for goods and services	197,978	-	-	411,030	609,008
Other	377,896	-	-	-	377,896
Total revenues	<u>46,017,760</u>	<u>-</u>	<u>-</u>	<u>1,921,630</u>	<u>47,939,390</u>
Expenditures:					
Current:					
General government	2,120,893	-	-	23,735	2,144,628
Conservation of health	1,118,815	-	-	-	1,118,815
Public safety	1,782,598	-	-	-	1,782,598
Public activities	467,959	-	-	671,048	1,139,007
Public works	1,860,082	-	-	-	1,860,082
Solid waste	240,004	-	-	-	240,004
Education	30,419,090	-	-	1,192,496	31,611,586
Library	247,867	-	-	-	247,867
Other	2,219,096	-	-	-	2,219,096
Grants	32,640	-	-	-	32,640
Capital outlay	1,292,122	-	678,934	733,231	2,704,287
Debt service	2,966,279	-	-	-	2,966,279
Total expenditures	<u>44,767,445</u>	<u>-</u>	<u>678,934</u>	<u>2,620,510</u>	<u>48,066,889</u>
Excess of revenues over (under) expenditures	1,250,315	-	(678,934)	(698,880)	(127,499)
Other Financing Sources (Uses):					
Transfers in	-	105,000	-	942,000	1,047,000
Transfers out	(1,022,563)	-	-	(24,437)	(1,047,000)
Total other financing sources (uses):	<u>(1,022,563)</u>	<u>105,000</u>	<u>-</u>	<u>917,563</u>	<u>-</u>
Net change in fund balances	227,752	105,000	(678,934)	218,683	(127,499)
Fund balances (deficits), beginning of year	<u>6,127,712</u>	<u>(2,766,180)</u>	<u>(2,407,701)</u>	<u>13,866</u>	<u>967,697</u>
Fund balances (deficits), end of year	<u>\$ 6,355,464</u>	<u>\$ (2,661,180)</u>	<u>\$ (3,086,635)</u>	<u>\$ 232,549</u>	<u>\$ 840,198</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF OXFORD, CONNECTICUT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

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

Net change in fund balances - total governmental funds \$ (127,499)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. (780,001)

The issuance of long-term debt (e.g. bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities. This is the net effect of these differences in the treatment of long-term debt and related items. 2,267,822

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (56,065)

Revenues from taxes are reported as income in the year revenues provide current financial resources to governmental funds. 172,669

Change in net position \$ 1,476,926

The notes to the financial statements are an integral part of this statement.

TOWN OF OXFORD, CONNECTICUT

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY BASIS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 35,480,884	\$ 35,480,884	\$ 35,883,902	\$ 403,018
Assessments	10,000	10,000	2,000	(8,000)
Intergovernmental	5,422,652	5,422,652	5,991,608	568,956
Investment income	50,000	50,000	15,690	(34,310)
Licenses and permits	415,000	415,000	689,414	274,414
Charges for goods and services	200,000	200,000	197,978	(2,022)
Other	308,567	308,567	377,896	69,329
Total revenues	<u>41,887,103</u>	<u>41,887,103</u>	<u>43,158,488</u>	<u>1,271,385</u>
Expenditures:				
Current:				
General government	2,196,065	2,089,053	2,120,893	(31,840)
Conservation of health	1,091,250	1,134,889	1,118,815	16,074
Public safety	1,822,425	1,859,015	1,782,598	76,417
Public activities	468,135	478,179	467,959	10,220
Public works	1,910,546	1,960,771	1,860,082	100,689
Solid waste	272,466	240,515	240,004	511
Education	27,148,793	27,148,793	27,118,615	30,178
Education grants - special	-	-	467,203	(467,203)
Library	249,837	250,402	247,867	2,535
Other	2,422,374	2,406,274	2,219,096	187,178
Grants	-	-	32,640	(32,640)
Capital outlay	805,063	1,304,278	1,292,122	12,156
Debt service	3,366,149	3,366,149	3,353,279	12,870
Total expenditures	<u>41,753,103</u>	<u>42,238,318</u>	<u>42,321,173</u>	<u>(82,855)</u>
Other Financing Sources (Uses):				
Transfers out	(634,000)	(634,000)	(609,563)	24,437
Total other financing sources (uses)	<u>(634,000)</u>	<u>(634,000)</u>	<u>(609,563)</u>	<u>24,437</u>
Net change in fund balance	<u>\$ (500,000)</u>	<u>\$ (985,215)</u>	227,752	<u>\$ 1,212,967</u>
Fund balance, beginning of year			<u>6,127,712</u>	
Fund balance, end of year			<u>\$ 6,355,464</u>	

The notes to the financial statements are an integral part of this statement.

TOWN OF OXFORD, CONNECTICUT

**STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2014**

	Pension Trust Fund	Agency Funds
<u>Assets</u>		
Cash and cash equivalents	\$ 17,471	\$ 162,187
Investments	753,485	-
Due from General Fund	-	103,890
Total assets	770,956	266,077
<u>Liabilities</u>		
Due to General Fund	\$ 5,802	\$ -
Due to student groups	-	151,672
Due to developers	-	114,405
Total liabilities	5,802	266,077
<u>Net Position</u>		
Net position held in trust	\$ 765,154	\$ -

The notes to the financial statements are an integral part of this statement.

TOWN OF OXFORD, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014

	Pension Trust Fund
Investment income:	
Interest and dividends	\$ 18,246
Realized gains	70,898
Net appreciation in fair value of investments	106,691
	<u>195,835</u>
Deductions:	
Benefits paid	63,771
Fees and expenses	19,289
	<u>83,060</u>
Change in net position	112,775
Net position, beginning of year	<u>652,379</u>
Net position, end of year	<u><u>\$ 765,154</u></u>

The notes to the financial statements are an integral part of this statement.

**TOWN OF OXFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The Town of Oxford, Connecticut (the “Town”) was incorporated as a town in 1798. The Town operates under a Town Meeting form of government, with a Board of Selectmen consisting of three elected members, and a Board of Finance made up of six elected members. The Town provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning, and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include: 1) the primary government; 2) organizations for which the primary government is financially accountable; and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based on the application of these criteria, there were no organizations which met the criteria described above.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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, expenses, and expenditures during the reporting period. Actual results could differ from those estimates.

Fund Accounting

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as applicable. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Town government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. At June 30, 2014, the Town had no business-type activities.

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

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

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

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

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 within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes collected within this 60 day period is an example of such revenue. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. Expenditures generally are recorded when the related liability is incurred, except for debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due.

Property taxes and sewer assessments associated with the current fiscal period are all considered to be susceptible to accrual and, therefore, have been recognized as revenues of the current fiscal period when levied. All other revenue items are considered to be measurable and available only when cash is received by the Town or specifically identified.

The Town reports the following major governmental funds:

The **General Fund** is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **High School Construction Fund** (capital project fund) accounts for the costs and related debt incurred in connection with the construction of the Town's high school off Route 188.

The **High School Athletic Complex Fund** (capital project fund) accounts for the costs and related debt incurred in connection with the construction of the high school athletic complex.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

The Town also reports the following fund types:

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to be expenditures for specified purposes.

Capital Projects Funds account for resources used for the acquisition, renovation, and construction of capital facilities or major repair activities.

