



**MIAMI**



**OKLAHOMA**



**ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORTS**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021**

**THE CITY OF MIAMI, OKLAHOMA**

**ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORTS**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021**

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council of the  
City of Miami, Oklahoma

### **Report on the Financial Statements**

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Miami Industrial Development Authority ("MIDA"), which represents 11 percent, 8 percent, and 18 percent, respectively, of the assets, net position, and operating revenues of the aggregate discretely presented component units. Those statements were audited by other auditors, whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for MIDA, are based solely on the report of the other auditors. 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, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the

business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension plan and other post-employment benefits funding schedules, as listed in the table of contents, 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 City's basic financial statements. The other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was 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 other supplemental information is 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 December 6, 2021, on our consideration of the City'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 City's internal control over financial reporting and compliance.

*Arledge & Associates, P.C.*  
December 6, 2021

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**MANAGEMENT DISCUSSION AND ANALYSIS**

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Our discussion and analysis of the City of Miami’s financial performance provides an overview of the City’s financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the City’s financial statements, which follow this section.

***FINANCIAL HIGHLIGHTS***

- For the fiscal year ended June 30, 2021, the City’s total net position increased by \$7,518,960 or 21.8% from the prior year.
- During the year, the City’s expenses for governmental activities were \$13.9 million and were funded by program revenues of \$3.5 million and further funded with taxes and other general revenues that totaled \$11.8 million.
- In the City’s business-type activities, such as utilities, program revenues exceeded expenses by \$8.6 million.
- At June 30, 2021, the General Fund reported an unassigned fund balance of \$1,433,561.
- For budgetary reporting purposes, the General Fund reported revenues above estimates of \$1,226,771 or 14.6%, while expenditures were under the final appropriations by \$869,506 or 8.5%.

***OVERVIEW OF THE FINANCIAL STATEMENTS***

The financial statements presented herein include all of the activities of the City of Miami (the “City”) and its component units using the integrated approach as prescribed by GASB Statements No. 14, 34, 39, and 61. Included in this report are governmental-wide statements for each of three categories of activities – governmental, business-type, and discretely presented component units. The government-wide financial statements present the complete financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business type activities separately and combined. These statements include all assets of the City (including infrastructure capital assets), and deferred outflows of resources, as well as all liabilities (including all long-term debt) and deferred inflows of resources.

**About the City**

The City of Miami is an incorporated municipality with a population of approximately 13,570 located in northeastern Oklahoma. The City operates under a council-manager form of government with a charter that provides for three branches of government.

- Legislative – the governing body includes an elected five-member City Council and Mayor
- Executive – the City Manager is the Chief Executive Officer and is appointed by the City Council
- Judicial – the Municipal Judge is a practicing attorney appointed by the City Council

***The City’s Financial Reporting Entity***

This annual report includes all activities for which the City Council of the City of Miami is fiscally responsible. These activities are operated within several separate legal entities that are reported together to make up the City’s financial reporting entity.

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The City's financial reporting entity includes the City of Miami, two blended component units, and four active discretely presented component units.

**Primary Government:**

**The City of Miami** – incorporated municipality that operates the public safety, health and welfare, streets and highways, parks and recreation, and administrative activities as a home rule charter city

**Blended Component Units:**

**Miami Special Utility Authority (MSUA)** – public trust that operates the electric, water, wastewater, and solid waste/sanitation services of the City.

**Miami Development Authority (MDA)** – public trust created to promote economic development in Miami.

**Discretely Presented Component Units** (separate legal entities for which the City Council is fiscally responsible, but appoints a separate governing body):

**Miami Downtown Redevelopment Authority (MDRA)** – public trust created to promote the redevelopment of the downtown area. The Authority does not issue separate financial statements.

**Miami Industrial and Public Facilities Authority (MIPFA)** – public trust that promotes the use of facilities in the City of Miami area. The Authority does not issue separate financial statements.

**Miami Community Facilities Authority (MCFA)** – public trust that promotes the development of commerce, housing, recreation, education and public facilities within the city. The Authority does not issue separate financial statements.

**Miami Industrial Development Authority (MIDA)** – public trust that promotes industry in and around the City of Miami. The Authority issues separate financial statements, and can be obtained by contacting in the MIDA offices.

**Miami Education Facilities Authority (MEFA)** – public trust that promotes the development of educational facilities within the city. The trust is currently inactive.

**Using This Annual Report**

This annual report is presented in a format that substantially meets the presentation requirements of the Governmental Accounting Standards Board (GASB) in accordance with generally accepted accounting principles. The presentation includes financial statements that communicate the City's financial position and changes therein at two distinct levels:

- **The City as a Whole** (a government-wide presentation)

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- **The City's Funds** (a presentation of the City's major and aggregate non-major funds)

The City's various government-wide and fund financial statements are presented throughout this annual report and are accompanied by:

- **Management's Discussion and Analysis** – that provides useful analysis that facilitates a better understanding of the City's financial condition and changes therein.
- **Footnotes** - that elaborate on the City's accounting principles used in the preparation of the financial statements and further explain financial statement elements.
- **Supplemental Information** – that provide additional information about specified elements of the financial statements, such as budgetary comparison information, and capital assets and long-term debt information.

### **Reporting the City as a Whole**

#### **The Statement of Net Position and the Statement of Activities**

One of the most frequently asked questions about the City's finances is, "Has the City's overall financial condition improved, declined or remained steady over the past year?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows, liabilities and deferred inflows using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two government-wide statements report the City's net position and changes in them from the prior year. You can think of the City's net position – the difference between assets, deferred outflows, liabilities, and deferred inflows – as one way to measure the City's financial condition, or position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving, deteriorating, or remaining steady. However, you must consider other nonfinancial factors, such as changes in the City's tax base, the condition of the City's roads, and the quality of services to assess the overall health and performance of the City.

As mentioned above, in the Statement of Net Position and the Statement of Activities, we divide the City into three kinds of activities:

- **Governmental activities** -- Most of the City's basic services are reported here, including the police, fire, general administration, streets, and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- **Business-type activities** -- The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, wastewater, electric, airport, and sanitation activities are reported here.
- **Discretely-presented component units** -- Accounts for various activities related to economic development, facility management, facility construction, and downtown development.

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**Reporting the City's Most Significant Funds**

**Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money.

*Governmental funds* -- Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic service it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the Governmental Fund financial statements to those in the Government-Wide financial statements are explained in a reconciliation following each Governmental und financial statement.

*Proprietary funds* - When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Fund Net Position and Statement of Cash Flows. In fact, the City's enterprise funds are essentially the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

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

**Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$41,970,249 at the close of the most recent fiscal year.

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**TABLE 1  
NET POSITION (In Thousands)**

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2021	2020		2021	2020		2021	2020	
Current assets	\$ 11,474	\$ 10,922	5%	\$ 20,299	\$ 18,766	8%	\$ 31,773	\$ 29,688	7%
Capital assets, net	27,498	26,064	6%	29,068	24,603	18%	56,566	50,667	12%
<b>Total assets</b>	<b>38,972</b>	<b>36,986</b>	<b>5%</b>	<b>49,367</b>	<b>43,369</b>	<b>14%</b>	<b>88,339</b>	<b>80,355</b>	<b>10%</b>
<b>Deferred outflows</b>	<b>2,738</b>	<b>2,617</b>	<b>5%</b>	<b>998</b>	<b>888</b>	<b>12%</b>	<b>3,736</b>	<b>3,505</b>	<b>7%</b>
Current liabilities	2,847	2,701	5%	4,803	4,507	7%	7,650	7,208	6%
Non-current liabilities	26,493	25,667	3%	13,061	13,387	-2%	39,554	39,054	1%
<b>Total liabilities</b>	<b>29,340</b>	<b>28,368</b>	<b>3%</b>	<b>17,864</b>	<b>17,894</b>	<b>0%</b>	<b>47,204</b>	<b>46,262</b>	<b>2%</b>
<b>Deferred inflows</b>	<b>1,849</b>	<b>2,050</b>	<b>-10%</b>	<b>1,051</b>	<b>1,097</b>	<b>-4%</b>	<b>2,900</b>	<b>3,147</b>	<b>-8%</b>
Net position									
Net investment capital assets	18,279	17,156	7%	17,616	12,900	37%	35,895	30,056	19%
Restricted	2,943	1,789	65%	321	304	6%	3,264	2,093	56%
Unrestricted (deficit)	(10,701)	(9,760)	-10%	13,513	12,062	12%	2,812	2,302	22%
<b>Total net position</b>	<b>\$ 10,521</b>	<b>\$ 9,185</b>	<b>15%</b>	<b>\$ 31,450</b>	<b>\$ 25,266</b>	<b>24%</b>	<b>\$ 41,971</b>	<b>\$ 34,451</b>	<b>22%</b>

The largest portion of the City's net position reflects its net investment capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. For 2021, the net investment in capital assets amounted to \$35,895,284. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in 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.

A major portion of the City's net position, \$3,263,996 also represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is amounting to \$2,810,969.

Explanations of significant changes displayed in Table 1 are as follows:

*Governmental Activities:*

Current liabilities – Increased \$.6 million (22%) due to new capital leases issued in the current year.

*Business-Type Activities:*

Capital asset net – Increased \$4.5 million (18%) due to an increase in purchase of capital assets and increases in construction in progress.

**Changes in Net Position**

For the year ended June 30, 2021, net position of the primary government changed as follows:

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**TABLE 2  
CHANGES IN NET POSITION (In Thousands)**

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2021	2020		2021	2020		2021	2020	
<b>Revenues</b>									
Charges for service	\$ 920	\$ 884	4%	\$ 28,057	\$ 26,455	6%	\$ 28,977	\$ 27,339	6%
Operating grants and contributions	1,962	914	115%	422	-	100%	2,384	914	161%
Capital grants and contributions	604	58	940%	552	64	763%	1,156	122	847%
Taxes	9,147	7,885	16%	-	-	-	9,147	7,885	16%
Investment income	12	20	-40%	12	138	-91%	24	158	-85%
Miscellaneous	194	284	-32%	3	1	100%	197	285	-31%
<b>Total revenues</b>	<b>12,839</b>	<b>10,045</b>	<b>28%</b>	<b>29,046</b>	<b>26,658</b>	<b>9%</b>	<b>41,885</b>	<b>36,703</b>	<b>14%</b>
<b>Expenses</b>									
General government	1,223	1,846	-34%	-	-	-	1,223	1,846	-34%
Public safety	6,539	5,421	21%	-	-	-	6,539	5,421	21%
Streets	3,556	2,820	26%	-	-	-	3,556	2,820	26%
Culture and recreation	1,284	1,456	-12%	-	-	-	1,284	1,456	-12%
Economic development	394	544	-28%	-	-	-	394	544	-28%
Interest on debt	941	831	13%	-	-	-	941	831	13%
Water	-	-	-	2,877	1,946	48%	2,877	1,946	48%
Wastewater	-	-	-	1,680	1,544	9%	1,680	1,544	9%
Sanitation	-	-	-	2,195	1,638	34%	2,195	1,638	34%
Electric	-	-	-	13,185	13,986	-6%	13,185	13,986	-6%
Airport	-	-	-	492	419	17%	492	419	17%
<b>Total expenses</b>	<b>13,937</b>	<b>12,918</b>	<b>8%</b>	<b>20,429</b>	<b>19,533</b>	<b>5%</b>	<b>34,366</b>	<b>32,451</b>	<b>6%</b>
Excess (deficiency) before transfers	(1,098)	(2,873)	62%	8,617	7,125	21%	7,519	4,252	77%
Transfers	2,434	3,187	-24%	(2,434)	(3,187)	-24%	-	-	-
<b>Change in net position</b>	<b>\$ 1,336</b>	<b>\$ 314</b>	<b>326%</b>	<b>\$ 6,183</b>	<b>\$ 3,938</b>	<b>57%</b>	<b>\$ 7,519</b>	<b>\$ 4,252</b>	<b>77%</b>

Explanations of significant changes in Table 2 are as follows:

*Governmental Activities:*

Public safety- increase \$1.1 million (21%) due to an increase in operational expenses.

Streets – increase of \$0.7 million (26%) due to an increase in street repairs and main street improvements in the current year.

General government- decrease \$0.6 million (33%) due to a decrease in operational expenses.

Operating grants and contributions – Increase of \$1.6 million (115%) due to an increase in general government and public safety grants.

Capital grants and contributions – Increase of \$0.5 million (941%) due to an increase in culture and recreation and public safety grants and a grant for street improvements.

*Business-Type Activities:*

Capital grants and contributions – increase of \$.5 million (88%) due to an increase in water grants.

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**Governmental Activities**

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants or contributions. All other governmental revenues are reported as general. It is important to note all taxes are classified as general revenue even if restricted for a specific purpose.

**TABLE 3  
Net Revenue (Expense) of Governmental Activities  
(In Thousands)**

	<u>Total Expense of Services</u>		<u>% Inc. (Dec.)</u>	<u>Net Revenue (Expense) of Services</u>		<u>% Inc. (Dec.)</u>
	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>	
	General government	\$ 1,223		\$ 1,846	-34%	
Public safety	6,539	5,421	21%	(5,299)	(4,517)	17%
Streets	3,556	2,820	26%	(3,294)	(2,613)	26%
Culture, parks and recreation	1,284	1,456	-12%	(518)	(1,101)	-53%
Economic development	394	544	-28%	(175)	(282)	-38%
Interest on long-term debt	941	831	-13%	(941)	(831)	13%
<b>Total</b>	<u>\$ 13,937</u>	<u>\$ 12,918</u>	8%	<u>(\$10,451)</u>	<u>\$ (11,062)</u>	-6%

For the year ended June 30, 2021 total expenses for governmental activities amounted to approximately \$13.9 million which was an increase from the prior year of 8%. See Table 2 above for explanations of changes.

**Business-type Activities**

**TABLE 4  
Net Revenue (Expense) of Business-Type Activities  
(In Thousands)**

	<u>Total Expense of Services</u>		<u>% Inc. Dec.</u>	<u>Net Revenue (Expense) of Services</u>		<u>% Inc. Dec.</u>
	<u>2021</u>	<u>2020</u>		<u>2021</u>	<u>2020</u>	
	Water	\$ 2,877		\$ 1,946	48%	
Wastewater	1,680	1,544	9%	874	645	36%
Sanitation	2,195	1,638	34%	525	997	-47%
Electric	13,185	13,986	-6%	5,909	4,488	32%
Airport	492	419	17%	113	(234)	-148%
<b>Total</b>	<u>\$ 20,429</u>	<u>\$ 19,533</u>	5%	<u>\$ 8,602</u>	<u>\$ 6,985</u>	23%

The City's business-type activities include utility services for water, electric, wastewater, sanitation and airport.

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In reviewing the business-type activities net (expense)/revenue, the following highlights should be noted:

- Total business-type activities reported net revenues of \$8,605,929 for the year ended June 30, 2021.

***A FINANCIAL ANALYSIS OF THE CITY'S FUNDS***

As the City completed its 2021 fiscal year, the governmental funds reported a combined fund balance of \$7.8 million or a 2.5% decrease of \$200,310. The enterprise funds reported combined net position of \$30.2 million or a 24.3% increase from 2020.

<u>Fund Balance/Net Position</u>			
Governmental Funds		Proprietary Funds	
Restricted	\$ 2,986,925	Net investment in capital assets	\$ 17,615,786
Committed	324,465	Restricted for debt service and other	321,474
Assigned	3,040,122	Unrestricted	12,231,921
Unassigned	<u>1,433,561</u>		
Total Fund Balance	<u>\$ 7,785,073</u>	Total Net Position	<u>\$ 30,169,181</u>

**General Fund Budgetary Highlights**

For budgetary reporting purposes, the General Fund reported revenues above estimates of \$1,226,771 or 14.6%, while expenditures were under the final appropriations by \$869,506 or 8.5%.

***CAPITAL ASSET AND DEBT ADMINISTRATION***

**Capital Assets**

At the end of June 30, 2021, the City had \$56.6 million invested in capital assets, net of depreciation, including police and fire equipment, buildings, park facilities, electrical infrastructure, water lines and sewer lines. (See table below). This represents a net increase of \$5.9 million or 11.6% from the prior year.

**TABLE 5  
Capital Assets  
(In Thousands)  
(Net of accumulated depreciation)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 4,601	\$ 4,601	\$ 780	\$ 765	5,381	\$ 5,366
Buildings	6,384	6,725	7,773	8,250	14,157	14,975
Machinery, furniture and equipment	2,895	1,956	4,890	4,580	7,785	6,536
Infrastructure	13,504	11,873	12,579	7,647	26,083	19,520
Construction in progress	114	909	3,046	3,361	3,160	4,270
<b>Totals</b>	<u>\$ 27,498</u>	<u>\$ 26,064</u>	<u>\$ 29,068</u>	<u>\$ 24,603</u>	<u>\$ 56,566</u>	<u>\$ 50,667</u>

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This year’s more significant capital asset additions placed into service included:

Main street project phase III	\$1,531,793
Central Ave streets	\$565,918
Peterbilt 20/Heil Odyssey refuse truck	\$369,500
Fire pumper truck	\$311,328
Fire tanker truck	\$304,491

See Note 6 to the financial statements for more detail information on the City’s capital assets and changes therein.

**Long- Term Debt**

At year-end, the City had \$30.7 million in long-term debt outstanding which represents a \$0.2 million decrease, or 0.6%, from the prior year. The City’s changes in long-term debt by type of debt are as follows:

**TABLE 6  
Long-Term Debt  
(In Thousands)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Accrued absences	\$ 655	\$ 540	\$ 184	\$ 165	\$ 839	\$ 705
Revenue Bonds	17,470	17,925	7,365	8,000	24,835	25,925
Bond Premium (Discount)	166	186	67	97	233	283
Notes Payable- Direct borrowing	-	-	3,587	3,138	3,587	3,138
Capital Leases	774	309	434	518	1,208	827
<b>Totals</b>	<b>\$ 19,065</b>	<b>\$ 18,960</b>	<b>\$ 11,637</b>	<b>\$ 11,918</b>	<b>\$ 30,702</b>	<b>\$ 30,878</b>

See Note 8 to the financial statements for more detail information on the City’s long-term debt and changes therein.

**The Upcoming Year**

The City’s FY 2021-2022 budget is expected to remain level with a few exceptions. The first half of the \$2.2M in American Rescue Plan Act (ARPA), associated with the Coronavirus Local Fiscal Recover Funds, monies received will be budgeted per the eligible categories. The continued electric, water, and wastewater utility rate increases will fund the needed electric, water, and wastewater system improvements to include substation upgrades and line replacement. The City expects to continue to be impacted by a struggling economy but continues building financial capacity by expanding utility services thereby improving budget stabilization for the future. Utility funds will continue to repay the utility bonds and loans for these projects.