Pension Trust Fund accounts for the accumulation of resources to pay to the State of Connecticut Municipal Employees' Retirement Fund (MERS) for the prior service costs of Town employees that switched to the MERS plan when the Town discontinued its own pension fund.

Agency Funds account for monies held as a custodian for outside groups and agencies.

Property Taxes

Property taxes are assessed as of October 1, levied on the following July 1, and are due in two installments, July 1 and the subsequent January 1. Taxes less than \$100 are due in full July 1. Motor vehicle taxes are due in one installment on July 1, and supplemental motor vehicle taxes are due in full January 1. Taxes become delinquent 30 days after the installment is due. Liens are filed by the last day of the fiscal year.

Based on historical collection experience and other factors, the Town has established an allowance for uncollectible accounts of \$1,986,415 as of June 30, 2014.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, in banks, and highly liquid short-term investment funds having maturities of three months or less.

Investments

Investments are stated at fair value using quoted market prices.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Capital Assets

Capital assets, which include land, currently acquired infrastructure, buildings, improvements, machinery and equipment are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at fair value at the date of donation.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and improvements	50
Machinery, equipment and vehicles	5- 20
Infrastructure	50

Compensated Absences

Employees are paid by a prescribed formula for absences due to vacation or sickness. The obligation for vacation pay vests when earned. Under various agreements, employees may accumulate unused vacation leave, and in certain cases, unused sick leave, to be paid upon termination. Sick leave and vacation leave expenditures are recognized in the fund financial statements in the current year to the extent they are paid during the year or expected to be paid with available resources. The liability for accrued vacation and sick leave earned is accounted for within the liabilities section of the government-wide financial statements. The vesting method using historical data was used to calculate the liability.

Unearned Revenue

In the government-wide and fund financial statements, this liability represents resources that have been received but not yet earned.

Deferred Outflows/Inflows of Resources

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. The Town has no items that qualify for reporting in this category.

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 that time. The Town only has one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-Term Obligations

In the government-wide financial statements, long-term future debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized 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.

Pension Trust Fund

Currently, employees of the Town are participants in the State of Connecticut Municipal Employees' Retirement System (MERS). Prior to joining MERS, the Town had maintained its own employee pension plan. Several years ago, the Town appropriated \$1,000,000 and invested it so as to provide sufficient funds to pay to MERS annually an amount equal to the annual amortization required for its employees' prior service costs. 2020 is the approximate date the prior service cost amortization will be satisfied. Any funds remaining in the Pension Trust Fund will be returned to the General Fund.

Other Post Employment Benefit (OPEB) Accounting

The net OPEB obligation, the cumulative difference between annual OPEB cost and the Town's contributions to the plan since July 1, 2008, is calculated on an actuarial basis consistent with the requirements of the Governmental Accounting Standards Board Statement No. 45. OPEB obligation is recorded as a noncurrent liability in the government-wide financial statements. Expenditures are recognized when they are paid, or expected to be paid, with current available resources. The OPEB liability is recorded in the government-wide financial statements.

Funding Policy – The Town makes annual contributions on a pay-as-you-go basis.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, or other commitments for expenditures are recorded to reserve a portion of an applicable appropriation, is utilized in governmental funds, primarily the General Fund. Encumbrances outstanding at year-end are reported as assigned fund balance as they do not constitute expenditures or liabilities. There were no encumbrances at year end 2014.

Fund Equity and Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

Restricted - This category presents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted - This category represents the net position of the Town which is not restricted for any project or other purpose.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Governmental Accounting Standards Board Statement No. 54 (GASB 54) defines the different types of fund balances that the Town must use for its governmental funds. GASB 54 requires the fund balances to be properly reported within one of the following categories for financial reporting purposes.

Nonspendable – generally, amounts that are not expected to be converted to cash, such as inventories or prepaid amounts. This classification also includes some long-term amounts such as property acquired for resale or the long-term portion of loans receivable.

Restricted – amounts that can be used only for specific purposes because of (a) constitutional provisions or enabling legislation, or (b) externally imposed constraints. (External constraints might be imposed by creditors, grantors, contributors, or even the laws or regulations of other governments.)

Committed – amounts that can be used only for specific purposes because of a formal action by the government's highest level of decision-making authority. This classification might also include contractual obligations if existing resources have been committed for use in satisfying those contractual requirements. (The formal sanction to establish constraints should be taken before year-end, even if the amount might not be determined until the subsequent period.)

Assigned – amounts intended to be used for specific purposes but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a finance committee), or by an official to whom that authority has been given. This is the residual fund balance classification for all governmental funds except the General Fund. Assigned fund balances should not be reported in the General Fund if doing so causes the government to report a negative unassigned General Fund balance.

Unassigned – this is the residual classification for the General Fund (i.e., everything that is not in another classification or in another fund). The General Fund is the only governmental fund that can report a positive unassigned fund balance. Other governmental funds might have a negative unassigned fund balance as a result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Note 2 – Reconciliation of Government-Wide and Fund Financial Statements

The basic financial statements of the Town include a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide Statement of Net Position. The basic financial statements also include a reconciliation between the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficitis) of governmental funds and the changes in net position of governmental activities as reported in the government-wide Statement of Activities.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund Balance Sheet includes a reconciliation between fund balance - total governmental funds and net position of governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds." The details are as follows:

Bonds payable	\$ 23,255,000
Notes payable	1,511,853
Premium on bonds payable	1,318,848
Accrued interest payable	404,614
Compensated absences	691,151
OPEB obligation	<u>510,000</u>
Net adjustment to fund balances -total governmental funds to arrive at net position of governmental activities	<u>\$ 27,691,466</u>

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) and the Government-Wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details are as follows:

Capital additions, net of reductions	\$ 2,340,857
Depreciation expense	<u>(3,120,858)</u>
Net adjustment to net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (780,001)</u>

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Another element of that reconciliation states that “The issuance of long-term debt (e.g., bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities.” The details of this difference are as follows:

Principal repayments of bonds and notes	\$ 2,038,102
Premiums on bond issuance amortization	<u>229,720</u>
Net adjustment to net changes in fund balances - total governmental funds to arrive at changes in net position	<u>\$ 2,267,822</u>

Another element of that reconciliation states that “Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details are as follows:

Accrued interest	\$ (45,097)
Compensated absences	59,032
OPEB obligation	<u>(70,000)</u>
Net adjustment to net changes in fund balances – total governmental funds to arrive at changes in net position	<u>\$ (56,065)</u>

Note 3 – Budgets and Budgetary Accounting

General Fund

The Town's general budget policies in the General Fund are as follows:

- a. No sooner than 90 days prior to the annual budget meeting held in May, the head of each office, board, or commission supported wholly or in part from Town funds, except the Board of Education, files with the Board of Selectmen a detailed estimate of the expenditures to be made in the ensuing year.
- b. The Board of Selectmen prepares a proposed budget, including both estimated revenues and expenditures, for presentation to the Board of Finance not less than 60 days prior to the annual budget meeting.
- c. The Board of Education prepares a proposed budget, including both estimated revenues and expenditures, for presentation to the Board of Finance not less than 60 days prior to the annual budget meeting.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

- d. The Treasurer submits to the Board of Finance, not less than 45 days prior to the annual budget meeting, an itemized estimate of the proposed revenue for the ensuing fiscal year. This shall include, but not be limited to, the current funds available, anticipated revenue from interest bearing accounts, projected borrowing that requires bonding, and anticipated state and federal monies.

A reconciliation of General Fund operations presented in accordance with accounting principles generally accepted in the United States of America (“GAAP”) to the amounts presented on the budgetary basis is as follows:

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other Financing Sources (Uses)</u>
Budgetary basis	\$ 43,158,488	\$ 42,321,173	\$ (609,563)
State Teachers’ Retirement on-behalf payment, not recognized for budgetary purposes	2,859,272	2,859,272	-
Reclassifications	<u>-</u>	<u>(413,000)</u>	<u>(413,000)</u>
GAAP basis	<u>\$ 46,017,760</u>	<u>\$ 44,767,445</u>	<u>\$ (1,022,563)</u>

Special Revenue Funds

The Town does not maintain legally adopted annual budgets for its Special Revenue Funds. Budgets are established in accordance with the requirements of the grantor agencies. Such budgets are non-lapsing and may comprise more than one fiscal year.

Capital Project Funds

Legal authorization for expenditures of the Capital Project Funds is provided by the related bond ordinances and/or intergovernmental grant agreements. Capital appropriations do not lapse until completion of the applicable projects.

Note 4 - Deposits and Investments

Deposits - Custodial Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2014, the carrying amount of all Town deposits was \$6,004,144. The bank balances of these funds totaled \$6,912,188 and of that amount, \$6,150,510, was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 5,259,263
Uninsured and collateralized	<u>891,247</u>
	<u>\$ 6,150,510</u>

Due to significantly higher cash flows at certain times of the year, the amount of the Town's deposits that were subject to custodial credit risk was substantially higher at year end. The Town has incurred no bank losses.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Investments

The Town has no formally adopted investment policy that would limit its investment choices due to credit risk other than the State of Connecticut General Statutes that limit investments to obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivision rated within the top three rating categories of any nationally recognized rating service.

	<u>Fair Value</u>	<u>Maturity not applicable</u>
<u>General Fund</u>		
Short-Term Investment Fund	\$ 4,021,679	\$ 4,021,679
<u>Pension Trust Fund</u>		
Equity securities	373,430	373,430
Mutual funds	<u>380,055</u>	<u>380,055</u>
	<u>\$ 753,485</u>	<u>\$ 753,485</u>

Note 5 – Property Taxes Receivable

Property taxes receivable, including the applicable allowances for uncollectible accounts, are as follows:

Property taxes	\$ 2,117,823
Interest and fees on delinquent receivables	<u>1,339,870</u>
Gross receivables	3,457,693
Less: allowance for uncollectibles	<u>(1,986,415)</u>
Net receivables	<u>\$ 1,471,278</u>

Note 6 – Interfund Receivables, Payables, and Transfers

As of June 30, 2014, interfund receivables and payables were as follows:

	<u>Due From:</u>			<u>Total</u>
	<u>General Fund</u>	<u>Educational Grants Fund</u>	<u>BOE Central Activities Fund</u>	
Due To:				
General Fund	\$ -	\$ 452,713	\$ 41,854	\$ 494,567
High School Construction Fund	171,820	-	-	171,820
High School Athletic Complex Fund	13,365	-	-	13,365
Hot Lunch Program	26,000	-	-	26,000
Capital and Nonrecurring Expenditures Fund	143,099	-	-	143,099
Special Activities Fund	338,012	-	-	338,012
Land Acquisition Fund	236,046	-	-	236,046
Dog License Fund	<u>40,533</u>	<u>-</u>	<u>-</u>	<u>40,533</u>
	<u>\$ 968,875</u>	<u>\$ 452,713</u>	<u>\$ 41,854</u>	<u>\$ 1,463,442</u>

Transfers are used to account for unrestricted revenues collected mainly in the General Fund to finance capital projects and other programs accounted for in other funds in accordance with budget and project authorizations.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Note 7 - Capital Assets

	Balance at July 1, 2013	Increases	Decreases	Balance at June 30, 2014
Capital assets not being depreciated:				
Land	\$ 6,823,354	\$ -	\$ -	\$ 6,823,354
Construction in process	-	122,943	-	122,943
Total capital assets not being depreciated	<u>6,823,354</u>	<u>122,943</u>	<u>-</u>	<u>6,946,297</u>
Capital assets being depreciated:				
Buildings and improvements	79,062,739	866,934	-	79,929,673
Machinery, vehicles and equipment	8,447,483	224,269	30,645	8,641,107
Infrastructure	55,645,949	1,126,711	-	56,772,660
Total capital assets being depreciated	<u>143,156,171</u>	<u>2,217,914</u>	<u>30,645</u>	<u>145,343,440</u>
Less accumulated depreciation:				
Buildings and improvements	13,946,232	1,503,880	-	15,450,112
Machinery, vehicles and equipment	4,499,680	397,892	30,645	4,866,927
Infrastructure	33,388,708	1,219,086	-	34,607,794
Total accumulated depreciation	<u>51,834,620</u>	<u>3,120,858</u>	<u>30,645</u>	<u>54,924,833</u>
Capital assets being depreciated, net of depreciation	<u>91,321,551</u>	<u>(902,944)</u>	<u>-</u>	<u>90,418,607</u>
Total governmental activities	<u>\$ 98,144,905</u>	<u>\$ (780,001)</u>	<u>\$ -</u>	<u>\$ 97,364,904</u>

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

General government	\$ 24,944
Conservation of health	53,951
Public safety	344,297
Public activities	39,874
Public works	1,122,181
Solid waste	177,455
Education	<u>1,358,156</u>
Total depreciation expense	<u>\$ 3,120,858</u>

Note 8 – Bond Anticipation Notes

Bond anticipation note transactions for the year ended June 30, 2014, were as follows:

Outstanding as of July 1, 2013	\$ 6,664,000
New borrowings	400,000
Payments	<u>(387,000)</u>
Outstanding as of June 30, 2014	<u>\$ 6,677,000</u>

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Note 9- Long-Term Obligations

Changes in long-term debt for the year ended June 30, 2014, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General obligation bonds (\$1,600,000) issued 7/1/09, maturing 8/1/19; interest rate of 2.25 to 4.00% per annum;	\$ 1,090,000	\$ -	\$ 165,000	\$ 925,000	\$ 165,000
General obligation bonds (\$16,815,000) issued 8/1/08, maturing 8/1/29; interest rate of 3.50 to 5.25% per annum;	850,000	-	850,000	-	-
General obligation bonds (\$11,300,000) issued 7/27/11, maturing 8/1/26; interest rate of 2.00 to 4.00% per annum	11,185,000	-	530,000	10,655,000	575,000
General obligation bonds (\$11,835,000) issued 5/17/12, maturing 8/1/28; interest rate of 2.00 to 4.00% per annum	<u>11,730,000</u>	<u>-</u>	<u>55,000</u>	<u>11,675,000</u>	<u>915,000</u>
Total bonds payable	24,855,000	-	1,600,000	23,255,000	1,655,000
Premiums on bonds	1,548,568	-	229,720	1,318,848	-
Note payable to bank (\$850,000) originated 7/8/10, maturing 7/1/20; interest rate of 4% per annum	650,115	-	650,115	-	-
Note payable for equipment (\$718,614) originated 1/10/11, maturing 12/29/15; interest rate of 1.5% per annum	431,978	-	141,876	290,102	143,982
Loan to purchase motor vehicles and equipment (\$792,392) originated 8/23/12, maturing 4/30/17, interest rate of 1.57% per annum	657,263	-	160,496	496,767	163,016
Loan to purchase motor vehicles and equipment (\$217,053) originated 4/2/13, maturing 4/2/18, interest rate of 1.57% per annum	210,599	-	35,615	174,984	42,729
Loan to replace Great Oak Roof and Solar Panel (\$550,000) originated 1/14/14, maturing 7/1/19, interest rate of 2.443% per annum	-	550,000	-	550,000	96,814
Other post retirement benefits	440,000	120,000	50,000	510,000	50,000
Compensated absences	<u>750,183</u>	<u>-</u>	<u>59,032</u>	<u>691,151</u>	<u>-</u>
Total long-term obligations	<u>\$ 29,543,706</u>	<u>\$ 670,000</u>	<u>\$ 2,926,854</u>	<u>\$ 27,286,852</u>	<u>\$ 2,151,541</u>