The primary sources of revenue for the City of Miami are sales tax and utility (electric, water, and wastewater) revenues. Sales tax requires a vote of the people and cannot be adjusted without the people’s consent. The online sales tax collections, located within our use tax, continues to have a positive impact

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on our budget capacity. The City continually looks for ways to enhance our revenue base that will assist in the completion of major infrastructure and development projects. The Covid-19 pandemic that hit our community in March of 2020 continues to affect decision making. Spending remains optimistically cautious as our use and sales tax revenues remain positively affected. Sales tax for FY 20/21 ended up 16.74% and use tax up 38.79% over the previous year. We do not expect this trend to continue, but with the current inflation it may.

**Pensacola Dam Licensing**

The City has experienced flooding at various degrees for many years which the City asserts has been aggravated by operational changes at a nearby lake. The City contends that the instances of flooding have increased because the quasi-governmental agency that operates the Pensacola Dam that forms Grand Lake (and its hydroelectric operations), the Grand River Dam Authority (GRDA), has been granted permission to raise lake levels by the Federal Energy Regulatory Commission (FERC), which licenses GRDA to operate the dam.

FERC has notified the City that the appropriate time to address these problems is at the time the operational license for the dam is renewed in 2022. That process started in 2018 and could potentially take over five years to complete. The City has engaged legal counsel to represent its interest during the relicensing process and to require GRDA to modify its lake operations to reduce instances of flooding and to purchase flood easements.

New leadership as of 7/1/2020, City manager and mayor, has not changed our direction on this important matter to date.

**Contacting the City's Financial Management**

This report is designed to provide our citizens, taxpayers, customers and creditors with an understanding of the City's finances and to demonstrate the City's accountability for the resources it receives. If you have questions about this report or need additional financial information, contact:

City of Miami  
PO Box 1288  
Miami, OK 74355-1288

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**BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE**

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**Statement of Net Position– June 30, 2021**

	<b>Primary Government</b>			<b>Discretely Presented Component Units</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>ASSETS</b>				
Cash and equivalents	\$ 9,847,932	\$ 11,654,653	\$ 21,502,585	\$ 767,905
Investments	167,919	1,660,153	1,828,072	-
Accounts receivable, net	330,945	3,929,042	4,259,987	-
Due from other governments	1,287,299	479,640	1,766,939	-
Other receivables	1,094,510	436	1,094,946	19,627
Internal balances	(1,254,377)	1,254,377	-	-
Inventory	-	1,320,259	1,320,259	-
Capital Assets				
Land and construction in progress	4,714,893	3,826,643	8,541,536	350,792
Other capital assets, net of depreciation	22,783,108	25,241,582	48,024,690	8,471,245
Total assets	<u>38,972,229</u>	<u>49,366,785</u>	<u>88,339,014</u>	<u>9,609,569</u>
<b>DEFERRED OUTFLOWS:</b>				
Deferred amounts related to pensions	2,210,165	679,120	2,889,285	-
Deferred amounts related to OPEB	246,482	219,282	465,764	-
Deferred amount on refunding	281,092	-	281,092	-
Deferred amount related to GRDA settlement	-	99,788	99,788	-
Total deferred outflows of resources	<u>2,737,739</u>	<u>998,190</u>	<u>3,735,929</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	1,296,521	2,957,043	4,253,564	8,286
Claims liability	818,976	-	818,976	-
Accrued interest payable	44,403	117,356	161,759	-
Long-term liabilities				
Due within one year	687,564	1,728,584	2,416,148	284,065
Due in more than one year	26,492,856	13,061,110	39,553,966	-
Total liabilities	<u>29,340,320</u>	<u>17,864,093</u>	<u>47,204,413</u>	<u>292,351</u>
<b>DEFERRED INFLOWS:</b>				
Deferred amounts related to pensions	942,615	383,448	1,326,063	-
Deferred amounts related to OPEB	906,259	667,959	1,574,218	-
Total deferred inflows of resources	<u>1,848,874</u>	<u>1,051,407</u>	<u>2,900,281</u>	<u>-</u>
<b>NET POSITION:</b>				
Net investment in capital assets	18,279,498	17,615,786	35,895,284	8,543,375
Restricted	2,942,522	321,474	3,263,996	-
Unrestricted (deficit)	(10,701,246)	13,512,215	2,810,969	773,843
Total net position	<u>\$ 10,520,774</u>	<u>\$ 31,449,475</u>	<u>\$ 41,970,249</u>	<u>\$ 9,317,218</u>

See accompanying notes to the basic financial statements.

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**Statement of Activities –Year Ended June 30, 2021**

<b>Functions/Programs</b>	<b>Program Revenue</b>				<b>Net (Expense) Revenue and Changes in Net Position</b>			<b>Discretely Presented Component Units</b>
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Primary Government</b>			
					<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>Primary government</b>								
Governmental Activities								
General Government	\$ 1,223,303	\$ 166,872	\$ 816,281	\$ 16,000	\$ (224,150)	\$ -	\$ (224,150)	\$ -
Public Safety	6,539,110	279,891	854,653	106,043	(5,298,523)	-	(5,298,523)	-
Public Works and Streets	3,556,210	108,219	130,102	24,000	(3,293,889)	-	(3,293,889)	-
Culture and Recreation	1,284,295	171,844	135,907	458,224	(518,320)	-	(518,320)	-
Economic Development	394,085	193,377	25,315	-	(175,393)	-	(175,393)	-
Interest on long-term Debt	940,526	-	-	-	(940,526)	-	(940,526)	-
Total governmental activities	<u>13,937,529</u>	<u>920,203</u>	<u>1,962,258</u>	<u>604,267</u>	<u>(10,450,801)</u>	<u>-</u>	<u>(10,450,801)</u>	<u>-</u>
Business-type activities								
Water	2,877,297	3,579,791	378,866	100,000	-	1,181,360	1,181,360	-
Wastewater	1,679,387	2,553,334	-	-	-	873,947	873,947	-
Sanitation	2,195,006	2,719,632	-	-	-	524,626	524,626	-
Electric	13,184,948	19,093,934	-	-	-	5,908,986	5,908,986	-
Airport	491,878	110,076	43,000	451,740	-	112,938	112,938	-
Total business-type activities	<u>20,428,516</u>	<u>28,056,767</u>	<u>421,866</u>	<u>551,740</u>	<u>-</u>	<u>8,601,857</u>	<u>8,601,857</u>	<u>-</u>
Total primary government	<u>\$ 34,366,045</u>	<u>\$ 28,976,970</u>	<u>\$ 2,384,124</u>	<u>\$ 1,156,007</u>	<u>(10,450,801)</u>	<u>8,601,857</u>	<u>(1,848,944)</u>	<u>-</u>
<b>Component Units</b>								
Culture and Recreation	\$ 554,041	\$ 316,755	\$ 105,012	\$ -				(132,274)
Economic Development	77,012	103,579	-	-				26,567
Total component units	<u>\$ 631,053</u>	<u>\$ 420,334</u>	<u>\$ 105,012</u>	<u>\$ -</u>				<u>(105,707)</u>
<b>General revenues:</b>								
Taxes:								
Sales and use taxes					8,611,226	-	8,611,226	-
Property tax					16,889	-	16,889	-
Franchise and public service taxes					327,900	-	327,900	-
Hotel/motel taxes					191,316	-	191,316	-
Investment income					11,619	11,827	23,446	184
Miscellaneous					193,449	3,678	197,127	-
Transfers - internal activity					2,434,330	(2,434,330)	-	-
Total general revenues and transfers					<u>11,786,729</u>	<u>(2,418,825)</u>	<u>9,367,904</u>	<u>184</u>
Change in net position					1,335,928	6,183,032	7,518,960	(105,523)
Net position - beginning					9,184,846	25,266,443	34,451,289	9,422,741
Net position - ending					<u>\$ 10,520,774</u>	<u>\$ 31,449,475</u>	<u>\$ 41,970,249</u>	<u>\$ 9,317,218</u>

See accompanying notes to the basic financial statements.

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**BASIC FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS**

**CITY OF MIAMI, OKLAHOMA**  
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**Governmental Funds Balance Sheet - June 30, 2021**

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,345,131	\$ 587,590	\$ 3,611,218	\$ 7,543,939
Investments	2,008	-	34,437	36,445
Receivables:				
Accounts receivable	232,040	98,905	-	330,945
Due from other funds	87,621	6,657	38,404	132,682
Due from other accounts	9,736	-	-	9,736
Due from other governments and entities	957,095	-	330,204	1,287,299
Other receivables	11,279	-	-	11,279
Total assets	<u>\$ 4,644,910</u>	<u>\$ 693,152</u>	<u>\$ 4,014,263</u>	<u>\$ 9,352,325</u>
 <b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 160,351	\$ 139,117	\$ 661,183	\$ 960,651
Wages payable	326,377	-	9,493	335,870
Due to other funds	68,361	38,404	-	106,765
Due to other accounts	9,736	-	-	9,736
Total liabilities	<u>564,825</u>	<u>177,521</u>	<u>670,676</u>	<u>1,413,022</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue	<u>98,820</u>	<u>-</u>	<u>55,410</u>	<u>154,230</u>
 Fund balances:				
Restricted	23,213	-	2,963,712	2,986,925
Committed	-	-	324,465	324,465
Assigned	2,524,491	515,631	-	3,040,122
Unassigned	1,433,561	-	-	1,433,561
Total fund balances	<u>3,981,265</u>	<u>515,631</u>	<u>3,288,177</u>	<u>7,785,073</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,644,910</u>	<u>\$ 693,152</u>	<u>\$ 4,014,263</u>	<u>\$ 9,352,325</u>

See accompanying notes to the basic financial statements.

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**Governmental Funds Statement of Changes in Fund Balances – Year Ended June 30, 2021**

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Taxes	\$ 6,816,565	\$ 746,313	\$ 1,390,439	\$ 8,953,317
Intergovernmental	1,427,469	24,000	763,994	2,215,463
Charges for services	185,547	-	211,416	396,963
Fines and forfeitures	263,098	-	-	263,098
Licenses and permits	101,275	-	-	101,275
Investment income	10,930	666	23	11,619
Miscellaneous	338,842	147	409,324	748,313
Total revenues	<u>9,143,726</u>	<u>771,126</u>	<u>2,775,196</u>	<u>12,690,048</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,014,366	-	3,415	1,017,781
Public Safety	5,791,950	-	161,462	5,953,412
Public works and streets	1,508,733	-	2,314,259	3,822,992
Culture and recreation	1,186,012	-	393,672	1,579,684
Economic development	427,473	-	-	427,473
Capital Outlay	871,457	2,156,900	97,405	3,125,762
Debt Service:				
Principal	257,176	52,835	465,539	775,550
Interest and other charges	12,288	-	539,956	552,244
Total expenditures	<u>11,069,455</u>	<u>2,209,735</u>	<u>3,975,708</u>	<u>17,254,898</u>
Excess (deficiency) of revenues over expenditures	(1,925,729)	(1,438,609)	(1,200,512)	(4,564,850)
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt proceeds	871,457	-	-	871,457
Transfers in	10,872,588	497,358	2,921,339	14,291,285
Transfers out	(7,675,923)	(1,230,525)	(1,891,754)	(10,798,202)
Total other financing sources and uses	<u>4,068,122</u>	<u>(733,167)</u>	<u>1,029,585</u>	<u>4,364,540</u>
Net change in fund balances	2,142,393	(2,171,776)	(170,927)	(200,310)
Fund balances - beginning	1,838,872	2,687,407	3,459,104	7,985,383
Fund balances - ending	<u>\$ 3,981,265</u>	<u>\$ 515,631</u>	<u>\$ 3,288,177</u>	<u>\$ 7,785,073</u>

See accompanying notes to the basic financial statements.

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**Reconciliation of Governmental Funds and Government-Wide Financial Statements:**

Total fund balance, governmental funds	\$	7,785,073
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		27,498,001
Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds.		154,230
Certain other assets and long-term elements are not available to pay current period expenditures and are classified as deferred outflows and are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		
Pension related deferred outflows		2,210,165
OPEB related deferred outflows		246,482
Deferred amounts on refunding		281,092
Some liabilities are not due and payable in the current period and they, along with deferred inflows, are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position:		
Capital lease obligations		(773,706)
Interest payable		(44,403)
Net pension liability		(6,620,920)
Pension related deferred inflows		(942,615)
Total OPEB liability		(1,494,748)
OPEB related deferred inflows		(906,259)
Accrued compensated absences		(655,457)
Unamortized debt premium		(165,589)
Revenue bond payable		(17,470,000)
Internal service funds are used by management to charge costs of certain activities that benefit multiple funds, such as self-insurance, to individual funds. The net position of the internal service funds are reported in governmental activities:		
Internal service fund net position		1,419,428
Net Position of Governmental Activities in the Statement of Net Position	<u>\$</u>	<u>10,520,774</u>

See accompanying notes to the basic financial statements.

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**Changes in Fund Balances – Changes in Net Position Reconciliation:**

Net change in fund balances - total governmental funds:	\$	(200,310)
<p>Amounts reported for Governmental Activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:</p>		
Capital asset purchases capitalized		3,512,174
Depreciation expense		(1,857,828)
Disposed capital assets		(134,274)
<p>In the Statement of Activities, the net cost of pension benefits earned is calculated and reported as pension expense. The fund financial statements report pension contributions as expenditures. This amount represents the difference between pension contributions and calculated pension expense.</p>		
		(240,105)
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:</p>		
Change in deferred revenue		6,324
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:</p>		
Capital lease proceeds		(871,457)
Capital lease principal payments, net of forgiven leases of \$86,369		320,550
Revenue bond principal payments		455,000
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:</p>		
Change in accrued interest payable		758
Change in accrued compensated absences		(115,723)
Change in total OPEB liability		8,892
Change in amortization of bond premium		20,276
Change in amortization of unamortized gain/loss		(88,766)
<p>Internal service fund activity is reported as a proprietary fund in fund financial statements, but certain net revenues are reported in governmental activities on the Statement of Activities:</p>		
Total change in net position for internal service funds		520,417
Change in net position of governmental activities	<u>\$</u>	<u>1,335,928</u>

See accompanying notes to the basic financial statements.

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**BASIC FINANCIAL STATEMENTS - PROPRIETARY FUNDS**

**CITY OF MIAMI, OKLAHOMA**  
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**Proprietary Funds Statement of Net Position - June 30, 2021**

	<u>Enterprise Funds</u>			
	<u>Miami Special Utility Authority</u>	<u>Airport Fund</u>	<u>Total</u>	<u>Internal Service Funds</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 3,880,575	\$ 52,329	\$ 3,932,904	\$ 2,303,993
Cash and cash equivalents, restricted	7,720,554	-	7,720,554	-
Investments	1,462,069	-	1,462,069	131,474
Accounts receivable, net	3,890,987	38,055	3,929,042	-
Other receivable	436	394,215	394,651	1,083,231
Accrued interest receivable	-	-	-	-
Inventory	1,296,120	24,139	1,320,259	-
Due from other governments	85,425	-	85,425	-
Due from other funds	32,111	30,128	62,239	208,585
Total current assets	<u>18,368,277</u>	<u>538,866</u>	<u>18,907,143</u>	<u>3,727,283</u>
Non-current assets:				
Cash and cash equivalents, restricted	1,195	-	1,195	-
Investments, restricted	198,084	-	198,084	-
Capital assets:				
Land, construction in progress, and water rights	3,216,807	609,836	3,826,643	-
Other capital assets, net of accumulated depreciation	21,516,126	3,725,456	25,241,582	-
Total non-current assets	<u>24,932,212</u>	<u>4,335,292</u>	<u>29,267,504</u>	<u>-</u>
Total assets	<u>43,300,489</u>	<u>4,874,158</u>	<u>48,174,647</u>	<u>3,727,283</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Deferred amounts related to pensions	678,543	577	679,120	-
Deferred amounts related to OPEB	219,282	-	219,282	-
Deferred amounts related to GRDA settlement	99,788	-	99,788	-
Total deferred outflow of resources	<u>997,613</u>	<u>577</u>	<u>998,190</u>	<u>-</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	2,216,072	568,918	2,784,990	-
Claims liability	-	-	-	818,976
Wages payable	169,972	2,081	172,053	-
Due to other funds	86,308	1,848	88,156	208,585
Accrued interest payable	117,356	-	117,356	-
Accrued compensated absences	17,691	135	17,826	-
Refundable deposits	37,147	-	37,147	-
Capital lease payable	289,135	-	289,135	-
Revenue bond payable	660,000	-	660,000	-
Notes payable	724,476	-	724,476	-
Total current liabilities	<u>4,318,157</u>	<u>572,982</u>	<u>4,891,139</u>	<u>1,027,561</u>
Non-current liabilities:				
Accrued compensated absences	164,720	1,212	165,932	-
Net pension liability	1,795,494	-	1,795,494	-
Total OPEB liability	987,357	-	987,357	-
Refundable deposits	333,165	-	333,165	-
Capital lease payable	144,620	-	144,620	-
Revenue bond payable	6,704,385	-	6,704,385	-
Notes payable, net	2,930,157	-	2,930,157	-
Total non-current liabilities	<u>13,059,898</u>	<u>1,212</u>	<u>13,061,110</u>	<u>-</u>
Total liabilities	<u>17,378,055</u>	<u>574,194</u>	<u>17,952,249</u>	<u>1,027,561</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Deferred amounts related to pensions	378,978	4,470	383,448	-
Deferred amounts related to OPEB	667,959	-	667,959	-
Total deferred inflow of resources	<u>1,046,937</u>	<u>4,470</u>	<u>1,051,407</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	13,280,494	4,335,292	17,615,786	-
Restricted for debt service	321,474	-	321,474	-
Unrestricted (deficit)	12,271,142	(39,221)	12,231,921	2,699,722
Total net position	<u>\$ 25,873,110</u>	<u>\$ 4,296,071</u>	<u>30,169,181</u>	<u>\$ 2,699,722</u>
Some amounts reported for business-type activities in the Statement of Net Position are different because certain internal service fund balances are included with business-type activities and reported as interfund balances			\$	1,280,294
Total net position per Government-Wide financial statements			<u>\$</u>	<u>31,449,475</u>

See accompanying notes to the basic financial statements.

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**Proprietary Funds Statement of Changes in Net Position - Year Ended June 30, 2021**

	<u>Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>Miami Special Utility Authority</u>	<u>Airport Fund</u>	<u>Total</u>	
<b>REVENUES</b>				
Charges for services	\$ 27,063,398	\$ 113,750	\$ 27,177,148	\$ 1,946,095
Fees, licenses and permits	133,611	-	133,611	-
Miscellaneous	1,065,559	-	1,065,559	651,953
Total operating revenues	<u>28,262,568</u>	<u>113,750</u>	<u>28,376,318</u>	<u>2,598,048</u>
<b>OPERATING EXPENSES</b>				
Personal services	3,849,791	41,587	3,891,378	-
Materials and supplies	11,214,602	117,749	11,332,351	-
Other services and charges	2,996,722	44,120	3,040,842	440,015
Insurance claims and expense	-	-	-	1,258,625
Depreciation expense	1,858,978	288,422	2,147,400	-
Total operating expenses	<u>19,920,093</u>	<u>491,878</u>	<u>20,411,971</u>	<u>1,698,640</u>
Operating income (loss)	<u>8,342,475</u>	<u>(378,128)</u>	<u>7,964,347</u>	<u>899,408</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	11,825	2	11,827	772
Miscellaneous	67,586	5	67,591	-
Capital grant	100,000	494,740	594,740	-
Interest expense and fiscal charges	(311,990)	-	(311,990)	-
Total non-operating revenue (expenses)	<u>(132,579)</u>	<u>494,747</u>	<u>362,168</u>	<u>772</u>
Income (loss) before contributions and transfers	<u>8,209,896</u>	<u>116,619</u>	<u>8,326,515</u>	<u>900,180</u>
Contributed assets- governmental activities	969,837	-	969,837	-
Transfers in	8,885,986	455	8,886,441	-
Transfers out	(12,290,608)	-	(12,290,608)	(88,916)
Change in net position	<u>5,775,111</u>	<u>117,074</u>	<u>5,892,185</u>	<u>811,264</u>
Total net position - beginning	20,097,999	4,178,997	24,276,996	1,888,458
Total net position - ending	<u>\$ 25,873,110</u>	<u>\$ 4,296,071</u>	<u>\$ 30,169,181</u>	<u>\$ 2,699,722</u>
Change in net position above			5,892,185	
Some amounts reported for business-type activities in the Statement of Activities are difference because the net revenue of certain internal service funds is reported with business-type activities			290,847	
Change in Business-Type Activities in Net Position per Government-Wide Financial Statements			<u>\$ 6,183,032</u>	

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA**  
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**Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2021**

	<b>Enterprise Funds</b>			
	<b>Miami</b>		<b>Total</b>	<b>Internal Service Fund</b>
	<b>Special Utility Authority</b>	<b>Airport Fund</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 28,196,800	\$ 115,095	\$ 28,311,895	\$ 1,910,166
Payments to suppliers	(14,437,008)	(17,849)	(14,454,857)	(440,575)
Payments to employees	(4,056,724)	(54,129)	(4,110,853)	-
Receipts from other funds	54,122	-	54,122	-
Payments to other funds	(142,090)	-	(142,090)	-
Receipts of customer meter deposits	163,930	-	163,930	-
Refunds of customer meter deposits	(174,410)	-	(174,410)	-
Claims and judgments paid	-	-	-	(1,064,475)
<b>Net cash provided by operating activities</b>	<b>9,604,620</b>	<b>43,117</b>	<b>9,647,737</b>	<b>405,116</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers from other funds	8,885,986	455	8,886,441	-
Transfers to other funds	(12,290,608)	-	(12,290,608)	(88,916)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(3,404,622)</b>	<b>455</b>	<b>(3,404,167)</b>	<b>(88,916)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital assets purchased	(4,675,973)	(175,399)	(4,851,372)	-
Principal paid on debt	(1,938,223)	-	(1,938,223)	-
Proceeds of capital grants	-	131,807	131,807	-
Proceeds from debt	1,298,278	-	1,298,278	-
Interest and fiscal agent fees paid on debt	(354,526)	-	(354,526)	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(5,670,444)</b>	<b>(43,592)</b>	<b>(5,714,036)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Sale (Purchase) of investments	(12,049)	-	(12,049)	(772)
Interest and dividends	12,634	2	12,636	772
<b>Net cash provided by (used in) investing activities</b>	<b>585</b>	<b>2</b>	<b>587</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>530,139</b>	<b>(18)</b>	<b>530,121</b>	<b>316,200</b>
<b>Balances - beginning of year</b>	<b>11,072,185</b>	<b>52,347</b>	<b>11,124,532</b>	<b>1,987,793</b>
<b>Balances - end of year</b>	<b>\$ 11,602,324</b>	<b>\$ 52,329</b>	<b>\$ 11,654,653</b>	<b>\$ 2,303,993</b>
<b>Reconciliation to Statement of Net Position:</b>				
Cash and cash equivalents	\$ 3,880,575	\$ 52,329	\$ 3,932,904	\$ 2,303,993
Restricted cash and cash equivalents - current	7,720,554	-	7,720,554	-
Restricted cash and cash equivalents - noncurrent	1,195	-	1,195	-
<b>Total cash and cash equivalents, end of year</b>	<b>\$ 11,602,324</b>	<b>\$ 52,329</b>	<b>\$ 11,654,653</b>	<b>\$ 2,303,993</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 8,342,475	\$ (378,128)	\$ 7,964,347	\$ 899,408
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	1,858,978	288,422	2,147,400	-
Other nonoperating revenue	167,586	7	167,593	-
Change in assets and liabilities:				
Receivables, net	(233,354)	1,340	(232,014)	(687,882)
Due from other funds	(142,090)	-	(142,090)	-
Inventory	(18,880)	1,155	(17,725)	-
Deferred outflows related to pension	(137,089)	(3,370)	(140,459)	-
Deferred outflows related to OPEB	19,181	-	19,181	-
Deferred outflows related to GRDA Settlement	11,331	-	11,331	-
Accounts payable	(218,135)	142,863	(75,272)	(560)
Claims liability	-	-	-	194,150
Due to other funds	54,122	-	54,122	-
Due to employees	2,219	(32)	2,187	-
Refundable deposits	(10,480)	-	(10,480)	-
Total OPEB liability	(105,211)	-	(105,211)	-
Net pension liability	32,004	-	32,004	-
Accrued compensated absences	17,916	512	18,428	-
Deferred inflows related to pension	(100,635)	(9,652)	(110,287)	-
Deferred inflows related to OPEB	64,682	-	64,682	-
<b>Net cash provided by operating activities</b>	<b>\$ 9,604,620</b>	<b>\$ 43,117</b>	<b>\$ 9,647,737</b>	<b>\$ 405,116</b>
<b>Noncash activities:</b>				
Assets contributed by governmental activities	\$ 969,837	\$ -	\$ 969,837	\$ -
Asset acquired by capital lease	369,500	-	369,500	-
Asset acquired via accounts payable	422,010	-	422,010	-
	<b>\$ 1,761,347</b>	<b>\$ -</b>	<b>\$ 1,761,347</b>	<b>\$ -</b>

See accompanying notes to the basic financial statements.

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**BASIC FINANCIAL STATEMENTS – DISCRETELY PRESENTED COMPONENT UNITS**

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**Discretely Presented Component Units Combining Statement of Net Position - June 30, 2021**

	<u>MCFA</u>	<u>MDRA</u>	<u>MIDA</u>	<u>MIPFA</u>	<u>Total</u>
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 248,179	\$ 73,436	\$ 246,360	\$ 199,930	\$ 767,905
Other receivable	7,665	-	11,962	-	19,627
Total current assets	<u>255,844</u>	<u>73,436</u>	<u>258,322</u>	<u>199,930</u>	<u>787,532</u>
Non-current assets:					
Capital assets:					
Land, construction in progress, and water rights	-	-	102,571	248,221	350,792
Other capital assets, net of accumulated depreciation	7,485,370	2,524	704,906	278,445	8,471,245
Total non-current assets	<u>7,485,370</u>	<u>2,524</u>	<u>807,477</u>	<u>526,666</u>	<u>8,822,037</u>
Total assets	<u>7,741,214</u>	<u>75,960</u>	<u>1,065,799</u>	<u>726,596</u>	<u>9,609,569</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued liabilities	269	6,009	-	2,008	8,286
Accrued compensated absences	-	2,927	-	-	2,927
Accrued interest on notes payable	-	-	2,477	-	2,477
Notes payable	-	-	278,661	-	278,661
Total liabilities	<u>269</u>	<u>8,936</u>	<u>281,138</u>	<u>2,008</u>	<u>292,351</u>
<b>NET POSITION</b>					
Net investment in capital assets	7,485,370	2,524	528,815	526,666	8,543,375
Unrestricted	255,575	64,500	255,846	197,922	773,843
Total net position	<u>\$ 7,740,945</u>	<u>\$ 67,024</u>	<u>\$ 784,661</u>	<u>\$ 724,588</u>	<u>\$ 9,317,218</u>

See accompanying notes to the basic financial statements.

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**Discretely Presented Component Units Combining Statement of Changes in Net Position - Year Ended June 30, 2021**

	<u>MCFA</u>	<u>MDRA</u>	<u>MIDA</u>	<u>MIPFA</u>	<u>Total</u>
<b>REVENUES</b>					
Charges for services	\$ 118,095	\$ 178,660	\$ 77,755	\$ 25,824	\$ 400,334
Miscellaneous	-	20,000	-	-	20,000
Total operating revenues	<u>118,095</u>	<u>198,660</u>	<u>77,755</u>	<u>25,824</u>	<u>420,334</u>
<b>OPERATING EXPENSES</b>					
Personal services	-	105,219	-	-	105,219
Materials and supplies	306	16,352	-	-	16,658
Other services and charges	42,709	135,233	13,745	3,213	194,900
Depreciation expense	251,697	2,525	20,727	28,713	303,662
Total operating expenses	<u>294,712</u>	<u>259,329</u>	<u>34,472</u>	<u>31,926</u>	<u>620,439</u>
Operating income (loss)	<u>(176,617)</u>	<u>(60,669)</u>	<u>43,283</u>	<u>(6,102)</u>	<u>(200,105)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment income	-	-	1	183	184
Miscellaneous income	20	104,992	-	4,797	109,809
Interest expense and fiscal charges	-	-	(10,614)	-	(10,614)
Total non-operating revenue (expenses)	<u>20</u>	<u>104,992</u>	<u>(10,613)</u>	<u>4,980</u>	<u>99,379</u>
Change in net position	(176,597)	44,323	32,670	(1,122)	(100,726)
Total net position - beginning	7,917,542	22,701	751,991	725,710	9,417,944
Total net position - ending	<u>\$ 7,740,945</u>	<u>\$ 67,024</u>	<u>\$ 784,661</u>	<u>\$ 724,588</u>	<u>\$ 9,317,218</u>

See accompanying notes to the basic financial statements.

**FOOTNOTES TO BASIC FINANCIAL STATEMENTS**

**Footnotes to the Basic Financial Statements:**

**1. Financial Reporting Entity**

In determining the financial reporting entity, the City uses the integrated approach as prescribed by Governmental Accounting Standards Board Statements No. 14 “The Financial Reporting Entity”, and Statement No. 61, “*The Financial Reporting Entity: Omnibus*”, and includes all component units for which the City is financially accountable/fiscally responsible. The City’s financial reporting entity primary government presentation includes the City of Miami and the certain component units as follows:

**The City of Miami** – that operates the public safety, health and welfare, streets and highways, culture and recreation, and administrative activities.

The City of Miami is an incorporated municipality with a population of approximately 13,570 located in northeastern Oklahoma. The City operates under a council-manager form of government with a charter that provides for three branches of government:

- Legislative – the governing body includes an elected five-member City Council and Mayor
- Executive – the City Manager is the Chief Executive Officer and is appointed by the City Council
- Judicial – the Municipal Judge is a practicing attorney appointed by the City Council

**Blended Component Units** (separate legal entities for which the City Council is fiscally responsible, and for which the City Council members serve as the trustees/governing body of the entity):

**Miami Special Utility Authority (MSUA)** – public trust that operates the electric, water, wastewater, and solid waste/sanitation services of the City.

**Miami Development Authority (MDA)** – public trust created to promote the development of housing in Miami.

**Discretely Presented Component Units** (separate legal entities for which the City Council is fiscally responsible, but appoints a separate governing body):

**Miami Downtown Redevelopment Authority (MDRA)** – public trust created to promote the redevelopment of the downtown area. The Authority does not issue separate financial statements.

**Miami Industrial and Public Facilities Authority (MIPFA)** – public trust that promotes the use of facilities in the City of Miami area. The Authority does not issue separate financial statements.

**Miami Community Facilities Authority (MCFA)** – public trust that promotes the development of commerce, housing, recreation, education and public facilities within the city. The Authority does not issue separate financial statements.

**Miami Industrial Development Authority (MIDA)** – public trust that promotes industry in and around the City of Miami. Complete financial statements can be obtained from the office of the City Clerk. MIDA’s fiscal year end is July 31.

**Miami Education Facilities Authority (MEFA)** – public trust that promotes the development of educational facilities within the city. The trust is currently inactive.

Each of these component units listed above are Public Trusts established pursuant to Title 60 of Oklahoma State law. Public Trusts (Authorities) have no taxing power. The Authorities are generally created to finance City services through issuance of revenue bonds or other non-general obligation debt and to enable the City Council to delegate certain functions to the governing body (Trustees) of the Authority. In accordance with state law, the City Council must approve, by two-thirds vote, all debt obligations of these public trusts prior to incurring the obligation. The Authorities generally retain title to assets which are acquired or constructed with Authority debt or other Authority generated resources. In addition, the City has leased certain existing assets at the creation for the Authorities to the Trustees on a long-term basis. The City, as beneficiary of the Public Trusts, receives title to any residual assets when a Public Trust is dissolved.

## **2. Basis of Presentation and Accounting**

This annual report is presented in a format that substantially meets the presentation requirements of the Governmental Accounting Standards Board (GASB) in accordance with generally accepted accounting principles. The presentation includes financial statements that communicate the City's financial condition and changes therein at two distinct levels:

- **The City as a Whole** (a government-wide presentation)
- **The City's Funds** (a presentation of the City's major and aggregate non-major funds)

### **Government-Wide Financial Statements:**

In the Statement of Net Position and the Statement of Activities, we divide the City into three kinds of activities:

*Governmental activities* - Most of the City's basic services are reported here, including the police, fire, general administration, streets, parks and recreation. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.

*Business-type activities* – Services where the City charges a fee to customers to help it cover all or most of the cost of these services it provides. The City's airport, water, sewer, electric and sanitation systems activities are reported here.

*Discretely presented component units* -- Accounts for various activities related to economic development, facility management, facility construction, and downtown development.

The Statements of Net Position and Activities are reported on the accrual basis of accounting and economic resources measurement focus. Under the accrual basis of accounting, revenues are recognized when earned and expenses (including depreciation and amortization) are recorded when the liability is incurred or economic asset used.

### **Fund Financial Statements:**

#### ***Governmental Funds:***

Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Governmental

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funds report their activities on the modified accrual basis of accounting and current financial resources measurement focus that is different from other funds. For example, these funds report the acquisition of capital assets and payments for debt principal as expenditures and not as changes to asset and debt balances. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine (through a review of changes to fund balance) whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The City's governmental funds include:

**Major Funds:**

- General Fund – accounts for all activities not accounted for in other special-purpose funds. For reporting purposes the General Fund includes the activities of the Municipal Court Account, Travel Center Account, MCVB & Tourism Account, and Demolition Account. The General Fund's major funding source is a three cent sales tax, franchise fees, hotel/motel tax, and miscellaneous charges for services.
- Capital Improvement Fund accounts for use tax used for city capital projects for various departments.

**Aggregated Non-Major Funds (reported as Other Governmental Funds):**

Special Revenue Funds include the Fishing License Fund, Street and Alley, Drug Forfeiture Fund, Parks and Recreation Program, Grant and Donation Fund, MDA Housing Construction, and Police Grant.

Debt Service Funds – accounts for ad-valorem taxes levied by the City for use in retiring court-assessed judgments, general obligation bonds, and their related interest expenses.

**Capital Project Funds:**

- Pool Improvements Fund accounts for funds used to rehabilitate the municipal pool.
- Parks Department Projects accounts for general obligation bond proceeds used to acquire, construct, and equip city park and recreation facilities.
- Main Street Project accounts for projects related to the revitalization of Main Street.
- Street and Stadium Project Fund – is a capital project fund that accounts for a .65 cent sales tax restricted for streets and stadium projects.
- Cemetery Care Fund accounts for cemetery fees that are restricted for capital improvements.

The governmental funds are reported on the modified accrual basis of accounting. On the modified accrual basis of accounting, revenues are recorded when earned and measurable and available to pay current financial obligations, while expenditures are recorded when incurred and normally due and payable from current financial resources. The City defines revenue availability as collected within 60 days of period end.

The reconciliation of the governmental funds financial statements to the governmental activities presentation in the government-wide financial statements is the result of the use of the accrual basis of accounting and economic resources measurement focus at the government-wide level.

***Proprietary Funds:***

When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds include enterprise funds and internal service funds. Enterprise funds are used to account for business-like activities provided to the general public. Internal service funds are used to account for business-like activities provided to other funds or departments of the City. Proprietary funds are reported on the accrual basis of accounting and economic resources measurement focus. For example, proprietary fund capital assets are capitalized and depreciated and principal payments on long-term debt are recorded as a reduction to the liability.

The City's proprietary funds include the following:

**Enterprise Funds**

Major Funds:

- Miami Special Utility Authority (MUSA) that accounts for the activities of the public trust in providing water, sewer, electric, and sanitation/solid waste services to the public.
- Airport Fund accounts for activities of the municipal airport.

**Internal Service Funds** (combined for reporting purposes)

- Health Insurance Fund that accounts for the cost of providing various group health and life insurance services to other funds and departments of the City.
- Workers Compensation Fund that accounts for the cost of providing workers compensation insurance to the other funds and departments of the City.
- Unemployment Compensation Reimbursement that accounts for the cost of providing unemployment benefits.

**3. Cash and Cash Equivalents, Deposits and Investments**

Cash and cash equivalents includes all demand and savings accounts, certificates of deposit or short-term investments with an original maturity of three months or less, and money market investments. Trust account investments in open-ended mutual fund shares are also considered cash equivalents.

Investments consist of long-term certificates of deposits and government money market funds. Certificates of deposit are reported at cost.