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

The annual debt service requirements of the Town's bonded and notes payable are as follows:

	Bond Principal	Notes Principal	Bond Interest	Notes Interest	Total
2015	\$ 1,650,000	\$ 446,541	\$ 821,338	\$ 21,124	\$ 2,939,003
2016	1,705,000	447,109	770,888	20,557	2,943,554
2017	1,685,000	306,518	720,469	12,858	2,724,845
2018	1,710,000	141,336	662,187	7,224	2,520,747
2019	1,775,000	98,922	594,500	4,162	2,472,584
2020	1,760,000	71,427	525,363	1,745	2,358,535
2021	1,595,000	-	461,425	-	2,056,425
2022	1,565,000	-	403,975	-	1,968,975
2023	1,575,000	-	347,059	-	1,922,059
2024	1,500,000	-	288,747	-	1,788,747
2025	1,490,000	-	229,763	-	1,719,763
2026	1,480,000	-	171,075	-	1,651,075
2027	1,545,000	-	111,188	-	1,656,188
2028	1,395,000	-	52,650	-	1,447,650
2029	825,000	-	12,373	-	837,373
	<u>\$ 23,255,000</u>	<u>\$ 1,511,853</u>	<u>\$ 6,173,000</u>	<u>\$ 67,670</u>	<u>\$ 31,007,523</u>

School Construction Grant Receivable

The Town has been awarded funding from the State of Connecticut Department of Education to offset principle and interest payments on school related bonded debt.

Bonds Authorized and Unissued

At June 30, 2014, there were no authorized and unissued bonds for general, school, or sewer purposes.

Prior Years Advance Refundings

In prior years, the Town has defeased bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust fund. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and, therefore, removed as a liability from the Town's financial statements.

Statutory Debt Limitation

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the Statute. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal, and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2014.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Note 10 – Operating Deficiencies and Fund Deficits

The following funds had operating deficiencies and/or fund deficits for the year ended June 30, 2014:

	<u>Operating Deficiency</u>	<u>Fund Deficit</u>
Major Funds:		
High School Construction Fund	\$ -	\$ 2,661,180
High School Athletic Complex Fund	678,934	3,086,635
Nonmajor Funds:		
Special Revenue Funds:		
Capital and Nonrecurring Expenditures Fund	-	600,901
BOE Central Activities Fund	49,527	-
Capital Project Funds:		
Great Oak Roof Project	24,437	-

The fund deficits will be satisfied through a combination of either General Fund contributions or increases in charges.

Note 11 – Pension Plans

Connecticut State Teachers' Retirement System

Teachers within the Town's school system participate in a retirement plan administered by the Connecticut State Teachers' Retirement Board.

Covered Employees

The Teachers' Retirement System is administered under the provisions of Chapter 167a of the Connecticut General Statutes (CGS). Participation in the plan is restricted to certified staff employed in the public schools of Connecticut, and members of the professional staff of the State Department of Education or the board of Governors of Higher Education and their constituent units. Participation in the plan is mandatory for certified personnel of local boards of education who are employed for an average of at least one-half of a school day. Members of the professional staff of the State Department of Education or the Board of Governors of Higher Education and their constituent units may elect to participate in this system, the State Employees' Retirement System, or the Alternate Retirement Plan (TIAA-CREF).

Vesting Requirements

A member who completes 10 years of Connecticut public school service is eligible for a vested benefit commencing at age 60.

Pension Contribution Requirements/Amounts by State

The pension contributions made by the State to the plan are determined on an actuarial reserve basis as described in CGS Sections 10-1831 and 10-183z. For the fiscal year ended June 30, 2014, approximately \$2,859,272 was expended by the State on behalf of the Town to meet the State's funding requirements. The results of the State's actuarial valuation did not contain information, which would show the development of the State's actuarial cost by local districts. The State's appropriation represented 24.79% of the total estimated payroll.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Participants are required to contribute 7.25% of their annual salary rate to the system as required by CGS Section 10-183b (7). For the 2013/2014 school year, \$836,213 mandatory contributions were deducted from the salaries of teachers who were participants of the plan during that school year. The estimated covered payroll for the Town is \$11,533,972.

Connecticut Municipal Employees' Retirement System (MERS)

Plan Description

Certain Town and Board of Education employees and police participate in the Connecticut Municipal Employees' Retirement System (MERS). MERS is the administrator of a cost-sharing, multiple employer, public employee retirement system (PERS) established by the State of Connecticut and administered by the State Retirement Commission to provide pension benefits for the employees of participating municipalities. MERS is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106 or by calling (860) 702-3480.

Plan Provisions

Plan provisions are set by Statute of the State of Connecticut. MERS provides retirement benefits, as well as death and disability benefits. Annual cost of living increases are applied to disabled and non-disabled retirement benefits and vary based upon member age and date of retirement. For members that retired prior to January 1, 2002, increases between 3% and 5% are paid to those who have reached age 65 and effective January 1, 2002, increases of 2.5% are paid to those who have not yet reached age 65. For those retiring after December 31, 2001, increases between 2.5% and 6.0% are paid regardless of age. All benefits vest after 5 years of continuous service or 15 years of active aggregate service. Vested members who retire after age 55 or after 25 years of service, irrespective of age, are entitled to an annual retirement benefit, payable monthly for life, in an amount for each year of service equal to:

- If not covered by Social Security: 2% of the average of earnings for the three highest paid years of service.
- If covered by Social Security: 1-1/2% of the average of earnings for the three highest paid years of service not in excess of the year's breakpoint, plus 2% of the average of earnings for the three highest paid years of service in excess of the year's breakpoint. The year's breakpoint for 2013 is \$65,300.

Funding Policy

Covered employees are required by State Statute to contribute 2-1/4% of earnings upon which Social Security tax is paid, plus 5% earnings on which no Social Security tax is paid. Each participating municipality is required to contribute at an actuarially determined rate. The current rate is 11.98% of annual covered payroll for Town and Board of Education employees and 16.96% for police. The contribution requirements of the Town are established and may be amended by the State Retirement Commission. The Town's contribution (including administrative fees) to the MERS for the year ended June 30, 2014, was \$842,294 and was equal to the required contribution for the year.