**Deposits and Investments Risks**

The City of Miami primary government and component units are governed by the deposit and investment limitations of state law and trust indentures. The deposits and investments held at June 30, 2021 by these entities are as follows:

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Type	Fair Value	Credit Rating	Maturities in Years	
			On Demand	Less Than One
Demand deposits	\$ 13,512,369	N/A	\$ 13,512,369	\$ -
Cash on hand	3,395	N/A	3,395	-
Time deposits	1,828,072	N/A	-	1,828,072
Money Market Funds	7,986,821	Not rated	-	7,986,821
Sub-Total	<u>\$ 23,330,657</u>		<u>\$ 13,515,764</u>	<u>\$ 9,814,893</u>
<b>Reconciliation to Financial Statements:</b>				
Cash and cash equivalents	\$ 21,502,585			
Investments	1,828,072			
	<u>\$ 23,330,657</u>			

GASB Statement No. 72, *Fair Value Measurement and Application*, established a hierarchy based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2021:

- Money Market Mutual Funds of \$7,986,821 were valued using quoted market prices (Level 1 inputs).

*Custodial Credit Risk* – Exposure to custodial credit risk related to deposits exists when the City holds deposits that are uninsured and uncollateralized; collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City’s name; or collateralized without a written or approved collateral agreement. Exposure to custodial credit risk related to investments exists when the City holds investments that are uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City’s name.

The City’s policy as it relates to custodial credit risk is to secure its uninsured deposits with collateral, valued at no more than market value, at least at a level of 102% of the uninsured deposits and accrued interest thereon. The City’s policy limits acceptable collateral to U.S. Treasury securities, federally insured obligations, or direct debt obligations of municipalities, counties, and school districts in Oklahoma.

Also, as required by Federal 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the board of directors or loan committee.

At June 30, 2021, the City was not exposed to custodial credit risk.

*Component Unit:*

The bank deposits of the MDRA component unit of \$73,436 at June 30, 2021 were fully insured by the F.D.I.C.

The bank deposits of the MCFA component unit of \$248,179 at June 30, 2021 were fully insured by the F.D.I.C.

The bank deposits of the MIPFA component unit of \$199,930 at June 30, 2021 were fully insured by the F.D.I.C.

The bank deposits of the MIDA component unit of \$246,360 at June 30, 2021 were fully insured by the F.D.I.C.

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*Investment Credit Risk* – The City’s investment policy limits investments, excluding retirement trust fund investments, to the following:

- a. Obligations of the U. S. Government, its agencies and instrumentalities;
- b. Collateralized or insured non-negotiable certificates of deposit or other evidences of deposit that are either insured or secured with acceptable collateral with an in-state financial institution, and fully insured deposits in out-of-state institutions;
- c. Insured or fully collateralized negotiable certificates of deposit;
- d. Repurchase agreements that have underlying collateral consisting of those items specified in paragraph a above; and
- e. Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous paragraph a.

Investment credit risk is the risk that an issuer or other counterpart to an investment will not fulfill its obligations. The City has no formal policy limiting investments based on credit rating, but discloses any such credit risk associated with their investments by reporting the credit quality ratings of investments in debt securities as determined by nationally recognized statistical rating organizations—rating agencies—as of the year end. Unless there is information to the contrary, obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk and do not require disclosure of credit quality.

*Investment Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City discloses its exposure to interest rate risk by disclosing the maturity dates of its various investments by date range.

As noted in the schedule of deposits and investments above, at June 30, 2021, the investments held by the City mature between 2021 through 2022.

*Concentration of Investment Credit Risk* - Exposure to concentration of credit risk is considered to exist when investments in any one issuer represent a significant percent of total investments of the City (any over 5% are disclosed). No concentration of credit risk existed as of June 30, 2021.

**Restricted Cash and Investments**

The amounts reported as restricted assets of the Enterprise Funds on the Statement of Net Position are comprised of amounts held by the MSUA Enterprise Fund in accounts for the Oklahoma Water Resources Board promissory notes, 2001 Utility Revenue Bond and other accounts with restricted uses. The restricted assets as of June 30, 2021 are as follows:

Cash and cash equivalents:	
Cash Restricted for Refundable deposits	\$ 49,524
Money Markets Restricted for Debt Service	7,671,030
	\$ 7,720,554
Cash and cash equivalents, noncurrent:	
Cash Restricted for Refundable deposits	1,195
	\$ 1,195
Investments:	
Refundable deposits	\$ 198,084
	\$ 198,084

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**4. Receivables**

Material receivables in the governmental fund types and the governmental activities include revenue accruals such as court fines and economic development loans. These are reported as *Due From Other Governments*. Non-exchange transactions collectible but not available are deferred in the fund financial statements. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Business-type activities and the proprietary type fund consist of revenues earned at year-end and not yet received. Billed and unbilled utility accounts receivable comprise the majority of these receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

	Accounts Receivable	Less: Allowance for Uncollectible Accounts	Net Accounts Receivable
<b>Governmental Activities:</b>			
Taxes	1,291,692	\$ -	\$ 1,291,692
Due from other governments	84,122	-	84,122
Court fines	614,803	(493,434)	121,369
Grants receivable	10,390	-	10,390
Other	1,205,181	-	1,205,181
Total Governmental Activities	\$ 3,206,188	\$ (493,434)	\$ 2,712,754
<b>Reconciliation to Statement of Net Position:</b>			
Accounts receivable, net			\$ 330,945
Due from other governmental agencies			1,287,299
Other receivable			1,094,510
Total			\$ 2,712,754
<b>Business-Type Activities:</b>			
Utilities	\$ 6,075,347	\$ (2,146,305)	\$ 3,929,042

**5. Inventories**

Inventories are valued at average cost. Inventories in the proprietary funds relate to fuel at the airport and material and supplies for the water, wastewater and electric systems. The cost of proprietary funds inventories are recorded as expenses when consumed rather than when purchased.

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**6. Capital Assets and Depreciation**

**Capital Assets:**

For the primary government and component units, capital assets are reported at actual or estimated historical cost, net of accumulated depreciation where applicable. Donated capital assets are reported at their fair value at date of donation. Estimated historical cost was used to value the majority of the capital assets acquired prior to June 30, 1992. The capitalization threshold is capital assets with a cost of \$10,000 or more.

For the year ended June 30, 2021, capital assets balances changed as follows:

	Balance at July 1, 2020	Additions	Transfers/ Deductions	Balance at June 30, 2021
<b>PRIMARY GOVERNMENT:</b>				
<i>Governmental activities:</i>				
Capital assets not being depreciated:				
Land	\$ 4,601,374	\$ -	\$ -	\$ 4,601,374
Construction in progress	909,170	59,430	855,081	113,519
Total capital assets not being depreciated	<u>5,510,544</u>	<u>59,430</u>	<u>855,081</u>	<u>4,714,893</u>
Other capital assets:				
Buildings	23,180,501	-	-	23,180,501
Infrastructure	44,861,631	2,687,938	-	47,549,569
Machinery, furniture and equipment	11,566,786	1,619,887	371,869	12,814,804
Total other capital assets at historical cost	<u>79,608,918</u>	<u>4,307,825</u>	<u>371,869</u>	<u>83,544,874</u>
Less accumulated depreciation for:				
Buildings	16,455,853	340,330	-	16,796,183
Infrastructure	32,988,407	1,057,217	-	34,045,624
Machinery, furniture and equipment	9,610,905	460,281	151,227	9,919,959
Total accumulated depreciation	<u>59,055,165</u>	<u>1,857,828</u>	<u>151,227</u>	<u>60,761,766</u>
Other capital assets, net	<u>20,553,753</u>	<u>2,449,997</u>	<u>220,642</u>	<u>22,783,108</u>
Governmental activities capital assets, net	<u>\$ 26,064,297</u>	<u>\$ 2,509,427</u>	<u>\$ 1,075,723</u>	<u>\$ 27,498,001</u>
	Restated Balance at July 1, 2020	Additions	Transfers/ Deductions	Balance at June 30, 2021
<i>Business-type activities:</i>				
Capital assets not being depreciated:				
Land	\$ 765,050	\$ 15,250	\$ -	\$ 780,300
Construction in progress	3,361,223	3,573,331	3,888,211	3,046,343
Total capital assets not being depreciated	<u>4,126,273</u>	<u>3,588,581</u>	<u>3,888,211</u>	<u>3,826,643</u>
Other capital assets:				
Buildings and utility infrastructure	21,098,912	-	-	21,098,912
Machinery, furniture and equipment	18,786,385	1,182,672	-	19,969,057
Infrastructure	24,290,394	5,729,677	-	30,020,071
Total other capital assets at historical cost	<u>64,175,691</u>	<u>6,912,349</u>	<u>-</u>	<u>71,088,040</u>
Less accumulated depreciation for:				
Buildings and utility infrastructure	12,849,168	476,870	-	13,326,038
Machinery, furniture and equipment	14,206,402	872,581	-	15,078,983
Infrastructure	16,643,488	797,949	-	17,441,437
Total accumulated depreciation	<u>43,699,058</u>	<u>2,147,400</u>	<u>-</u>	<u>45,846,458</u>
Other capital assets, net	<u>20,476,633</u>	<u>4,764,949</u>	<u>-</u>	<u>25,241,582</u>
Business-type activities capital assets, net	<u>\$ 24,602,906</u>	<u>\$ 8,353,530</u>	<u>\$ 3,888,211</u>	<u>\$ 29,068,225</u>

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Depreciation:

Depreciable capital assets are depreciated on a straight-line basis over their useful lives. The range of estimated lives by type of assets is as follows:

- Buildings 25-50 years
- Improvements other than buildings 20-50 years
- Utility property and improvements 15-50 years
- Infrastructure 15-50 years
- Machinery, furniture, and equipment 3–10 years

Depreciation of capital assets is included in total expenses and is charged or allocated to the activities primarily benefiting from the use of the specific asset. Depreciation expense has been allocated as follows:

**Governmental Activities:**

General Government	\$ 263,189
Public Safety	204,929
Streets	1,111,549
Culture and Recreation	278,161
Total	\$ 1,857,828

**Business-Type Activities:**

Airport	\$ 288,422
Electric	744,127
Water	443,347
Wastewater	426,797
Sanitation	244,707
Total	\$ 2,147,400

Capital assets of the component units were:

MIDA

	Balance at August 1, 2020	Additions	Deductions	Balance at July 31, 2021
<i>MIDA - Discreetly Presented Component unit</i>				
Capital assets not being depreciated:				
Land	\$ 102,571	\$ -	\$ -	\$ 102,571
Total capital assets not being depreciated	102,571	-	-	102,571
Other capital assets:				
Buildings and utility infrastructure	1,036,353	-	-	1,036,353
Less accumulated depreciation for:				
Buildings and utility infrastructure	310,720	20,727	-	331,447
Other capital assets, net	725,633	(20,727)	-	704,906
MIDA capital assets, net	\$ 828,204	\$ (20,727)	\$ -	\$ 807,477

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MDRA

	Balance at July 1, 2020	Additions	Deductions	Balance at June 30, 2021
<i>MDRA - Discreetly Presented Component unit</i>				
Other capital assets:				
Buildings	\$ 6,500	\$ -	\$ -	\$ 6,500
Machinery, furniture and equipment	18,756	-	-	18,756
Total other capital assets at historical cost	<u>25,256</u>	<u>-</u>	<u>-</u>	<u>25,256</u>
Less accumulated depreciation for:				
Buildings	4,550	-	-	4,550
Machinery, furniture and equipment	15,657	2,525	-	18,182
Total accumulated depreciation	<u>20,207</u>	<u>2,525</u>	<u>-</u>	<u>22,732</u>
Other capital assets, net	5,049	(2,525)	-	2,524
MDRA capital assets, net	<u>\$ 5,049</u>	<u>\$ (2,525)</u>	<u>\$ -</u>	<u>\$ 2,524</u>

MIPFA

	Balance at July 1, 2020	Additions	Deductions	Balance at June 30, 2021
<i>MIPFA - Discreetly Presented Component unit</i>				
Capital assets not being depreciated:				
Land	\$ 248,221	\$ -	\$ -	\$ 248,221
Total capital assets not being depreciated	<u>248,221</u>	<u>-</u>	<u>-</u>	<u>248,221</u>
Other capital assets:				
Buildings	570,924	-	-	570,924
Machinery, furniture and equipment	185,585	-	-	185,585
Total other capital assets at historical cost	<u>756,509</u>	<u>-</u>	<u>-</u>	<u>756,509</u>
Less accumulated depreciation for:				
Buildings	353,948	19,681	-	373,629
Machinery, furniture and equipment	95,403	9,032	-	104,435
Total accumulated depreciation	<u>449,351</u>	<u>28,713</u>	<u>-</u>	<u>478,064</u>
Other capital assets, net	307,158	(28,713)	-	278,445
MIPFA capital assets, net	<u>\$ 555,379</u>	<u>\$ (28,713)</u>	<u>\$ -</u>	<u>\$ 526,666</u>

MCFA

	Balance at July 1, 2020	Additions	Deductions	Balance at June 30, 2021
<i>MCFA - Discreetly Presented Component unit</i>				
Other capital assets:				
Buildings	\$ 8,851,209	\$ -	\$ -	\$ 8,851,209
Less accumulated depreciation for:				
Buildings	1,114,142	251,697	-	1,365,839
Other capital assets, net	<u>7,737,067</u>	<u>(251,697)</u>	<u>-</u>	<u>7,485,370</u>
MCFA capital assets, net	<u>\$ 7,737,067</u>	<u>\$ (251,697)</u>	<u>\$ -</u>	<u>\$ 7,485,370</u>

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**7. Internal and Interfund Balances and Transfers**

**Internal and Interfund Balances:**

The City's policy is to eliminate interfund receivable and payables between funds in the Statement of Net Position to avoid the grossing up of balances. Only the residual balances due between governmental and business-type activities are reported as internal balances and then offset in the total column.

<u>Receivable Fund</u>		<u>Payable Fund</u>		<u>Amount</u>	<u>Nature of Interfund Balance</u>
General Fund	*	Airport Fund	*	\$ 1,313	Payroll reimbursement
General Fund	*	MSUA	*	86,308	Payroll reimbursement
Street and Alley		Capital Improvement Fund		38,404	Expense reimbursement
Capital Improvement Fund		General Fund	*	6,657	Reclassification
MSUA	*	Airport Fund	*	535	Expense reimbursement
MSUA	*	General Fund	*	31,576	Posting correction
Airport Fund	*	General Fund	*	30,128	Posting correction
Workers Compensation Fund		Health Insurance Fund		208,585	deposit to the wrong fund
Total				<u>\$ 403,506</u>	

\* Denotes major fund.

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Net Internal Balances</u>
Reconciliation to Fund Financial Statements:			
Governmental Funds	\$ 132,682	\$ (106,765)	\$ 25,917
Proprietary Funds	62,239	(88,156)	(25,917)
Internal Service Funds	208,585	(208,585)	-
Total	<u>\$ 403,506</u>	<u>\$ (403,506)</u>	<u>\$ -</u>

Reconciliation to Statement of Net Position:

Net Internal Balances	\$ (25,917)
Internal Service Fund Activity reported in Business-type Activities	1,280,294
Net Internal Balance	<u>\$ 1,254,377</u>

**Internal and Interfund Transfers:**

The City's policy is to eliminate interfund transfers between funds in the Statement of Activities to avoid the grossing up of balances. Only the residual balances transferred between governmental and business-type activities are reported as internal transfers and then offset in the total column. Internal activities between funds and activities for the year ended June 30, 2021 were as follows:



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**Primary Government:**

<u>Type of Debt</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Revenue Bond Premium	\$ 185,865	\$ -	\$ 20,276	\$ 165,589	\$ -
Revenue Bonds	17,925,000	-	455,000	17,470,000	465,000
Capital Lease Obligations	309,168	871,457	406,919	773,706	157,019
Accrued Compensated Absences	539,734	115,723	-	655,457	65,545
	<u>\$ 18,959,767</u>	<u>\$ 987,180</u>	<u>\$ 882,195</u>	19,064,752	687,564
Plus: Total OPEB liability				1,494,748	-
Net pension liability				6,620,920	-
				<u>\$ 27,180,420</u>	<u>\$ 687,564</u>
Reconciliation to Statement of Net Position:					
Due within one year				\$ 687,564	
Due in more than one year				26,492,856	
				<u>\$ 27,180,420</u>	

<u>Type of Debt</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
<b>Business-Type Activities:</b>					
Notes Payable - Direct borrowings	\$ 3,138,121	\$ 1,298,278	\$ 849,023	\$ 3,587,376	\$ 805,478
Unamortized Bond Premium (Discount)	96,207		29,565	66,642	-
Revenue Bonds	8,000,000	-	635,000	7,365,000	660,000
Capital Lease Obligations	518,455	369,500	454,200	433,755	289,135
Accrued Compensated Absences	165,330	18,428	-	183,758	17,826
	<u>\$ 11,918,113</u>	<u>\$ 1,686,206</u>	<u>\$ 1,967,788</u>	11,636,531	1,772,439
Plus: Total OPEB liability				987,357	-
Net pension liability				1,795,494	-
Refundable deposits				370,312	37,147
				<u>\$ 14,789,694</u>	<u>\$ 1,809,586</u>
Reconciliation to Statement of Net Position:					
Due within one year				\$ 1,728,584	
Due in more than one year				13,061,110	
				<u>\$ 14,789,694</u>	

*Governmental activities* long-term debt payable from property tax levies or other governmental revenues includes the following:

**Revenue Bond Payable –**

2016 Sales Tax Revenue Bond for \$19,375,000 with interest from .45% to 2.375%

Debt service payments are due semi-annually through December 2046. Bonds are secured with net revenues of the Special Utility Authority and a pledged sales tax.

\$17,470,000

Current portion	\$465,000
Non-current portion	<u>17,005,000</u>
	<u>\$17,470,000</u>

**Capital Lease Obligations:**

\$90,154 capital lease obligation for the purchase of a crawler/dozer, matures September 2021 with a stated interest rate of 3.81%.

\$2,623

\$304,491 capital lease obligation for the purchase of fire tanker trucks, matures August 2027 with a stated interest rate of 2.14%

270,586

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\$311,328 capital lease obligation for the purchase of police cars, matures August 2027 with a stated interest rate of 2.14%.	276,662
\$255,638 capital lease obligation for the purchase of excavator, matures February 2025 with a stated interest rate of 1.67%.	202,803
\$149,481 capital lease obligation for the purchase of fire rescue truck, matures March 21,2022 with a stated interest rate of 3.01%.	<u>21,032</u>
Total capital lease obligations	<u>\$773,706</u>
Current portion	\$157,019
Non-current portion	<u>616,687</u>
	<u>\$773,706</u>

*Business-type activities* long-term debt payable from net revenues generated by and taxes pledged to the City's business-type activities include the following:

**Capital Lease Obligation:**

\$369,500 capital lease obligation for the purchase of a refuse truck, matures February 2023 with a stated interest rate of 1.50%	\$244,495
\$285,663 capital lease obligation for the purchase of a digger derrick truck, matures July 2021 with a stated interest rate of 1.95%	114,152
\$95,994 capital lease obligation for the purchase of a truck for water, matures August 2022 with a stated interest rate of 2.99%.	25,172
\$86,408 capital lease obligation for the purchase of a tractor, matures July 2021 with a stated interest rate of 1.95%.	4,465
\$197,131 capital lease obligation for the purchase of a roll-off truck, matures February 2022 with a stated interest rate of 3.98%.	<u>45,471</u>
Total Capital Leases	<u>\$433,755</u>
Current portion	\$289,135
Non-current portion	<u>144,620</u>
	<u>\$433,755</u>

**Revenue Bond Payable –**

2011 SUA Revenue Bond for \$1,915,000 with interest from 1.45% to 2.90% Debt service payments are due semi-annually through December 2021. Bonds are secured with net revenues of the Special Utility Authority.	\$210,000
2018 Utility System Revenue Bond for \$8,000,000 with interest from 3.5% to 4.0% Debt service payments are due semi-annually through August 2033. Bonds are secured with net revenues of the Special Utility Authority and a pledged sales tax.	<u>\$7,155,000</u>
Total Revenue Bonds Payable	<u>\$7,365,000</u>
Current portion	\$660,000
Non-current portion	<u>6,705,000</u>
	<u>\$7,365,000</u>

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**Notes Payable –**

**Oklahoma Water Resources Board – Direct Borrowings:**

2003A Note payable to Oklahoma Water Resources Board, dated December 31, 2003, original amount \$1,760,000 with an annual administration fee of 0.5% due in semi-annual installments, with final payment due December 31, 2023 secured by and payable from utility revenues for sanitation, water, and sewer. Proceeds used for capital improvements related to waste water. In the event of default on the OWRB loans, the lender may: 1) file suit for specific performance of covenants contained in the agreement; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action in action of parties under provisions of the indenture, security agreement or lease agreement.	\$220,000
2004A Note payable to Oklahoma Water Resources Board, dated June 25, 2004, original amount \$1,595,538 with an annual administration fee of 0.5% due in semi-annual installments, with final payment due June 25, 2024 secured by and payable from utility revenues for water, sewer, and garbage collection and disposal system. Proceeds used for capital improvements related to waste water. In the event of default on the OWRB loans, the lender may: 1) file suit for specific performance of covenants contained in the agreement; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action in action of parties under provisions of the indenture, security agreement or lease agreement.	239,331
2004C Note payable to Oklahoma Water Resources Board, dated October 26, 2004, original amount \$1,620,000 with interest rate of 3.0% and 0.5% annual administrative fee due in semi-annual installments, with final payment due October 26, 2024 secured by and payable from utility revenues for water, sewer, and garbage collection and disposal system. Proceeds used for capital improvement related to water. In the event of default on the OWRB loans, the lender may: 1) file suit for specific performance of covenants contained in the agreement; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action in action of parties under provisions of the indenture, security agreement or lease agreement.	410,869
2005 Note payable to Oklahoma Water Resources Board, dated September 15, 2005, original amount \$563,000 with an annual administration fee of 0.5% due in semi-annual installments, with final payment due September 15, 2025 secured by and payable from utility revenues for water, sewer, and garbage collection and disposal system. Proceeds used for capital improvements related to waste water. In the event of default on the OWRB loans, the lender may: 1) file suit for specific performance of covenants contained in the agreement; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action in action of parties under provisions of the indenture, security agreement or lease agreement.	133,548
2019 Note payable to Oklahoma Water Resources Board, dated July 15, 2019, original amount \$1,830,000 with interest rate of 4.2% due in semi-annual installments, secured by and payable from utility revenues for water, sewer, and electric system, with final payment due September 15, 2023. This note is a current refunding of the outstanding portion of the Series 2003B note and the Series 2004B note, proceeds used for capital improvements related to water and sewer systems. In the event of default on the OWRB loans, the lender may: 1) file suit for specific performance of covenants contained in the agreement; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action in action of parties under provisions of the indenture, security agreement or lease agreement.	1,345,000

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CWSRF Note payable to Oklahoma Water Resources Board, dated September 1, 2019, original amount \$4,450,000 with interest rate of 1.24% and 0.5% annual administrative fee due in semi-annual installments, secured by and payable from utility revenues for water, sewer, and garbage collection and disposal system, with final payment due March 15, 2041. Proceeds used for capital improvements related to improvements to the wastewater system. The MUSA has drawn \$49,000 of the note as of June 30. In the event of default on the OWRB loans, the lender may: 1) file suit for specific performance of covenants contained in the agreement; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action in action of parties under provisions of the indenture, security agreement or lease agreement.

8,000

DWSRF Note payable to Oklahoma Water Resources Board, dated May 1, 2020, original amount \$2,785,000 with interest rate of 1.51% and 0.5% administrative fee due in semi-annual installments, secured by and payable from utility revenues for water, sewer, and garbage collection and disposal system, with final payment due March 15, 2042. Proceeds used for improvements for the drinking water treatment system drinking water project. The MUSA has drawn \$1,330,628 of the note as of June 30. In the event of default on the OWRB loans, the lender may: 1) file suit for specific performance of covenants contained in the agreement; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action in action of parties under provisions of the indenture, security agreement or lease agreement.

1,230,629

Total Notes Payable – Oklahoma Water Resources Board

\$3,587,376

Current portion  
Non-current portion

\$724,476  
2,862,900  
\$3,587,376

**Long-term debt service requirements to maturity are as follows:**

Governmental-Type Activities				
Year Ending June 30,	Revenue Bonds Payable		Capital Leases	
	Principal	Interest	Principal	Interest
2022	465,000	528,187	157,019	17,451
2023	475,000	518,788	137,303	10,339
2024	485,000	509,188	140,023	7,618
2025	495,000	499,387	142,798	4,843
2026	505,000	489,388	92,794	2,012
2027-2031	2,125,000	2,286,143	103,769	1,465
2032-2036	-	2,188,250	-	-
2037-2041	4,435,000	1,389,950	-	-
2042-2046	3,925,000	771,375	-	-
2047	4,560,000	71,250	-	-
Total	<u>\$ 17,470,000</u>	<u>\$ 9,251,906</u>	<u>\$ 773,706</u>	<u>\$ 43,728</u>

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<b>Business-Type Activities</b>						
Year Ending June 30,	Notes Payable-Direct Borrowings		Revenue Bonds Payable		Capital Leases Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 805,478	\$ 171,673	\$ 660,000	\$ 242,370	\$ 289,135	\$ 6,839
2023	964,952	148,582	465,000	221,325	144,620	1,922
2024	1,229,897	124,340	485,000	202,725	-	-
2025	1,021,086	102,480	500,000	188,175	-	-
2026	345,336	89,012	515,000	173,175	-	-
2027-2031	1,549,250	371,146	2,815,000	622,075	-	-
2032-2036	1,646,250	239,279	1,925,000	136,325	-	-
2037-2041	1,746,250	98,495	-	-	-	-
2042	234,250	4,034	-	-	-	-
Amount to be drawn	(5,955,374)	-	-	-	-	-
Total	<u>\$ 3,587,375</u>	<u>\$ 1,349,041</u>	<u>\$ 7,365,000</u>	<u>\$ 1,786,170</u>	<u>\$ 433,755</u>	<u>\$ 8,761</u>

MDRA Debt:

<u>Type of Debt</u>	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
<b>Component Unit:</b>					
Accrued Compensated Absences	-	2,927	-	2,927	293
Total MDRA	<u>\$ -</u>	<u>\$ 2,927</u>	<u>\$ -</u>	<u>\$ 2,927</u>	<u>\$ 293</u>

MIDA Debt (direct borrowings):

The MIDA issued the 2005 note payable to the Miami Area Economic Development Services, Inc, payable in monthly Installments of \$3,300 with interest at 5.00% maturity date of February 1, 2020 \$152,677

The MIDA issued the 2005 note payable to the Miami Area Economic Development Services, Inc, payable in monthly Installments of \$1,918, with interest of 1.25%, maturity date of February 1, 2020 97,067

The MIDA issued the 2005 note payable to the Miami Area Economic Development Services, Inc. payable in monthly Installments of \$607, with interest of 4.00%, maturity date of February 1, 2020 28,917

Total debt outstanding – MIDA \$278,661

<u>Type of Debt</u>	<u>Balance August 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance July 31, 2021</u>	<u>Due Within One Year</u>
<b>Component Unit:</b>					
MIDA Note payable (direct borrowings)	\$ 332,615	-	\$ 53,954	\$ 278,661	\$ 278,661

<b>Component Unit - MIDA</b>		
<u>Year Ending June 30,</u>	<u>Notes Payable - direct borrowing</u>	
	<u>Principal</u>	<u>Interest</u>
2022	278,661	-
Total	<u>\$ 278,661</u>	<u>\$ -</u>

**Pledge of Future Revenues**

*Utility Net Revenues Pledge* - The City and Special Utility Authority have pledged net utility revenues of the water, electric and wastewater systems to repay the OWRB Series 2003A, 2004A, 2004C, 2005, and 2019 promissory notes payable. Proceeds from the notes provided financing for capital assets. The notes are payable from net utility revenues and are payable through 2025. The total principal and interest payable for the remainder of the life of these notes is \$2,442,155. The 2019 note refinanced the 2003B and 2004 B notes. Net utility revenues received in the current year were \$9,378,569. Debt service payments of \$929,493 for the current fiscal year were 9.9% of pledged net utility revenues.

*Pledged Sales Tax* – The City has pledged 3.65 cents (or 100%) of future sales tax revenues to repay \$1,915,000 of the Series 2011 Revenue Bonds, \$19,375,000 of the Series 2016 Sales Tax Revenue Refunding Bonds, and 8,000,000 of the Series 2018 Revenue Bonds. Three cents of the sales tax was voted by the citizens for general operations and .65 cent is legally restricted by a vote of the citizens for street and stadium purposes. The 2011 Revenue bonds are for water improvements. The 2016 bonds refinanced the 2010 bonds that were originally for street purposes and the 2013 bond anticipation note for the stadium construction. The .65 sales tax is used to pay the debt service on the 2016 bonds and the three cents is sent back to the general fund if not needed for debt service. The bonds are payable from pledged sales tax and net utility revenues and are payable through 2021, 2046 and 2033, respectively. The total principal and interest payable for the remainder of the life of these bonds is \$35,873,076. Pledged sales taxes received in the current year were \$7,655,458. Net revenues and sales tax pledged during the year was \$17,034,027. Debt service payments of \$1,889,170 for the current fiscal year were 11.1% of the pledged revenue.

**9. Net Position and Fund Balances**

Government-wide net position is displayed in three components:

- a. *Net investment in capital assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- b. *Restricted net position* - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted net position* - All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

It is the City’s policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

At June 30, 2021 net position restricted by enabling legislation totaled \$297,247.

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*Fund Balance:*

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned. These classifications are defined as:

- a. Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- b. Restricted – consists of fund balance with constraints placed on the use of resources either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) laws through constitutional provisions or enabling legislation.
- c. Committed – included amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city’s highest level of decision-making authority. The City’s highest level of decision-making authority is made by ordinance.
- d. Assigned – includes amounts that are constrained by the city’s intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by city council action or management decision (city manager) when the city council has delegated that authority. Assignments for revenues in other governmental funds are made through budgetary process.
- e. Unassigned – represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the General Fund.

The City’s policy for the use of fund balance amounts require that committed amounts would be reduced first followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The following table shows the fund balance classifications as shown on the Governmental Funds Balance Sheet:

	General Fund	Major Capital Project Fund		Other Governmental Fund	Total
		Capital Improvement Fund			
Fund Balance:					
Restricted For:					
Police operations - grants	\$ -	\$ -		\$ 112,315	\$ 112,315
General obligation debt service	-	-		491,503	491,503
Capital improvements	-	-		135,093	135,093
Street improvements	-	-		609,988	609,988
Culture and rec programs	23,213	-		374,039	397,252
Economic development	-	-		91,716	91,716
Grant fund	-	-		1,136,444	1,136,444
Police - drug programs	-	-		12,614	12,614
Sub-total restricted	23,213	-		2,963,712	2,986,925
Committed for:					
Street operations	-	-		324,465	324,465
Assigned for:					
Capital improvements	-	515,631		-	515,631
Demolition	263,166	-		-	263,166
Culture and rec programs	13,772	-		-	13,772
Supplement next year's budget	2,247,553	-		-	2,247,553
Sub-total assigned	2,524,491	515,631		-	3,040,122
Unassigned:	1,433,561	-		-	1,433,561
<b>TOTAL FUND BALANCE</b>	<b>\$ 3,981,265</b>	<b>\$ 515,631</b>		<b>\$ 3,288,177</b>	<b>\$ 7,785,073</b>

## **11. Revenues**

### **Program Revenues:**

Program revenues within the statement of activities that are derived directly from each activity or from parties outside of the City's taxpayers are reported as program revenues. The City has the following program revenues in each activity:

- Public Safety – Fire, Police, Court, Civil Defense, fire run charges, police sentinel charges for services, restricted operating grants, 911 revenue, court and restricted capital grants
- Streets – Commercial vehicle and gasoline excise tax shared by the State
- Culture and recreation – pool fees, library fees, fishing permits, recreation fees, operating and capital grants
- General Government – license and permits, fines, cemetery revenue, and operating grants
- Economic Development – rents, operating grants

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

### **Sales Tax Revenue:**

Sales tax revenue represents a 3.65 cents tax on each dollar of taxable sales of which is collected by the Oklahoma Tax Commission and remitted to the City. The sales tax is deposited 3 cents in the general fund and .65 cents in the Street and Stadium Bond Project Fund. The entire sales tax initially reported in the General Fund is then transferred to the MSUA per the bond indenture pledge then transferred back to the appropriate funds. The .65 cents is legally restricted for street and stadium purposes by a vote of the citizens.

### **Property Tax Revenue:**

In accordance with state law, a municipality may only levy a property tax to retire general obligation debt approved by the voters and to pay judgments rendered against the City. The City's property taxes are billed and collected by the County and remitted to the City. Property taxes levied by the City are billed and collected by the County Treasurer's Office and remitted to the City in the month following collection. Property taxes are levied normally in October and are due in equal installments on December 31 and March 31. Property taxes unpaid for the fiscal year are attached by an enforceable lien on property in the following October. For the year ended June 30, 2021, the City did not assess a property tax.

## **12. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health and life; and natural disasters. The City manages these various risks of loss as follows:

- General Liability – Covered through purchased insurance
- Physical Property – Covered through purchased insurance with a \$35,000 deductible.
- Workers' Compensation – Workers' compensation is covered through self-insurance using a third party processor to process claims. The City also has a stop-loss policy

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which covers individual claims in excess \$550,000 for all classes of employees per occurrence.

- Employee’s Group Medical –Covered through self-insurance using a third party processor to process medical claims. The City uses the third party processor’s estimates to record group insurance claims payable. The City also has a stop-loss policy which covers individual claims in excess of \$75,000.
- Unemployment – the City is self-insured.

Management believes the insurance coverage listed above is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past two fiscal years.

	Worker's Compensation	Health Care	Unemployment Fund	Total
Claim liability, June 30, 2019	\$ 1,217,056	\$ 93,567	\$ -	\$ 1,310,623
Claims and changes in estimates	(33,382)	1,071,708	20,676	1,059,002
Claims payments	(680,431)	(1,057,578)	(6,790)	(1,744,799)
Claim liability, June 30, 2020	503,243	107,697	13,886	624,826
Claims and changes in estimates	471,680	750,341	6,075	1,228,096
Claims payments	(642,143)	(374,054)	(17,749)	(1,033,946)
Claim liability, June 30, 2021	<u>\$ 332,780</u>	<u>\$ 483,984</u>	<u>\$ 2,212</u>	<u>\$ 818,976</u>

**13. Retirement Plan Participation**

The following is a summary of the deferred outflows, deferred inflows and net pension liability by the various plans as of June 30, 2021:

	Governmental	Business Type	Total
<b>Deferred Outflows:</b>			
Police Pension	\$ 761,826	\$ -	\$ 761,826
Fire Pension	866,670	-	866,670
OkMRF	581,669	679,120	1,260,789
Total	<u>\$ 2,210,165</u>	<u>\$ 679,120</u>	<u>\$ 2,889,285</u>
<b>Deferred Inflows:</b>			
Police Pension	\$ 130,484	\$ -	\$ 130,484
Fire Pension	467,938	-	467,938
OkMRF	344,193	383,448	727,641
Total	<u>\$ 942,615</u>	<u>\$ 383,448</u>	<u>\$ 1,326,063</u>
<b>Net Pension Liability:</b>			
Police Pension	\$ 440,848	\$ -	\$ 440,848
Fire Pension	4,629,102	-	4,629,102
OkMRF	1,550,970	1,795,494	3,346,464
Total	<u>\$ 6,620,920</u>	<u>\$ 1,795,494</u>	<u>\$ 8,416,414</u>

**Summary of Significant Accounting Policies**

For purposes of measuring the net pension asset, net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oklahoma Firefighters Pension & Retirement System (OFPRS), Oklahoma Police Pension & Retirement System (OPPRS) and Oklahoma Municipal Retirement Fund (OkMRF) and additions to/deductions from OFPRS, OPPRS and OkMRF’s fiduciary net position have been determined on the same basis as they are reported by OFPRS, OPPRS and OkMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments held by these funds are reported at fair value.

For purposes of measuring the total OPEB liability, deferred outflows of resources, and deferred inflows and OPEB expense for the single employer other postemployment benefit plan the measurement has been prepared in accordance with GASB Statement No. 75.

**Oklahoma Municipal Retirement Plan (OkMRF) – Defined Benefit Plan**

**A. Plan Description**

The City contributes to the OkMRF for all eligible employees except for those covered by the Police and Firefighter Pension Systems. The plan is an agent multiple employer - defined benefit plan administered by OkMRF. The OkMRF plan issues a separate financial report and can be obtained from OkMRF or from their website: [www.okmrf.org/reports.html](http://www.okmrf.org/reports.html). Benefits are established or amended by the City Council in accordance with O.S. Title 11, Section 48-101-102.