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Note 12 – Contingent Liabilities

The Town has received State and Federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

In addition, the Town has contingent liabilities with respect to pending litigation, claims, and disputes, which existed at June 30, 2014. The total liability with respect to such matters, if any, is not presently determinable; however, it is the opinion of Town management and legal counsel that any liabilities resulting from them would not have a material adverse effect on the Town's financial position.

Note 13 – Risk Management

The Town is exposed to various risks of loss relating to liability, theft or impairment of assets, errors or omissions, injuries to employees, and natural disasters. Commercial liability and property insurance coverage is purchased to protect against losses from these risks. The Town does not maintain a self-insurance fund.

Note 14 – Other Post-Employment Benefits (OPEB)

The Town provides post-retirement benefits for certain employees for current, and future, health and life insurance benefit expenses through a single-employer defined benefit plan. An annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2008. The post-retirement plan does not issue standalone financial reports. From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting the requirements of GASB Statement No. 45 during the year ended June 30, 2009, the Town recognizes the cost of post-employment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

The contribution requirements of plan members and the Town are established, and may be amended by, the Town. The Town determines the required contribution using the Projected Unit Credit Method.

Membership in the plan consisted of the following at June 30, 2012, the date of the last actuarial valuation.

Retirees and beneficiaries receiving benefits	17
Active plan members	<u>258</u>
Total	<u>275</u>

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation was as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Annual OPEB</u> <u>Cost</u>	<u>Employer</u> <u>Contributions</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
2014	\$ 120,000	\$ 50,000	41.7%	\$ 510,000
2013	115,577	30,000	26.0%	440,000
2012	140,000	20,000	14.2%	354,423
2011	130,000	-	0.0%	234,423
2010	99,131	52,020	52.5%	104,423
2009	94,709	38,397	40.5%	56,312

The calculation of the Net Other Post-Retirement Benefits (OPEB) is detailed as follows and is recorded in Governmental Activities:

Annual required contribution	\$ 130,000
Interest on net pension asset	20,000
Adjustment to ARC	<u>(30,000)</u>
Annual OPEB cost	120,000
Contributions made	<u>50,000</u>
Increase in net OPEB liability	70,000
Net OPEB obligation, beginning of year	<u>440,000</u>
Net OPEB obligation, end of year	<u>\$ 510,000</u>

The Town's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an on-going basis, is projected to cover normal cost each year, and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The schedule of funding progress is as follows:

<u>Actuarial</u> <u>Valuation</u> <u>Date</u> <u>July 1</u>	<u>Actuarial</u> <u>Value of</u> <u>Assets</u> <u>(a)</u>	<u>Actuarial</u> <u>Accrued</u> <u>Liability</u> <u>(AAL)</u> <u>(b)</u>	<u>Unfunded</u> <u>AAL</u> <u>(UAAL)</u> <u>(b-a)</u>	<u>Funded</u> <u>Ratio</u> <u>(a÷b)</u>	<u>Covered</u> <u>Payroll</u>	<u>UAAL</u>
2009	\$ 0	\$ 900,000	\$ 900,000	0.0%	\$ 2,120,000	43%
2010	0	1,090,000	1,090,000	0.0%	18,840,000	6%
2011	0	1,150,000	1,150,000	0.0%	18,410,000	6%
2012	0	1,040,000	1,040,000	0.0%	18,270,000	6%

Town of Oxford, Connecticut
Notes to Financial Statements (continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan, and the annual required contributions of the employer, are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation, and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The information presented was determined as part of the actuarial valuation. Additional information as of the last actuarial valuations follows:

Valuation Date	July 1, 2012
Actuarial Cost Method	Projected Unit Credit
Amortization Method	30 Year Level
Actuarial Accrued Liability	Dollar, Open
Remaining Amortization Period	30 Year
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	4.50%
Inflation Rate	3.00%

Health Cost Trend Rates

Annual increases in premium for retired medical and prescription drug benefits are assumed to be as follows:

Year After Valuation Date Increase	
	1 9.5%
	2 9.0%
	3 8.5%
	4 8.0%
	5 7.5%
	6 7.0%
	7 or more 6.5% - 5.0%

Note 15 – Recently Issued Accounting Standards

The GASB has issued Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, which replaces the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and GASB Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. GASB 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. GASB 68 also enhances accountability and transparency through revised and new note disclosures, and required supplementary information. The provisions in GASB 68 are effective for fiscal years beginning after June 15, 2014, and early adoption is permitted. Management is currently evaluating the effect implementation of this standard will have on its financial statements.

**SUPPLEMENTAL
STATEMENTS AND SCHEDULES**

TOWN OF OXFORD, CONNECTICUT

**GENERAL FUND
SCHEDULE OF REVENUES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes:				
Current	\$ 34,780,884	\$ 34,780,884	\$ 34,602,105	\$ (178,779)
Back taxes	400,000	400,000	1,013,837	613,837
Interest and lien fees	300,000	300,000	267,960	(32,040)
	<u>35,480,884</u>	<u>35,480,884</u>	<u>35,883,902</u>	<u>403,018</u>
Assessments	<u>10,000</u>	<u>10,000</u>	<u>2,000</u>	<u>(8,000)</u>
Government grants:				
Grant in lieu of tax	-	-	228,601	228,601
Elderly circuit breaker	43,000	43,000	41,252	(1,748)
Town road aid	273,541	273,541	272,786	(755)
Veteran reimbursement	6,500	6,500	6,815	315
LOCIP	100,000	100,000	-	(100,000)
Education grants	4,903,289	4,903,289	4,670,394	(232,895)
Pupil transportation	-	-	36,522	36,522
Education grants - special	-	-	467,203	467,203
Circuit court	2,240	2,240	2,463	223
Other state revenue	94,082	94,082	236,130	142,048
Mashantucket Pequot	-	-	29,442	29,442
	<u>5,422,652</u>	<u>5,422,652</u>	<u>5,991,608</u>	<u>568,956</u>
Investment income	<u>50,000</u>	<u>50,000</u>	<u>15,690</u>	<u>(34,310)</u>
Licenses and permits:				
Town Clerk	220,000	220,000	246,161	26,161
Building permits	100,000	100,000	172,420	72,420
Planning and Zoning/ZBA	50,000	50,000	130,093	80,093
WPCA sewer hookups	45,000	45,000	140,740	95,740
	<u>415,000</u>	<u>415,000</u>	<u>689,414</u>	<u>274,414</u>
Charges for goods and services:				
Seymour sewer use fees	200,000	200,000	197,434	(2,566)
Sewer interest	-	-	544	544
	<u>200,000</u>	<u>200,000</u>	<u>197,978</u>	<u>(2,022)</u>
Other:				
Telecommunications property taxes	66,847	66,847	31,801	(35,046)
Telecommunications site leases	54,000	54,000	60,181	6,181
Library revenue	4,500	4,500	1,728	(2,772)
Insurance claims	20,000	20,000	111	(19,889)
Aircraft registrations	53,220	53,220	56,050	2,830
BOE unanticipated revenue	-	-	63,781	63,781
Refunds	5,000	5,000	-	(5,000)
Police private duty	55,000	55,000	32,098	(22,902)
Miscellaneous	50,000	50,000	132,146	82,146
	<u>308,567</u>	<u>308,567</u>	<u>377,896</u>	<u>69,329</u>
Total revenues	<u>\$ 41,887,103</u>	<u>\$ 41,887,103</u>	<u>\$ 43,158,488</u>	<u>\$ 1,271,385</u>

See accompanying Independent Auditor's Report.