**B. Eligibility Factors and Benefit Provisions**

<u>Provision</u>	<u>As of 07/01/20 OkMRF Plan</u>
a. Eligible to participate	Full-time employees except police, firefighters and other employees who are covered under an approved system.
b. Period Required to Vest	7 years of credited service beginning September 1, 2019
c. Eligibility for Distribution	-Normal retirement at age 65 with 7 years of service -Early retirement at age 55 with 7 years of service -Disability retirement upon disability with 7 years of vesting (20 years of service) -Death benefit with 10 years of service for married employees
d. Benefit Determination Base	Final average salary - the average of the five highest consecutive annual salaries out of the last 10 calendar years of service

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- e. Benefit Determination Methods:
- Normal Retirement -1.875% of final average salary multiplied by credited years of service
  - Early Retirement -Actuarially reduced benefit based upon age, final average salary, and years of service at termination
  - Disability Retirement -Same as normal retirement
  - Death Benefit -50% of employees accrued interest benefit, payable to spouse until death or spouse re-marriage. If not married, benefit is payable for 10 year certain
  - Prior to 7 Years Service -Return of employee contribution and interest
- f. Benefit Authorization -Benefits are established and amended by City Council adoption of an ordinance in accordance with O.S. Title, 11, Section 48-101-102
- g. Form of Benefit Payments Normal form is a 10 year or 120 months certain and life thereafter basis. Employee may elect, with City consent, option form based on actuarial equivalent.

**C. Employees Covered by Benefit Terms**

Active Employees	124
Deferred Vested Former Employees	12
Retirees or Retiree Beneficiaries	<u>86</u>
Total	<u>222</u>

**Contribution Requirements**

The City Council has the authority to set and amend contribution rates by ordinance for the OkMRF defined benefit plan in accordance with O.S. Title 11, Section 48-102. The contribution rates for the current fiscal year have been made in accordance with an actuarially determined rate. The actuarially determined rate is 9.45% of covered payroll as of July 1, 2020. For the year ended June 30, 2021, the City recognized \$697,304 of employer contributions to the plan which is in excess of the actuarially determined amount by \$145,666 based on covered payroll of \$5,258,704. Employees contribute 3.75% to the plan in accordance with the plan provisions adopted by the City Council. Employee contributions for fiscal 2021 were \$197,343.

**Actuarial Assumptions**

Date of Last Actuarial Valuation	July 1, 2020
a. Actuarial cost method	Entry age normal
b. Rate of Return on Investments and Discount Rate	7.50%
c. Projected Salary Increase	Varies between 7.42% and 4% based on age
d. Post Retirement cost-of-Living Increase	None

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e. Inflation Rate	2.75%										
f. Mortality Table	UP 1994, with projected mortality improvement										
g. Percent of married employees	100%										
h. Spouse age difference	3 years (female spouses younger)										
i. Turnover	<p>Select and ultimate rates Ultimate rates are age-related as shown</p> <p>Additional rates per thousand are added during the first 5 years:</p> <table border="0" style="margin-left: 40px;"> <tr><td>Year 1:</td><td>225</td></tr> <tr><td>Year 2:</td><td>140</td></tr> <tr><td>Year 3:</td><td>100</td></tr> <tr><td>Year 4:</td><td>70</td></tr> <tr><td>Year 5:</td><td>40</td></tr> </table>	Year 1:	225	Year 2:	140	Year 3:	100	Year 4:	70	Year 5:	40
Year 1:	225										
Year 2:	140										
Year 3:	100										
Year 4:	70										
Year 5:	40										
j. Date of last experience study	September 2012 for fiscal years 2007 thru 2011										

**D. Discount Rate –**

The discount rate used to value benefits was the long-term expected rate of return on plan investments of 7.50% since the plan’s net fiduciary position is projected to be sufficient to make projected benefit payments.

The City has adopted a funding method that is designed to fund all benefits payable to participants over the course of their working careers. Any differences between actual and expected experience are funded over a fixed period to ensure all funds necessary to pay benefits have been contributed to the trust before those benefits are payable. Thus, the sufficiency of pension plan assets was made without a separate projection of cash flows.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (2.75%). Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of July 1, 2020 are summarized in the following table:

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	<u>Target Allocation</u>	<u>Real Return</u>	<u>Weighted Return</u>
Large cap stocks S&P 500	25%	5.80%	1.45%
Small/mid cap stocks Russell 2500	10%	6.40%	0.64%
Long/short equity MSCI ACWI	10%	5.00%	0.50%
International stocks MSCI EAFE	20%	6.20%	1.24%
Fixed income bonds Barclay's Capital Aggregate	30%	2.30%	0.69%
Real estate NCREIF	5%	4.60%	0.23%
Cash equivalents 3 month Treasury	0%	0.00%	0.00%
<b>TOTAL</b>	<u><u>100%</u></u>		
Average Real Return			4.75%
Inflation			<u>2.75%</u>
Long-term expected return			<u><u>7.50%</u></u>

**E.** Changes in Net Pension Liability – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2020 which is also the measurement date. There were no changes in assumptions or changes in benefit terms that affected measurement of the total pension liability. There were also no changes between the measurement date of July 1, 2020 and the City’s report ending date of June 30, 2021, that would have had a significant impact on the net pension liability. The following table reports the components of changes in net pension liability:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Net Position (b)</u>	<u>Net Pension Liability (a) - (b)</u>
<b>Balances Beginning of Year</b>	<u>\$ 14,780,230</u>	<u>\$ 11,366,659</u>	<u>\$ 3,413,571</u>
<b>Changes for the Year:</b>			
Service cost	345,024	-	345,024
Interest expense	1,070,892	-	1,070,892
Experience losses (gains) - (amortized over avg remain svc period of actives & inactive)	(198,240)	-	(198,240)
Changes of assumptions	-	-	-
Contributions--City	-	657,276	(657,276)
Contributions--members	-	185,855	(185,855)
Net investment income	-	465,013	(465,013)
Benefits paid	(1,021,818)	(1,021,818)	-
Plan administrative expenses	-	(23,361)	23,361
Benefit changes due to plan amendments	-	-	-
Change in deferred contributions made subsequent to the measurement date	-	-	-
<b>Net Changes</b>	<u>195,858</u>	<u>262,965</u>	<u>(67,107)</u>
<b>Balances End of Year</b>	<u>\$ 14,976,088</u>	<u>\$ 11,629,624</u>	<u>\$ 3,346,464</u>

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*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the City, calculated using the discount rate of 7.50 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 5,146,853	\$ 3,346,464	\$ 1,863,438

The City reported \$287,594 in pension expense for the year ended June 30, 2021. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 580,873
Net difference between projected and actual earnings	263,601	-
Changes in assumptions	157,813	-
Changes in proportion and differences between City contributions and proportionate share of contributions	123,076	123,073
City contributions during measurement date	18,995	23,695
City contributions subsequent to the measurement date	697,304	-
Total	\$ 1,260,789	\$ 727,641

The \$697,304 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2022	\$	(214,892)
2023		(45,994)
2024		38,518
2025		58,212
2026		-
	\$	(164,156)

### **Oklahoma Firefighter's Pension – Statewide Cost Sharing Plan**

**Plan description** - The City of Miami, as the employer, participates in the Firefighters Pension & retirement—a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Firefighters Pension & Retirement System (FPRS). Title 11 of the Oklahoma State Statutes grants the authority to establish and amend the benefit terms to the FPRS. FPRS issues a publicly available financial report that can be obtained at [www.ok.gov/fprs](http://www.ok.gov/fprs)

**Benefits provided** - FPRS provides defined retirement benefits based on members' final average compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon death of eligible members. The Plan's benefits are established and amended by Oklahoma statute. Retirement provisions are as follows:

Normal Retirement:

- Hired Prior to November 1, 2013  
Normal retirement is attained upon completing 20 years of service. The normal retirement benefit is equal to 50% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. For volunteer firefighters, the monthly pension benefit for normal retirement is \$150.60 per month.
  
- Hired After November 1, 2013  
Normal retirement is attained upon completing 22 years of service. The normal retirement benefit is equal to 55% of the member's final average compensation. Final average compensation is defined as the monthly average of the highest 30 consecutive months of the last 60 months of participating service. Also participants must be age 50 to begin receiving benefits. For volunteer firefighters, the monthly pension benefit for normal retirement is \$165.66 per month.

All firefighters are eligible for immediate disability benefits. For paid firefighters, the disability in-the-line-of-duty benefit for firefighters with less than 20 years of service is equal to 50% of final average monthly compensation, based on the most recent 30 months of service. For firefighters with over 20 years of service, a disability in the line of duty is calculated based on 2.5% of final average monthly compensation, based on the most recent 30 months, per year of service, with a maximum of 30 years of service. For disabilities not in the line of duty, the benefit is limited to only those with less than 20 years of service and is 50% of final average monthly compensation, based on the most recent 60-month salary as opposed to 30 months. For volunteer firefighters, the not-in-the-line-of-duty disability is also limited to only those with less than 20 years of service and is \$7.53 per year of service. For volunteer firefighters, the in-the-line-of-duty pension is \$150.60 with less than 20 years of service or \$7.53 per year of service, with a maximum of 30 years.

A \$5,000 lump sum death benefit is payable to the qualified spouse or designated recipient upon the participant's death. The \$5,000 death benefit does not apply to members electing the vested benefit.

**Contributions** - The contributions requirements of the Plan are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were \$173,054. The State of Oklahoma also made on-

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behalf contributions to FPRS in the amount of \$292,719 during the calendar year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$389,261. These on-behalf payments did not meet the criteria of a special funding situation.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At June 30, 2021, the City reported a liability of \$4,629,102 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for all participating employers as of June 30, 2020. Based upon this information, the City's proportion was .3758%.

For the year ended June 30, 2021, the City recognized pension expense of \$818,109. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 589,981	\$ 62,111
Changes of assumptions	-	78,445
Net difference between projected and actual earnings on pension plan investments	68,042	-
Changes in proportion	35,523	323,530
Contributions during the measurement date	70	3,852
Contributions subsequent to the measurement date	173,054	-
Total	\$ 866,670	\$ 467,938

In the year ending June 30, 2022, \$173,054 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2022	\$	15,630
2023		111,255
2024		56,983
2025		41,810
2026		-
Total	\$	225,678

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**Actuarial Assumptions**- The total pension liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.75%
Salary increases:	2.75% to 10.5% average, including inflation
Investment rate of return:	7.5% net of pension plan investment expense

Mortality rates were based on the Pub-2010 Public Safety Table, with adjustments for generational mortality improvement using scale MP-2018 for healthy lives and no mortality improvement for disabled lives.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2013, to June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	20%	4.38%
Domestic equity	47%	7.41%
International equity	15%	9.82%
Real estate	10%	7.70%
Other assets	8%	5.67%

**Discount Rate**- The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 36% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**-The following presents the net pension liability of the employers calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Employers' net pension liability	\$ 6,011,742	\$ 4,629,102	\$ 3,472,304

**Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the FPRS; which can be located at [www.ok.gov/fprs](http://www.ok.gov/fprs).

**Oklahoma Police Pension – Statewide Cost Sharing Plan**

**Plan description** - The City of Miami, as the employer, participates in the Oklahoma Police Pension and Retirement Plan—a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Police Pension and Retirement System (OPPRS). Title 11 of the Oklahoma State Statutes, through the Oklahoma Legislature, grants the authority to establish and amend the benefit terms to the OPPRS. OPPRS issues a publicly available financial report that can be obtained at [www.ok.gov/OPPRS](http://www.ok.gov/OPPRS)

**Benefits provided** - OPPRS provides retirement, disability, and death benefits to members of the plan. The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service. Participants' contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later. Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.

Monthly benefits for participants due to permanent disability incurred in the line of duty are 2.5% of the participants' final average salary multiplied by 20 years. This disability benefit is reduced by stated percentages for partial disability based on the percentage of impairment. After 10 years of credited service, participants who retire due to disability incurred from any cause are eligible for a monthly benefit based on 2.5% of their final average salary multiplied by the years of service. This disability benefit is also reduced by stated percentages for partial disability based on the percentage of impairment. Effective July 1, 1998, once a disability benefit is granted to a participant, that participant is no longer allowed to apply for an increase in the dollar amount of the benefit at a subsequent date.

Survivor's benefits are payable in full to the participant's beneficiary upon the death of a retired participant. The beneficiary of any active participant killed in the line of duty is entitled to a pension benefit.

**Contributions** - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were \$171,661. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$108,465 during the calendar year and this is reported as both expense and revenue in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance. In the government-wide Statement of Activities, revenue is recognized for the state's on-behalf contributions on an accrual basis of \$154,678. These on-behalf payments did not meet the criteria of a special funding situation.

**Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At June 30, 2021, the City reported a liability of \$440,848 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportion of the net pension liability was based on the City's contributions received by the pension plan relative to the total contributions received by pension plan for

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all participating employers as of June 30, 2020. Based upon this information, the City's proportion was .3839%.

For the year ended June 30, 2021, the City recognized pension expense of \$511,800. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,405	\$ 119,724
Changes of assumptions	45,289	-
Net difference between projected and actual earnings on pension plan investments	520,132	-
Changes in proportion	12,467	5,242
Contributions during measurement date	872	5,518
Contributions subsequent to the measurement date	171,661	-
<b>Total</b>	<b>\$ 761,826</b>	<b>\$ 130,484</b>

In the year ending June 30, 2022, \$171,661 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2022	\$	63,327
2023		131,756
2024		171,755
2025		100,585
2026		(7,742)
<b>Total</b>	<b>\$</b>	<b>459,681</b>

**Actuarial Assumptions**-The total pension liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all prior periods included in the measurement:

- Inflation: 2.75%
- Salary increases: 3.5% to 12% average, including inflation
- Investment rate of return: 7.5% net of pension plan investment expense

Cost-of-living adjustments: Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary of 3.5% (wage inflation).

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Mortality rates: Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA.

Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.

Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2012, to June 30, 2017.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2020, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	5.11%
Domestic equity	6.80%
International equity	11.45%
Real estate	8.60%
Private Equity	11.58%
Commodities	0.00%

The current allocation policy is that approximately 60% of assets in equity instruments, including public equity, long-short hedge, venture capital, and private equity strategies; approximately 25% of assets in fixed income to include investment grade bonds, high yield and non-dollar denominated bonds, convertible bonds, and low volatility hedge fund strategies; and 15% of assets in real assets to include real estate, commodities, and other strategies.

**Discount Rate**-The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14% of the insurance premium, as established by statute. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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**Sensitivity of the Net Pension Liability(Asset) to Changes in the Discount Rate-** The following presents the net pension liability (asset) of the employers calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	\$ 1,557,339	\$ 440,848	\$ (503,468)

**Pension plan fiduciary net position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report of the OPPRS; which can be located at [www.ok.gov/OPPRS](http://www.ok.gov/OPPRS).

**City of Miami 457 Deferred Compensation Plan (DC Plan)**

**Plan Description** – The City of Miami makes available to all full-time employees two Section 457 deferred compensation plans. The DC Plan was created in accordance with Section 457 of the *Internal Revenue Code*, and permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to the employee until retirement, termination, death, or unforeseeable emergency. Employees may choose investments offered by International City/County Management Association (ICMA) or the DC Plan. Separate audited financial statements are not available.

**Funding Policy** – DC Plan participants may contribute up to \$15,000 of eligible compensation per year. During the year ended June 30, 2021, employees contributed \$106,091 and the employer contributed \$0 to the DC Plan.

**ICMA Retirement Deferred Compensation Plan**

In addition to the above plans, the City of Miami offers a retirement plan through ICMA which is funded 18% by the employer and zero percent by employee contributions. There were no contributions to the plan for the fiscal year ended June 30, 2021. Separate audited financial statements are not available.

**14. Postemployment Healthcare Plan**

***Plan Description.*** The City sponsors Medical, Rx, and Dental insurance to qualifying retirees and their dependents. Coverage is provided through fully-insured arrangements that collectively operate as a substantive single-employer defined benefit plan. A substantive plan is one in which the plan terms are understood by the employer and the plan members. This understanding is based on communication between the employer and the plan member and historical pattern of practice with regard to the sharing of benefit costs. Qualifying retirees are those employees who are eligible for immediate disability or retirement benefits under the Oklahoma Police Pension and Retirement System, Oklahoma Firefighter's Pension and Retirement System, or the City of Miami Retirement Plan. Retirees may continue coverage with the City by paying the carrier premium rate. Coverage is available for retirees and their spouses until they reach age 65 or qualify for medicare. Authority to establish and amend benefit provisions rest with the City Council. Retirees may continue coverage with the City by paying the premium rate. Benefits are paid from general operating assets of the City.

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*Benefits provided* - The Plan covers all current retirees of the City who elected postretirement medical coverage through the City Health Plan and future retired employees of the City fully self-insured health plan. In accordance with administrative policy, the benefit levels are the same as those afforded to active employees; this creates an implicit rate subsidy. The benefits offered by the City to retirees include health and prescription drug benefits. The retiree retains coverage with the City, by making an election within 30 days of termination of service and have 20+ years of creditable service in with the City.

The amount of benefit payments during fiscal year June 30, 2021 were \$91,824.

*Employees Covered by Benefit Terms*

Active Employees	182
Inactive or beneficiaries receiving benefits	<u>7</u>
<b>Total</b>	<b><u>189</u></b>

*Total OPEB Liability* – The total OPEB liability was determined based on an alternative measurement method valuation performed as of June 30, 2020 which is also the measurement date.

*Actuarial Assumptions*- The total OPEB liability in the June 30, 2020 valuation, was determined using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age
- Discount Rate – 2.21% based on the 20 year municipal bond yield
- Retirement Age – Civilians - 55 with 10 years of service, Police and Fire 20 years of service
- Medical Trend Rates:
 

2025	5.86%
2030	5.99%
2035	5.87%
2040	5.33%
2045	5.15%
2050	5.03%
2060	4.87%

*Changes in Total OPEB Liability -*

	<b>Total OPEB Liability</b>
<b>Balances at Beginning of Year</b>	<u>\$ 2,769,891</u>
<b>Changes for the Year:</b>	
Service cost	182,138
Interest expense	96,946
Change in assumptions	(237,748)
Difference between expected and actual experience	(237,298)
Benefits paid	<u>(91,824)</u>
<b>Net Changes</b>	<b><u>(287,786)</u></b>
<b>Balances End of Year</b>	<b><u>\$ 2,482,105</u></b>

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*OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB* – For the year ended June 30, 2021, the City recognized OPEB expense of \$511,800. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 506,958
Changes of assumptions	-	693,508
Changes in proportion	365,038	363,481
City Contributions during measurement date	10,224	10,271
Benefits paid subsequent to the measurement date	90,502	-
Total	\$ 465,764	\$ 1,574,218

In the year ending June 30, 2022, \$90,502 reported as deferred outflows of resources related to pensions resulting from City benefits paid subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent year. Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

**Year Ended June 30:**

2022	\$ (218,822)
2023	\$ (218,822)
2024	\$ (218,822)
2025	\$ (205,220)
2026	\$ (164,200)
Thereafter	(173,070)
	\$ (1,198,956)

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

	Current Discount Rate		
	1% Decrease ( 1.21%)	(2.21%)	1% Increase (3.21%)
Employers' total OPEB liability	\$ 2,775,131	\$ 2,482,105	\$ 2,222,478

*Sensitivity of the City's total OPEB liability to changes in the healthcare cost trend rates* - The following presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.99 percent decreasing to 3.87 percent) or 1- percentage point higher (6.99 percent decreasing to 5.87 percent) than the current healthcare cost trend rates:

	Current Discount Rate		
	1% Decrease (4.99% decreasing to 3.87%)	(5.99% decreasing to 4.87%)	1% Increase (6.99% decreasing to 5.87%)
Employers' total OPEB liability	\$ 2,170,169	\$ 2,482,105	\$ 2,854,647

## **15. Commitments and Contingencies**

### **Litigation**

The City is a party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include accruals or provisions for loss contingencies that may result from these proceedings. State statutes provide for the levy of an ad valorem tax over a three-year period by a City Sinking Fund for the payment of any court assessed judgment rendered against the City. While the outcome of the above noted proceedings cannot be predicted, due to the insurance coverage maintained by the City and the State statute relating to judgments, the City feels that any settlement or judgment not covered by insurance would not have a material adverse effect on the financial condition of the City.

### **Grant Programs**

The City of Miami participates in various federal or state grant/loan programs from year to year. In 2020, the City's involvement in federal and state award programs was relatively immaterial. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. The City has not been notified of any noncompliance with federal or state award requirements. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

### **Pensacola Dam Licensing**

The City has experienced flooding at various degrees for many years which the City asserts has been aggravated by operational changes at a nearby lake. The City contends that the instances of flooding have increased because the quasi-governmental agency that operates the Pensacola Dam that forms Grand Lake (and its hydroelectric operations), the Grand River Dam Authority (GRDA), has been granted permission to raise lake levels by the Federal Energy Regulatory Commission (FERC), which licenses GRDA to operate the dam.

FERC has notified the City that the appropriate time to address these problems is at the time the operational license for the dam is renewed in 2022. That process started in 2018 and could potentially take over five years to complete. The City has engaged legal counsel to represent its interest during the relicensing process and to require GRDA to modify its lake operations to reduce instances of flooding and to purchase flood easements.

New leadership as of 7/1/2020, City manager and mayor, has not changed our direction on this important matter to date.

### **Asset Retirement Obligation**

The City has incurred certain asset retirement obligations related to the operation of its wastewater utility system. The estimated liability of the legally required closure costs for the wastewater utility system cannot be reasonably estimated as of June 30, 2021, since the specific legally required costs of retirement have not yet been identified. The City anticipates identifying those specific legally required costs and obtaining an estimate of those costs in a subsequent fiscal year.

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**GRDA Winter Storm**

In February 2021, the State of Oklahoma experienced a major winter storm, Uri, that caused electric wholesale prices to increase significantly. The City received information from GRDA, their wholesale electric provider, in August 2021, that Miami's portion of the electrical cost for the winter storm would be \$2,698,459. The City has opted to pay the amount within 12 months, or by October. The city has opted to allow their sixteen (16) industrial customer to repay their actual usage during this time totaling \$1,025,878.70 and has approved a Temporary Rate Adjustment ("TRA") shown as PCAx, to be added to the monthly bills of Rate Class Customers E.1, E.2, E.3 and E.5 to recover 100% of the Grand River Dam Authority's Temporary Production Cost Bill over an approximately 36 month term.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**Budgetary Comparison Schedules (Budgetary Basis) – Year Ended June 30, 2021**

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budget basis)	Positive (Negative)
<b>Beginning Budgetary Fund Balance:</b>	\$ 1,010,998	\$ 1,010,998	\$ 1,558,310	\$ 547,312
<b>Resources (Inflows):</b>				
Taxes and assessments	6,845,400	6,845,400	8,141,366	1,295,966
Fees, licenses and permits	34,500	34,500	87,521	53,021
Charges for services	156,186	155,695	148,169	(7,526)
Fines and forfeitures	234,300	234,300	202,356	(31,944)
Interest earned	13,500	13,500	10,918	(2,582)
Miscellaneous	2,700	1,069,721	262,672	(807,049)
Intergovernmental	63,000	63,000	789,885	726,885
<b>Total Resources (Inflows)</b>	<u>7,349,586</u>	<u>8,416,116</u>	<u>9,642,887</u>	<u>1,226,771</u>
<b>Amounts available for appropriation</b>	<u>8,360,584</u>	<u>9,427,114</u>	<u>11,201,197</u>	<u>1,774,083</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government				
Municipal Court	139,381	150,261	145,658	4,603
General Government	735,948	713,888	502,647	211,241
Human Resources	299,342	299,362	249,809	49,553
Legal	124,454	114,454	78,978	35,476
Public Safety				
Police	2,326,181	2,315,027	2,236,388	78,639
Fire	2,217,692	2,234,162	2,232,728	1,434
Emergency Management	38,420	48,052	41,600	6,452
Police Communications	433,201	444,301	406,378	37,923
Code Compliance	119,191	120,891	115,041	5,850
Risk Management	617,252	688,070	615,811	72,259
Public Works and Streets				
Streets	802,909	828,105	762,998	65,107
Cemetery	328,419	331,169	315,694	15,475
Facilities	273,674	284,011	254,867	29,144
Animal Control	215,226	223,726	182,120	41,606
Culture and Recreation				
Parks	650,315	652,523	562,572	89,951
Swimming Pool	198,970	198,970	103,518	95,452
Library	537,658	567,096	537,755	29,341
<b>Total Charges to Appropriations</b>	<u>10,058,233</u>	<u>10,214,068</u>	<u>9,344,562</u>	<u>869,506</u>
<b>Other financing sources (uses)</b>				
Transfers from other funds	8,353,552	8,403,284	9,459,287	1,056,003
Transfers to other funds	(6,564,650)	(6,590,995)	(7,785,953)	(1,194,958)
<b>Total other financing sources (uses)</b>	<u>1,788,902</u>	<u>1,812,289</u>	<u>1,673,334</u>	<u>(138,955)</u>
<b>Ending Budgetary Fund Balance</b>	<u>\$ 91,253</u>	<u>\$ 1,025,335</u>	<u>\$ 3,529,969</u>	<u>\$ 2,504,634</u>

See accompanying notes to this schedule.

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**Schedule Footnotes to Budgetary Comparison:**

1. The budgetary comparison schedules and budgetary fund balance amounts are reported on a non-GAAP basis that report revenues on a cash basis, and expenditures in the period the invoice is received, except for payroll expenditures that are recorded when paid. In addition, obligations that are required to be funded from ending budgetary fund balances are subtracted from total ending budgetary fund balances to arrive at the unassigned budgetary fund balance. This presentation of unassigned fund balances on a budgetary basis is used to demonstrate compliance with Article 10, § 26 of the Oklahoma State Constitution.
  
2. The legal level of appropriation control is the department level within a fund. Transfers of appropriation within a fund require the approval of the City Manager. All supplemental appropriations require the approval of the City Council. Supplemental appropriations must be filed with the Office of the State Auditor and Inspector.
  
3. The budgetary basis differs from the modified accrual (GAAP) basis as shown in the schedule below:

	<u>Fund Balance June 30, 2020</u>	<u>Net Change in Fund Balance</u>	<u>Fund Balance June 30, 2021</u>
Budget to GAAP Reconciliation:			
Fund Balance - GAAP Basis	\$1,838,872	\$2,142,393	\$3,981,265
Increases (Decreases):			
Revenues:			
Receivable from other governments and entities	(848,429)	(61,287)	(909,716)
Accounts receivable	(129,157)	(101,308)	(230,465)
State on behalf pension payments	(569,506)	168,322	(401,184)
Combining accounts	(210,564)	(92,264)	(302,828)
Expenditures:			
Accrued payroll	333,782	(16,363)	317,419
Other expenditures	573,806	100,488	674,294
State on behalf pension payments	569,506	(168,322)	401,184
Fund Balance - Budgetary Basis	<u>\$1,558,310</u>	<u>\$1,971,659</u>	<u>\$3,529,969</u>

**CITY OF MIAMI, OKLAHOMA  
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**Pension Information**

**Schedules of Required Supplementary Information  
SCHEDULE OF THE CITY OF MIAMI'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM  
Last 10 Fiscal Years\***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
City's proportion of the net pension liability	0.413176%	0.418954%	0.4143524%	0.4169184%	0.421250%	0.394823%	0.375765%
City's proportionate share of the net pension liability	\$ 4,887,039	\$ 4,446,809	\$ 5,062,191	\$ 5,243,677	\$ 4,741,794	\$ 4,171,963	\$ 4,629,102
City's covered-employee payroll	\$ 1,089,326	\$ 1,144,680	\$ 1,159,023	\$ 1,185,003	\$ 1,208,603	\$ 1,220,957	\$ 1,206,179
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	449%	388%	437%	443%	392%	342%	384%
Plan fiduciary net position as a percentage of the total pension liability	68.12%	68.27%	64.87%	66.61%	70.73%	72.85%	69.98%

\*The amounts present for each fiscal year were determined as of 6/30

**Notes to Schedule:**

Only the previous seven fiscal years are presented because 10-year data is not yet available.

**SCHEDULE OF CITY CONTRIBUTIONS  
OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM  
Last 10 Fiscal Years**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Statutorily required contribution	\$ 160,255	\$ 162,264	\$ 165,905	\$ 169,204	\$ 170,934	\$ 168,865	\$ 173,054
Contributions in relation to the statutorily required contribution	<u>160,255</u>	<u>162,264</u>	<u>165,905</u>	<u>169,204</u>	<u>170,934</u>	<u>168,865</u>	<u>173,054</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 1,144,680	\$ 1,159,023	\$ 1,185,033	\$ 1,208,603	\$ 1,220,957	\$ 1,206,179	\$ 1,236,103
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

**Notes to Schedule:**

Only the previous seven fiscal years are presented because 10-year data is not yet available.

**CITY OF MIAMI, OKLAHOMA  
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**Schedules of Required Supplementary Information**

**SCHEDULE OF THE CITY OF MIAMI PORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM**

Last 10 Fiscal Years\*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
City's proportion of the net pension liability (asset)	0.4416%	0.3977%	0.4577%	0.3683%	0.4088%	0.3946%	0.3839%
City's proportionate share of the net pension liability (asset)	\$ (148,685)	\$ 16,217	\$ 700,954	\$ 29,715	\$ (194,728)	\$ (25,191)	\$ 440,848
City's covered-employee payroll	\$ 1,184,882	\$ 1,131,472	\$ 1,201,369	\$ 1,169,953	\$ 1,246,941	\$ 1,283,171	\$ 1,285,623
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	12.55%	1.43%	58.35%	2.54%	15.62%	1.96%	-34.29%
Plan fiduciary net position as a percentage of the total pension liability	101.53%	99.82%	93.50%	99.68%	101.89%	100.24%	95.8%

\*The amounts present for each fiscal year were determined as of 6/30

**Notes to Schedule:**

Only the previous seven fiscal years are presented because 10-year data is not yet available.

**SCHEDULE OF CITY CONTRIBUTIONS  
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM**

Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Statutorially required contribution	\$ 145,903	\$ 156,178	\$ 152,094	\$ 162,102	\$ 166,813	\$ 167,131	\$ 171,661
Contributions in relation to the statutorially required contribution	<u>145,903</u>	<u>156,178</u>	<u>152,094</u>	<u>162,102</u>	<u>166,813</u>	<u>167,131</u>	<u>171,661</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ 1,131,472	\$ 1,201,369	\$ 1,169,953	\$ 1,246,941	\$ 1,283,171	\$ 1,285,623	\$ 1,320,463
Contributions as a percentage of covered-employee payroll	12.89%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

**Notes to Schedule:**

Only the previous seven fiscal years are presented because 10-year data is not yet available.

**CITY OF MIAMI, OKLAHOMA  
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As of and for the Year Ended June 30, 2021**

**Required Supplementary Information  
Oklahoma Municipal Retirement Fund**

**Schedule of Changes in Net Pension Liability and Related Ratios**

	2015	2016	2017	2018	2019	2020	2021
<b>Total pension liability</b>							
Service cost	\$ 276,403	\$ 308,701	\$ 344,545	\$ 330,866	\$ 283,926	\$ 346,075	\$ 345,024
Interest	1,034,763	1,037,326	1,073,154	1,087,717	1,061,577	1,044,256	1,070,892
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	-	102,207	(202,315)	(535,480)	(541,596)	(272,005)	(198,240)
Changes of assumptions	-	-	-	321,010	-	208,546	-
Benefit payments, including refunds of member contributions	(997,138)	(1,006,438)	(964,663)	(1,092,673)	(1,076,009)	(992,188)	(1,021,818)
Benefit changes due to plan amendments	-	-	-	-	-	35,013	-
<b>Net change in total pension liability</b>	<u>314,028</u>	<u>441,796</u>	<u>250,721</u>	<u>111,440</u>	<u>(272,102)</u>	<u>369,697</u>	<u>195,858</u>
<b>Total pension liability - beginning</b>	<u>13,564,650</u>	<u>13,878,678</u>	<u>14,320,474</u>	<u>14,571,195</u>	<u>14,682,635</u>	<u>14,410,533</u>	<u>14,780,230</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 13,878,678</u>	<u>\$ 14,320,474</u>	<u>\$ 14,571,195</u>	<u>\$ 14,682,635</u>	<u>\$ 14,410,533</u>	<u>\$ 14,780,230</u>	<u>\$ 14,976,088</u>
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 569,542	\$ 618,748	\$ 640,172	\$ 650,799	\$ 635,453	\$ 646,533	\$ 657,276
Contributions - member	166,578	175,420	181,046	183,989	179,680	182,834	185,855
Net investment income	1,363,071	261,920	83,267	1,149,965	755,918	735,845	465,013
Benefit payments, including refunds of member contributions	(997,138)	(1,006,438)	(964,663)	(1,092,673)	(1,076,009)	(992,188)	(1,021,818)
Administrative expense	(20,151)	(19,533)	(18,698)	(20,154)	(21,162)	(22,670)	(23,361)
Other	-	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<u>1,081,902</u>	<u>30,117</u>	<u>(78,876)</u>	<u>871,926</u>	<u>473,880</u>	<u>550,354</u>	<u>262,965</u>
<b>Plan fiduciary net position - beginning</b>	<u>8,437,357</u>	<u>9,519,259</u>	<u>9,549,376</u>	<u>9,470,500</u>	<u>10,342,425</u>	<u>10,816,305</u>	<u>11,366,659</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 9,519,259</u>	<u>\$ 9,549,376</u>	<u>\$ 9,470,500</u>	<u>\$ 10,342,426</u>	<u>\$ 10,816,305</u>	<u>\$ 11,366,659</u>	<u>\$ 11,629,624</u>
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 4,359,419</u>	<u>\$ 4,771,098</u>	<u>\$ 5,100,695</u>	<u>\$ 4,340,209</u>	<u>\$ 3,594,228</u>	<u>\$ 3,413,571</u>	<u>\$ 3,346,464</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	68.59%	66.68%	64.99%	70.44%	75.06%	76.90%	77.65%
<b>Covered employee payroll</b>	\$ 4,356,987	\$ 4,742,831	\$ 4,657,554	\$ 4,735,571	\$ 4,920,014	\$ 4,576,812	\$ 5,258,704
<b>Net pension liability as a percentage of covered-employee payroll</b>	100.06%	100.60%	109.51%	91.65%	73.05%	74.58%	63.64%

\*The amounts present for each fiscal year were determined as of 6/30

**Notes to Schedule:**

Only the previous seven fiscal years are presented because 10-year data is not yet available.

**CITY OF MIAMI, OKLAHOMA  
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**Required Supplementary Information  
Oklahoma Municipal Retirement Fund**

**Schedule of Employer Contributions**

	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 616,160	\$ 643,059	\$ 592,589	\$ 590,967	\$ 512,617	\$ 518,316	\$ 551,638
Contributions in relation to the actuarially determined contribution	616,160	643,059	623,633	635,553	647,362	655,182	697,304
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (31,044)</u>	<u>\$ (44,586)</u>	<u>\$ (134,745)</u>	<u>\$ (136,866)</u>	<u>\$ (145,666)</u>
Covered employee payroll	\$ 4,661,027	\$ 4,849,681	\$ 4,703,091	\$ 4,792,921	\$ 4,882,062	\$ 4,941,046	\$ 5,258,704
Contributions as a percentage of covered-employee payroll	13.22%	13.26%	13.26%	13.26%	13.26%	13.26%	13.26%

**Notes to Schedule:**

1. Only the previous seven fiscal years are presented because 10-year data is not yet available.
2. Latest Valuation Date: July 1, 2020
3. Actuarially determined contribution rate is calculated as of July 1, 2020  
July 2020 through June 2021 contributions were at a rate of 9.45%.
4. Methods and assumptions used to determine contribution rates:
  - Actuarial cost method - Entry age normal
  - Amortization method - Level percent of payroll, closed
  - Remaining amortization period - 29 years
  - Asset valuation method - Actuarial:
    - Smoothing period - 4 years
    - Recognition method - Non-asymptotic
    - Corridor - 70% - 130%
  - Salary increases - 4.00% to 7.42% (varies by attained age)
  - Investment rate of return - 7.50%

**CITY OF MIAMI, OKLAHOMA  
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***Required Supplementary Information – OPEB***

**Schedule of Changes in Total OPEB Liability and Related Ratios**

Postemployment Health Insurance Implicit Rate Subsidy Plan

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total OPEB Liability				
Service cost	\$ 233,167	\$ 206,592	\$ 180,562	\$ 182,138
Interest	91,262	125,031	120,692	96,946
Changes in assumptions	(280,566)	(378,465)	(162,177)	(237,748)
Differences between expected and actual experience		(17,115)	(388,393)	(237,298)
Benefit payments	(78,120)	(103,265)	(99,477)	(91,824)
<b>Net change in total OPEB liability</b>	<u>(34,257)</u>	<u>(167,222)</u>	<u>(348,793)</u>	<u>(287,786)</u>
<b>Balances at Beginning of Year</b>	<u>3,320,163</u>	<u>3,285,906</u>	<u>3,118,684</u>	<u>2,769,891</u>
<b>Balances End of Year</b>	<u>\$ 3,285,906</u>	<u>\$ 3,118,684</u>	<u>\$ 2,769,891</u>	<u>\$ 2,482,105</u>
Covered employee payroll	\$ 7,400,000	\$ 7,310,000	\$ 7,011,000	\$ 7,564,000
Total OPEB liability as a percentage of covered- employee payroll	44.40%	42.66%	39.51%	32.81%