TOWN OF OXFORD, CONNECTICUT

**GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
General government:				
Selectmen	\$ 261,486	\$ 262,992	\$ 260,388	\$ 2,604
Finance department	195,350	198,111	194,035	4,076
Treasurer	6,600	6,798	6,798	-
Assessor	186,544	187,014	186,320	694
Tax Collector	139,200	140,913	135,661	5,252
Town Clerk	173,449	177,493	170,043	7,450
Building department	115,086	117,087	106,259	10,828
Registrar of Voters	65,446	67,049	48,974	18,075
Town counsel	138,000	191,640	191,639	1
Probate Court	7,732	7,732	7,608	124
Housing Authority	800	800	377	423
Assessment Board of Appeals	695	695	630	65
Economic Development	61,200	61,200	54,682	6,518
Board of Finance contingency	250,000	-	-	-
Lawn maintenance	51,250	56,000	56,000	-
Water hydrant charges	70,684	70,984	70,984	-
Planning and Zoning	120,485	170,197	169,641	556
Sheriff fees	-	-	90,000	(90,000)
Conservation Commission	117,365	122,643	121,191	1,452
Town Hall - S.B. Church	234,693	249,705	249,663	42
	<u>2,196,065</u>	<u>2,089,053</u>	<u>2,120,893</u>	<u>(31,840)</u>
Conservation of health:				
Ambulance corps	266,719	269,918	269,807	111
Lake Housatonic Authority	7,350	7,350	7,350	-
Lake Zoar Authority	26,544	26,544	26,544	-
Pomperaug Health District	89,989	98,764	98,764	-
Water Pollution Control Authority	690,427	722,067	706,104	15,963
Health and social services	10,221	10,246	10,246	-
	<u>1,091,250</u>	<u>1,134,889</u>	<u>1,118,815</u>	<u>16,074</u>
Public safety:				
Fire Department	317,178	337,878	334,978	2,900
Fire Marshall	111,653	114,487	111,076	3,411
Open burning official	-	1	-	1
Police Department	1,201,750	1,213,070	1,158,552	54,518
Civil preparedness	3,000	3,000	2,978	22
Dog Warden	78,436	80,171	64,873	15,298
Emergency communications	110,408	110,408	110,141	267
	<u>1,822,425</u>	<u>1,859,015</u>	<u>1,782,598</u>	<u>76,417</u>
Public activities:				
Elderly Commission	191,893	197,808	195,473	2,335
Park and Recreation	261,742	265,871	257,986	7,885
Civic activities	11,500	11,500	11,500	-
Cultural and Arts Commission	3,000	3,000	3,000	-
	<u>468,135</u>	<u>478,179</u>	<u>467,959</u>	<u>10,220</u>

See accompanying Independent Auditor's Report.

TOWN OF OXFORD, CONNECTICUT

**GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Public works:				
Wages	\$ 854,009	\$ 881,667	\$ 881,665	\$ 2
Highway maintenance	912,620	936,320	836,190	100,130
Street lighting	25,323	25,343	25,343	-
Administration and general	76,594	75,441	74,899	542
Tree Warden	42,000	42,000	41,985	15
	<u>1,910,546</u>	<u>1,960,771</u>	<u>1,860,082</u>	<u>100,689</u>
Solid waste	<u>272,466</u>	<u>240,515</u>	<u>240,004</u>	<u>511</u>
Education	<u>27,148,793</u>	<u>27,148,793</u>	<u>27,118,615</u>	<u>30,178</u>
Education grants - special	<u>-</u>	<u>-</u>	<u>467,203</u>	<u>(467,203)</u>
Library	<u>249,837</u>	<u>250,402</u>	<u>247,867</u>	<u>2,535</u>
Capital outlay	<u>805,063</u>	<u>1,304,278</u>	<u>1,292,122</u>	<u>12,156</u>
Debt service:				
Principal	2,424,196	2,424,196	2,428,116	(3,920)
Interest	941,953	941,953	925,163	16,790
	<u>3,366,149</u>	<u>3,366,149</u>	<u>3,353,279</u>	<u>12,870</u>
Other:				
Employee benefits	2,220,287	2,204,187	2,041,134	163,053
Insurance	202,087	202,087	177,962	24,125
	<u>2,422,374</u>	<u>2,406,274</u>	<u>2,219,096</u>	<u>187,178</u>
Grants	<u>-</u>	<u>-</u>	<u>32,640</u>	<u>(32,640)</u>
Total expenditures	<u>\$ 41,753,103</u>	<u>\$ 42,238,318</u>	<u>\$ 42,321,173</u>	<u>\$ (82,855)</u>

See accompanying Independent Auditor's Report.

TOWN OF OXFORD, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

JUNE 30, 2014

<u>Assets</u>	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Total</u>
Cash and cash equivalents	\$ 693,743	\$ 4,827	\$ 698,570
Receivables:			
Intergovernmental	156,987	-	156,987
Other	3,187	-	3,187
Inventory	26,084	-	26,084
Due from other funds	783,690	-	783,690
Total assets	\$ 1,663,691	\$ 4,827	\$ 1,668,518
 <u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 195,012	\$ -	\$ 195,012
Bond anticipation notes	744,000	-	744,000
Unearned revenue	2,390	-	2,390
Due to other funds	494,567	-	494,567
Total liabilities	1,435,969	-	1,435,969
Fund Balances:			
Nonspendable	26,084	-	26,084
Committed	802,539	4,827	807,366
Unassigned	(600,901)	-	(600,901)
Total fund balances	227,722	4,827	232,549
Total liabilities and fund balances	\$ 1,663,691	\$ 4,827	\$ 1,668,518

See accompanying Independent Auditor's Report.

TOWN OF OXFORD, CONNECTICUT

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014

	Special Revenue Funds	Capital Project Funds	Total
Revenues:			
Intergovernmental	\$ 630,993	\$ -	\$ 630,993
Program	879,577	-	879,577
Charges for goods and services	411,030	-	411,030
Investment income	23	7	30
Total revenues	<u>1,921,623</u>	<u>7</u>	<u>1,921,630</u>
Expenditures:			
Current expenditures:			
General government	23,735	-	23,735
Education	1,192,496	-	1,192,496
Public activities	671,048	-	671,048
Capital outlay	733,231	-	733,231
Total expenditures	<u>2,620,510</u>	<u>-</u>	<u>2,620,510</u>
Excess of revenues over (under) expenditures	<u>(698,887)</u>	<u>7</u>	<u>(698,880)</u>
Other Financing Sources (Uses):			
Transfers in	942,000	-	942,000
Transfers out	-	(24,437)	(24,437)
Total other financing sources (uses)	<u>942,000</u>	<u>(24,437)</u>	<u>917,563</u>
Net change in fund balances	243,113	(24,430)	218,683
Fund balances, beginning of year	<u>(15,391)</u>	<u>29,257</u>	<u>13,866</u>
Fund balances, end of year	<u>\$ 227,722</u>	<u>\$ 4,827</u>	<u>\$ 232,549</u>

See accompanying Independent Auditor's Report.

TOWN OF OXFORD, CONNECTICUT

**SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 20134**

	Educational Grants Fund	Hot Lunch Program	Capital and Nonrecurring Expenditures Fund	Parks and Recreation Commission Fund	Special Activities Fund	Dog License Fund	Board of Education Central Activities Fund	Land Acquisition Fund	Total
Assets									
Cash and cash equivalents	\$ 381,235	\$ 87,104	\$ -	\$ 6,520	\$ 94,698	\$ -	\$ 124,186	\$ -	\$ 693,743
Receivables:									
Intergovernmental	141,997	14,990	-	-	-	-	-	-	156,987
Other	-	-	-	-	-	-	3,187	-	3,187
Inventory	-	26,084	-	-	-	-	-	-	26,084
Due from other funds	-	26,000	143,099	-	338,012	40,533	-	236,046	783,690
Total assets	\$ 523,232	\$ 154,178	\$ 143,099	\$ 6,520	\$ 432,710	\$ 40,533	\$ 127,373	\$ 236,046	\$ 1,663,691
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	\$ 30,679	\$ 127,613	\$ -	\$ -	\$ -	\$ 5,397	\$ 31,323	\$ -	\$ 195,012
Bond anticipation notes	-	-	744,000	-	-	-	-	-	744,000
Unearned revenue	2,390	-	-	-	-	-	-	-	2,390
Due to other funds	452,713	-	-	-	-	-	41,854	-	494,567
Total liabilities	485,782	127,613	744,000	-	-	5,397	73,177	-	1,435,969
Fund Balances:									
Nonspendable	-	26,084	-	-	-	-	-	-	26,084
Committed	37,450	481	-	6,520	432,710	35,136	54,196	236,046	802,539
Unassigned	-	-	(600,901)	-	-	-	-	-	(600,901)
Total fund balances	37,450	26,565	(600,901)	6,520	432,710	35,136	54,196	236,046	227,722
Total liabilities and fund balances	\$ 523,232	\$ 154,178	\$ 143,099	\$ 6,520	\$ 432,710	\$ 40,533	\$ 127,373	\$ 236,046	\$ 1,663,691

See accompanying Independent Auditor's Report.

TOWN OF OXFORD, CONNECTICUT

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
 FOR THE YEAR ENDED JUNE 30, 2014

	Educational Grants Fund	Hot Lunch Program	Capital and Nonrecurring Expenditures Fund	Parks and Recreation Commission Fund	Special Activities Fund	Dog License Fund	Board of Education Central Activities Fund	Land Acquisition Fund	Total
Revenues:									
Intergovernmental Program	\$ 524,508	\$ 106,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 630,993
Charges for goods and services	-	-	-	-	707,206	22,876	107,688	41,807	879,577
Investment income	-	411,030	-	-	-	-	-	-	411,030
Total revenues	524,508	517,515	-	23	707,206	22,876	107,688	41,807	1,921,623
Expenditures:									
Current expenditures:									
General government	-	-	-	-	-	12,077	-	11,658	23,735
Education	507,154	528,127	-	-	-	-	157,215	-	1,192,496
Public activities	-	-	-	-	671,048	-	-	-	671,048
Capital outlay	-	-	733,231	-	-	-	-	-	733,231
Total expenditures	507,154	528,127	733,231	-	671,048	12,077	157,215	11,658	2,620,510
Excess of revenues over (under) expenditures	17,354	(10,612)	(733,231)	23	36,158	10,799	(49,527)	30,149	(698,887)
Other Financing Sources (Uses):									
Transfers in	-	26,000	916,000	-	-	-	-	-	942,000
Total other financing sources (uses)	-	26,000	916,000	-	-	-	-	-	942,000
Net change in fund balances	17,354	15,388	182,769	23	36,158	10,799	(49,527)	30,149	243,113
Fund balances (deficits), beginning of year	20,096	11,177	(783,670)	6,497	396,552	24,337	103,723	205,897	(15,391)
Fund balances (deficits), end of year	\$ 37,450	\$ 26,565	\$ (600,901)	\$ 6,520	\$ 432,710	\$ 35,136	\$ 54,196	\$ 236,046	\$ 227,722

See accompanying Independent Auditor's Report.

TOWN OF OXFORD, CONNECTICUT

CAPITAL PROJECT FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2014

	Library Construction	Great Oak Roof and Solar Panel	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 4,827	\$ -	\$ 4,827
Total assets	\$ 4,827	\$ -	\$ 4,827
<u>Fund Balances</u>			
Fund Balances:			
Committed	\$ 4,827	\$ -	\$ 4,827
Total fund balances	4,827	-	4,827
Total liabilities and fund balances	\$ 4,827	\$ -	\$ 4,827

See accompanying Independent Auditor's Report.

TOWN OF OXFORD, CONNECTICUT

CAPITAL PROJECT FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Library Construction</u>	<u>Great Oak Roof and Solar Panel</u>	<u>Total</u>
Revenues:			
Investment income	\$ 7	\$ -	\$ 7
Total revenues	<u>7</u>	<u>-</u>	<u>7</u>
Expenditures:			
Current expenditures:			
Capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>7</u>	<u>-</u>	<u>7</u>
Other Financing Sources (Uses):			
Transfers out	-	(24,437)	(24,437)
	<u>-</u>	<u>(24,437)</u>	<u>(24,437)</u>
Net change in fund balances	7	(24,437)	(24,430)
Fund balances, beginning of year	<u>4,820</u>	<u>24,437</u>	<u>29,257</u>
Fund balances, end of year	<u>\$ 4,827</u>	<u>\$ -</u>	<u>\$ 4,827</u>

See accompanying Independent Auditor's Report.

APPENDIX B - OPINION OF BOND COUNSEL AND TAX EXEMPTION

JOSEPH FASI LLC

56 ARBOR STREET, SUITE 418
HARTFORD, CONNECTICUT 06106

A T T O R N E Y S A T L A W

TELEPHONE (860)296-0510
FACSIMILE (860)296-0541

FORM OF OPINION OF BOND COUNSEL

Town of Oxford
Oxford, Connecticut

Ladies and Gentlemen:

We have represented the Town of Oxford, Connecticut as bond counsel with respect to the issuance and sale of \$6,238,000 Town of Oxford, Connecticut General Obligation Bond Anticipation Notes, bearing a Dated Date and an Original Issue Date of July 23, 2015, maturing July 21, 2016 (the "notes").

We have examined a record of the proceedings authorizing the notes, a Tax Regulatory Agreement of the Town dated July 23, 2015 (the "Tax Regulatory Agreement"), and other proofs submitted to us.

The notes are originally registered in the name of Cede & Co., as nominee of The Depository Trust Company, to effect a book-entry system for the ownership and transfer of the notes, and are certified by U.S. Bank National Association, Hartford, Connecticut (the "Certifying Agent").

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the notes (except to the extent, if any, stated in such Official Statement) and we express no opinion relating thereto.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the notes under authority of the constitution and statutes of the State of Connecticut and that when certified by the Certifying Agent the notes are a valid and binding general obligation of the Town of Oxford payable both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the Town and under existing statutes the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation upon its power to tax such dwelling houses. We are further of the opinion that the Tax Regulatory Agreement is a valid and binding agreement of the Town.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the notes in order that interest on the notes not be included in gross income under Section 103 of the Code. The Town has covenanted in the Tax Regulatory Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the notes shall not be included in the gross income of the owners thereof for Federal income tax purposes under the Code.

In our opinion, under existing statutes and court decisions, interest on the notes is not included in the gross income of the owners thereof for purposes of Federal income taxation pursuant to Section 103 of the Code and is not treated as a preference item for purposes of computing the Federal alternative minimum tax. Interest on the

notes is, however, includable in the adjusted current earnings of a corporation (as defined for federal income tax purposes) for purposes of computing the Federal alternative minimum tax imposed on corporations. We express no opinion regarding other Federal income tax consequences caused by ownership or disposition of, or receipt of interest on, the notes.

In rendering the foregoing opinions regarding the Federal income tax treatment of interest on the notes, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and expectations, and certifications of fact contained in the Tax Regulatory Agreement, and (ii) continuing compliance by the Town with the covenants and procedures set forth in the Tax Regulatory Agreement as to such tax matters.

We are further of the opinion that, under existing statutes, interest on the notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. We express no opinion regarding other State income tax consequences caused by ownership or disposition of the notes.

The rights of owners of the notes and the enforceability of the notes may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by application of equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully yours,

JOSEPH FASI LLC

TAX EXEMPTION

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements which must be met subsequent to delivery of the Notes in order that interest on the Notes not be included in gross income under Section 103 of the Code. The Tax Regulatory Agreement, which will be executed and delivered by the Issuer concurrently with the Notes, contains representations, covenants and procedures relating to the use, expenditure and investment of proceeds of the Notes in order to comply with such requirements of the Code. Pursuant to the Tax Regulatory Agreement, the Issuer also covenants and agrees that it shall perform all things necessary or appropriate under any valid provision of law to ensure interest on the Notes shall not be included in gross income of owners thereof for purposes of Federal income taxation under the Code. Failure to comply with the continuing requirements of the Code may cause the interest on the Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Notes irrespective of the date on which non compliance occurs. In rendering its opinion, Bond Counsel relies on the continuing compliance by the Town with the Tax Regulatory Agreement.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance by the Issuer with its covenants and the procedures contained in the Tax Regulatory Agreement, interest on the Notes is not included in the gross income of the owners thereof for purposes of Federal income taxation and is not treated as a preference item for purposes of computing the Federal alternative minimum tax. Interest on the Notes is, however, includable in the adjusted current earnings of corporations (as defined for federal income tax purposes) for purposes of computing the Federal alternative minimum tax on corporations.

Ownership of the Notes may also result in certain collateral Federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security and Railroad Retirement benefits and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, such as the Notes. Prospective purchasers of the Notes, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of ownership and disposition of the Notes.

In the opinion of Bond Counsel, based on existing statutes, interest on the Notes is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the Federal alternative minimum tax. Prospective purchasers of the Notes are advised to consult their own tax advisors regarding the state and local tax consequences of ownership and disposition of the Notes.

FUTURE EVENTS

The Federal and State tax treatment of municipal bonds is determined by Federal, state and local legislation, administrative pronouncements and court decisions. For example, recent Federal legislative proposals have been introduced into Congress which, if enacted, would eliminate or curtail the exclusion from gross income of interest paid on municipal bonds or have other collateral tax consequences that will adversely affect their tax treatment, including limiting the exclusion from gross income on tax exempt bonds for higher income taxpayers. Current ongoing Federal budget discussions include such proposals. The enactment of such proposals may adversely affect the tax treatment of: the interest paid on the Notes, their sale or disposition, market price, marketability, or otherwise prevent Beneficial Owners from receiving the full current tax benefit of ownership. There can be no assurance that changes of law by Federal or State governments will not occur or that they will not be made retroactive. Bond Counsel does not opine as to post issuance acts, including changes of law. Prospective purchases and Beneficial Owners should consult their own tax advisors regarding pending or proposed law changes.

APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

By The

TOWN OF OXFORD, CONNECTICUT

In Connection With The Issuance And Sale Of

\$6,238,000 Town Of Oxford, Connecticut

General Obligation Bond Anticipation Notes, Dated July 23, 2015

WHEREAS, the Town of Oxford, Connecticut (the "Issuer") has heretofore authorized the issuance of \$6,238,000 in aggregate principal amount of its General Obligation Bond Anticipation Notes (the "Notes") bearing a Dated Date of July 23, 2015, maturing on July 21, 2016; and

WHEREAS, the Issuer acknowledges that an underwriter may not purchase or sell the Notes unless it has reasonably determined that the Issuer has undertaken in a written agreement for the benefit of the beneficial owners of the notes to provide notices of material events as required by Securities and Exchange Commission Rule 15c2-12(b)(5) as amended from time to time (the "Rule"), and the Issuer desires to assist the underwriter of the notes in complying with the Rule; and

WHEREAS, the Issuer is authorized pursuant to Public Act 95-270 enacted by the Connecticut General Assembly to make representations and agreements for the benefit of the beneficial owners of the Notes to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriter of the Notes in complying with the Rule, this Continuing Disclosure Agreement is to be made, executed and delivered in connection with the issuance of the Notes, all for the benefit of the beneficial owners of the Notes, as they may be from time to time;

NOW, THEREFORE, THE ISSUER HEREBY REPRESENTS, COVENANTS AND AGREES AS FOLLOWS:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

"Listed Events" shall mean any of the events listed in Section 2 of this Continuing Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto. For purposes of this agreement, continuing disclosure information will be filed where approved from time to time by the MSRB, and which as of the date hereof means:

<http://emma.msrb.org>

Section 2. Event Notices. The Issuer agrees to provide or cause to be provided in a timely manner not in excess of 10 business days after the occurrence of the event to the MSRB, notice of the occurrence of any of the following events:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;

- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (vii) modifications to rights of security holders, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the securities; if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (xiii) the consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

Section 3. Termination of Reporting Obligation. The Issuer's obligations under this Continuing Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Notes.

Section 4. Agent. The Issuer may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 5. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Issuer may amend this Continuing Disclosure Agreement, and any provision of this Continuing Disclosure Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not adversely affect the beneficial owners of the Notes and (ii) the Agreement as so amended would have complied with the requirements of the Rule as of the date of the Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the MSRB.

Section 6. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Issuer chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Continuing Disclosure Agreement, the Issuer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future notice of occurrence of a Listed Event.

Section 7. Indemnification. The Issuer agrees to indemnify and save its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to any agent's negligence or misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of any agent and payment of the Notes.

Section 8. Enforceability. The Issuer agrees that its undertaking pursuant to the Rule set forth in this Continuing Disclosure Agreement is intended to be for the benefit of the beneficial owners of the Notes and shall be enforceable by them. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Notes of such failure. In the event the Issuer does not cure such failure, the right of any beneficial owner of the Notes to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Issuer's obligations hereunder. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute default of the Issuer with respect to the Notes.

[Signature Page Follows]

CONTINUING DISCLOSURE AGREEMENT

By The

TOWN OF OXFORD, CONNECTICUT

In Connection With The Issuance And Sale Of

\$6,238,000 Town Of Oxford, Connecticut

General Obligation Bond Anticipation Notes, Dated July 23, 2015

IN WITNESS WHEREOF, the Issuer has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

TOWN OF OXFORD, CONNECTICUT

By _____
George R. Temple
First Selectman

By _____
Jeffrey J. Haney, Sr.
Selectman

By _____
David W. McKane
Selectman

By _____
Michael F. Angelini, Sr.
Town Treasurer

By _____
James A. Hliva
Finance Director