**Notes to Schedule:**

Only Four fiscal years are presented because 10-year data is not yet available

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**OTHER SUPPLEMENTARY INFORMATION**

**CITY OF MIAMI, OKLAHOMA  
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As of and for the Year Ended June 30, 2021**

**Combining Balance Sheet – General Fund Accounts - June 30, 2021**

	<u>General Fund</u>	<u>Municipal Court Account</u>	<u>Travel Information Center Account</u>	<u>MCVB &amp; Tourism Account</u>	<u>Demolition Account</u>	<u>Total General Fund</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 3,049,347	\$ 20,660	\$ (19,089)	\$ 53,631	\$ 240,582	\$ 3,345,131
Investments	2,008	-	-	-	-	2,008
Receivables:						
Accounts receivable	230,465	-	-	1,575	-	232,040
Due from other funds	87,621	-	-	-	-	87,621
Due from other accounts	9,736	-	-	-	-	9,736
Receivable from other governments	909,716	-	-	24,795	22,584	957,095
Other receivables	-	-	11,279	-	-	11,279
Total assets	<u>\$ 4,288,893</u>	<u>\$ 20,660</u>	<u>\$ (7,810)</u>	<u>\$ 80,001</u>	<u>\$ 263,166</u>	<u>\$ 4,644,910</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable and accrued liabilities	\$ 125,856	\$ 10,729	\$ 4,381	\$ 19,385	\$ -	\$ 160,351
Wages payable	317,419	-	-	8,958	-	326,377
Due to other funds	68,361	-	-	-	-	68,361
Due to other accounts	-	9,736	-	-	-	9,736
Total liabilities	<u>511,636</u>	<u>20,465</u>	<u>4,381</u>	<u>28,343</u>	<u>-</u>	<u>564,825</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenue	<u>98,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,820</u>
<b>Fund balances:</b>						
Restricted	23,213	-	-	-	-	23,213
Assigned	2,261,325	-	-	-	263,166	2,524,491
Unassigned (deficit)	1,393,899	195	(12,191)	51,658	-	1,433,561
Total fund balances	<u>3,678,437</u>	<u>195</u>	<u>(12,191)</u>	<u>51,658</u>	<u>263,166</u>	<u>3,981,265</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,288,893</u>	<u>\$ 20,660</u>	<u>\$ (7,810)</u>	<u>\$ 80,001</u>	<u>\$ 263,166</u>	<u>\$ 4,644,910</u>

**CITY OF MIAMI, OKLAHOMA  
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**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund  
Accounts – Year Ended June 30, 2021**

	<u>General Fund</u>	<u>Municipal Court Account</u>	<u>Travel Information Center Account</u>	<u>MCVB &amp; Tourism Account</u>	<u>Demolition Account</u>	<u>Total General Fund</u>
<b>REVENUES</b>						
Taxes	\$ 6,625,249	\$ -	\$ -	\$ 191,316	\$ -	\$ 6,816,565
Intergovernmental	1,427,469	-	-	-	-	1,427,469
Charges for services	161,758	-	-	23,789	-	185,547
Fines and forfeitures	204,251	-	-	-	58,847	263,098
Licenses and permits	101,275	-	-	-	-	101,275
Investment income	10,930	-	-	-	-	10,930
Miscellaneous	213,966	-	124,355	505	16	338,842
Total revenues	<u>8,744,898</u>	<u>-</u>	<u>124,355</u>	<u>215,610</u>	<u>58,863</u>	<u>9,143,726</u>
<b>EXPENDITURES</b>						
Current:						
General government	976,025	-	-	-	38,341	1,014,366
Public safety	5,791,950	-	-	-	-	5,791,950
Public works and streets	1,508,733	-	-	-	-	1,508,733
Culture and recreation	1,186,012	-	-	-	-	1,186,012
Capital Outlay	871,457	-	-	-	-	871,457
Debt Service:						
Principal	257,176	-	-	-	-	257,176
Interest and fiscal charges	12,288	-	-	-	-	12,288
Total expenditures	<u>10,603,641</u>	<u>-</u>	<u>137,039</u>	<u>290,434</u>	<u>38,341</u>	<u>11,069,455</u>
Excess (deficiency) of revenues over expenditures	<u>(1,858,743)</u>	<u>-</u>	<u>(12,684)</u>	<u>(74,824)</u>	<u>20,522</u>	<u>(1,925,729)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from long-term debt	871,457	-	-	-	-	871,457
Transfers in - interaccount	-	-	850	108,400	-	109,250
Transfers out - interaccount	(109,250)	-	-	-	-	(109,250)
Transfers in	10,822,588	-	-	-	50,000	10,872,588
Transfers out	(7,675,923)	-	-	-	-	(7,675,923)
Total other financing sources and uses	<u>3,908,872</u>	<u>-</u>	<u>850</u>	<u>108,400</u>	<u>50,000</u>	<u>4,068,122</u>
Net change in fund balances	2,050,129	-	(11,834)	33,576	70,522	2,142,393
Fund balances - beginning	1,628,308	195	(357)	18,082	192,644	1,838,872
Fund balances - ending	<u>\$ 3,678,437</u>	<u>\$ 195</u>	<u>\$ (12,191)</u>	<u>\$ 51,658</u>	<u>\$ 263,166</u>	<u>\$ 3,981,265</u>

**CITY OF MIAMI, OKLAHOMA**  
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**Combining Balance Sheet - Non-Major Governmental Funds - June 30, 2021**

	<b>SPECIAL REVENUE FUNDS</b>						
	<b>FISHING LICENSE FUND</b>	<b>STREET AND ALLEY</b>	<b>DRUG FORFEITURE FUND</b>	<b>PARKS AND RECREATION PROGRAM</b>	<b>GRANT AND DONATION FUND</b>	<b>MDA-HOUSING CONSTRUCTION FUND</b>	<b>POLICE GRANTS</b>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 76,792	\$ 368,036	\$ 6,747	\$ 322,879	\$ 1,333,124	\$ 91,716	\$ 113,602
Investments	-	-	-	-	34,437	-	-
Accounts receivable	-	-	-	-	-	-	-
Due from other governments	-	10,819	5,867	-	50,080	-	28,175
Due from other funds	-	38,404	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Total assets	<u>\$ 76,792</u>	<u>\$ 417,259</u>	<u>\$ 12,614</u>	<u>\$ 322,879</u>	<u>\$ 1,417,641</u>	<u>\$ 91,716</u>	<u>\$ 141,777</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and accrued liabilities	\$ -	\$ 92,794	\$ -	\$ 16,139	\$ 281,197	\$ -	\$ 29,462
Wages payable	-	-	-	9,493	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>92,794</u>	<u>-</u>	<u>25,632</u>	<u>281,197</u>	<u>-</u>	<u>29,462</u>
Deferred Inflows:							
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:							
Restricted	76,792	-	12,614	297,247	1,136,444	91,716	112,315
Committed	-	324,465	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>76,792</u>	<u>324,465</u>	<u>12,614</u>	<u>297,247</u>	<u>1,136,444</u>	<u>91,716</u>	<u>112,315</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 76,792</u>	<u>\$ 417,259</u>	<u>\$ 12,614</u>	<u>\$ 322,879</u>	<u>\$ 1,417,641</u>	<u>\$ 91,716</u>	<u>\$ 141,777</u>

(continued)

**CITY OF MIAMI, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
As of and for the Year Ended June 30, 2021

**Combining Balance Sheet - Non-Major Governmental Funds - June 30, 2021, Continued**

	DEBT SERVICE FUND	CAPITAL PROJECT FUNDS					TOTALS
	G.O. BOND SINKING FUND	CEMETERY CARE	MAIN STREET PROJECT	STREET AND STADIUM PROJECT FUND	POOL IMPROVEMENT FUND	PARK DEPARTMENT PROJECTS	
<b>ASSETS</b>							
Cash and cash equivalents	\$ 175,713	\$ 84,729	\$ -	\$ 987,516	\$ 8,323	\$ 42,041	\$ 3,611,218
Investments	-	-	-	-	-	-	34,437
Accounts receivable	-	-	-	-	-	-	-
Due from other governments	55,409	-	-	179,854	-	-	330,204
Due from other funds	-	-	-	-	-	-	38,404
Inventory	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Total assets	<u>\$ 231,122</u>	<u>\$ 84,729</u>	<u>\$ -</u>	<u>\$ 1,167,370</u>	<u>\$ 8,323</u>	<u>\$ 42,041</u>	<u>\$ 4,014,263</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 241,591	\$ -	\$ -	\$ 661,183
Wages payable	-	-	-	-	-	-	9,493
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>241,591</u>	<u>-</u>	<u>-</u>	<u>670,676</u>
<b>Deferred Inflows:</b>							
Deferred revenue	<u>55,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,410</u>
<b>Fund balances:</b>							
Restricted	175,712	84,729	-	925,779	8,323	42,041	2,963,712
Committed	-	-	-	-	-	-	324,465
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>175,712</u>	<u>84,729</u>	<u>-</u>	<u>925,779</u>	<u>8,323</u>	<u>42,041</u>	<u>3,288,177</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 231,122</u>	<u>\$ 84,729</u>	<u>\$ -</u>	<u>\$ 1,167,370</u>	<u>\$ 8,323</u>	<u>\$ 42,041</u>	<u>\$ 4,014,263</u>

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**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – Year Ended June 30, 2021**

	SPECIAL REVENUE FUNDS						
	FISHING LICENSE FUND	STREET AND ALLEY	DRUG FORFEITURE FUND	PARKS AND RECREATION PROGRAM	GRANT AND DONATION FUND	MDA-HOUSING CONSTRUCTION FUND	POLICE GRANTS
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	5,000	118,664	826	-	611,330	-	28,174
Charges for services	-	-	-	200,103	-	-	-
Investment income	-	-	-	-	-	-	-
Miscellaneous	-	31,984	9	266	231,943	-	144,797
Total revenues	<u>5,000</u>	<u>150,648</u>	<u>835</u>	<u>200,369</u>	<u>843,273</u>	<u>-</u>	<u>172,971</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	-	3,415	-	-
Public safety	-	-	1,894	-	113,247	-	46,321
Public works	-	794,057	-	-	1,275,100	-	-
Culture and recreation	-	-	-	171,517	39,855	-	-
Capital Outlay	-	-	-	-	9,950	-	-
Debt Service							
Principal retirement	-	10,539	-	-	-	-	-
Interest and fiscal charges	-	319	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>804,915</u>	<u>1,894</u>	<u>171,517</u>	<u>1,441,567</u>	<u>-</u>	<u>46,321</u>
Revenues over (under) expenditures	5,000	(654,267)	(1,059)	28,852	(598,294)	-	126,650
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	456,000	-	10	1,095,186	-	-
Transfers out	-	(476,552)	-	-	(9,543)	-	(42,358)
Total other financing sources (uses)	<u>-</u>	<u>(20,552)</u>	<u>-</u>	<u>10</u>	<u>1,085,643</u>	<u>-</u>	<u>(42,358)</u>
Net change in fund balances	5,000	(674,819)	(1,059)	28,862	487,349	-	84,292
Fund balances - beginning	71,792	999,284	13,673	268,385	649,095	91,716	28,023
Fund balances - ending	<u>\$ 76,792</u>	<u>\$ 324,465</u>	<u>\$ 12,614</u>	<u>\$ 297,247</u>	<u>\$ 1,136,444</u>	<u>\$ 91,716</u>	<u>\$ 112,315</u>

(continued)

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**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – Year Ended June 30, 2021,**  
**Continued**

	DEBT SERVICE FUND		CAPITAL PROJECT FUNDS				TOTALS
	G.O. BOND SINKING FUND	CEMETERY CARE	MAIN STREET PROJECT	STREET AND STADIUM PROJECT FUND	POOL IMPROVEMENT FUND	PARK DEPARTMENT PROJECTS	
<b>REVENUES</b>							
Taxes	\$ 16,889	\$ -	\$ -	\$ 1,373,550	\$ -	\$ -	\$ 1,390,439
Intergovernmental	-	-	-	-	-	-	763,994
Charges for services	-	11,313	-	-	-	-	211,416
Investment earnings	-	-	-	23	-	-	23
Miscellaneous	-	7	-	318	-	-	409,324
Total revenues	<u>16,889</u>	<u>11,320</u>	<u>-</u>	<u>1,373,891</u>	<u>-</u>	<u>-</u>	<u>2,775,196</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	-	-	-	3,415
Public safety	-	-	-	-	-	-	161,462
Public works	-	-	-	245,102	-	-	2,314,259
Culture and recreation	-	-	-	-	182,300	-	393,672
Capital Outlay	-	19,679	67,776	-	-	-	97,405
Debt Service							
Principal retirement	-	-	-	455,000	-	-	465,539
Interest and fiscal charges	-	-	-	539,637	-	-	539,956
Total Expenditures	<u>-</u>	<u>19,679</u>	<u>67,776</u>	<u>1,239,739</u>	<u>182,300</u>	<u>-</u>	<u>3,975,708</u>
Excess (deficiency) of revenues over expenditures	16,889	(8,359)	(67,776)	134,152	(182,300)	-	(1,200,512)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	1,370,143	-	-	2,921,339
Transfers out	-	-	-	(1,363,301)	-	-	(1,891,754)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,842</u>	<u>-</u>	<u>-</u>	<u>1,029,585</u>
Net change in fund balances	16,889	(8,359)	(67,776)	140,994	(182,300)	-	(170,927)
Fund balances - beginning	158,823	93,088	67,776	784,785	190,623	42,041	3,459,104
Fund balances - ending	<u>\$ 175,712</u>	<u>\$ 84,729</u>	<u>\$ -</u>	<u>\$ 925,779</u>	<u>\$ 8,323</u>	<u>\$ 42,041</u>	<u>\$ 3,288,177</u>

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**Combining Schedule of Net Position – Special Utility Authority Accounts – June 30, 2021**

<b>Miami Special Utility Authority Accounts</b>					
	<b>Public Utilities</b>	<b>Utility Improvement Account</b>	<b>Stormwater Account</b>	<b>Rainy Day Account</b>	<b>Total</b>
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 4,747,443	\$ (4,489,193)	\$ 453,596	\$ 3,168,729	\$ 3,880,575
Cash and cash equivalents, restricted	632,076	7,088,478	-	-	7,720,554
Investments	-	-	-	1,462,069	1,462,069
Accounts receivable, net	3,890,987	-	-	-	3,890,987
Other receivable	436	-	-	-	436
Inventory	1,296,120	-	-	-	1,296,120
Due from other accounts	250,796	-	-	-	250,796
Due from other government	85,425	-	-	-	85,425
Due from other funds	32,111	-	-	-	32,111
Total current assets	<u>10,935,394</u>	<u>2,599,285</u>	<u>453,596</u>	<u>4,630,798</u>	<u>18,619,073</u>
Non-current assets:					
Cash and cash equivalents, restricted	1,195	-	-	-	1,195
Investments, restricted	198,084	-	-	-	198,084
Capital assets:					
Land, construction in progress, and water rights	3,216,807	-	-	-	3,216,807
Other capital assets, net of accumulated depreciation	21,516,126	-	-	-	21,516,126
Total non-current assets	<u>24,932,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,932,212</u>
Total assets	<u>35,867,606</u>	<u>2,599,285</u>	<u>453,596</u>	<u>4,630,798</u>	<u>43,551,285</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>					
Deferred amounts related to pension	678,543	-	-	-	678,543
Deferred amounts related to OPEB	219,282	-	-	-	219,282
Deferred amounts related to GRDA settlement	99,788	-	-	-	99,788
Total deferred outflow of resources	<u>997,613</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>997,613</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued liabilities	2,133,152	82,920	-	-	2,216,072
Wages payable	169,972	-	-	-	169,972
Due to other accounts	-	-	250,796	-	250,796
Due to other funds	86,308	-	-	-	86,308
Accrued interest payable	17,638	99,718	-	-	117,356
Accrued compensated absences	17,691	-	-	-	17,691
Refundable deposits	37,147	-	-	-	37,147
Capital lease payable	289,135	-	-	-	289,135
Revenue bond payable	-	660,000	-	-	660,000
Notes payable	724,476	-	-	-	724,476
Total current liabilities	<u>3,475,519</u>	<u>842,638</u>	<u>250,796</u>	<u>-</u>	<u>4,568,953</u>
Non-current liabilities:					
Accrued compensated absences	160,274	-	4,446	-	164,720
Net pension liability	1,795,494	-	-	-	1,795,494
Total OPEB liability	987,357	-	-	-	987,357
Refundable deposits	333,165	-	-	-	333,165
Capital lease payable	144,620	-	-	-	144,620
Revenue bond payable	-	6,704,385	-	-	6,704,385
Notes payable, net	2,930,157	-	-	-	2,930,157
Total non-current liabilities	<u>6,351,067</u>	<u>6,704,385</u>	<u>4,446</u>	<u>-</u>	<u>13,059,898</u>
Total liabilities	<u>9,826,586</u>	<u>7,547,023</u>	<u>255,242</u>	<u>-</u>	<u>17,628,851</u>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Deferred amounts related to pensions	378,978	-	-	-	378,978
Deferred amounts related to OPEB	667,959	-	-	-	667,959
Total deferred inflow of resources	<u>1,046,937</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,046,937</u>
<b>NET POSITION</b>					
Net investment in capital assets	20,644,879	(7,364,385)	-	-	13,280,494
Restricted for debt service	198,435	123,039	-	-	321,474
Unrestricted	5,148,382	2,293,608	198,354	4,630,798	12,271,142
Total net position	<u>\$ 25,991,696</u>	<u>\$ (4,947,738)</u>	<u>\$ 198,354</u>	<u>\$ 4,630,798</u>	<u>\$ 25,873,110</u>

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**Combining Schedule of Revenues, Expenses and Changes in Net Position – Special Utility Authority**  
**Accounts - Year Ended June 30, 2021**

	<b>Miami Special Utility Authority Accounts</b>				<b>Total</b>
	<b>Public Utilities</b>	<b>Utility Improvement Account</b>	<b>Stormwater Account</b>	<b>Rainy Day Account</b>	
<b>REVENUES</b>					
Charges for services	\$ 27,063,398	\$ -	\$ -	\$ -	\$ 27,063,398
Fees, licenses and permits	-	-	133,611	-	133,611
Miscellaneous	1,065,559	-	-	-	1,065,559
Total operating revenues	<u>28,128,957</u>	<u>-</u>	<u>133,611</u>	<u>-</u>	<u>28,262,568</u>
<b>OPERATING EXPENSES</b>					
Personal services	3,776,163	-	73,628	-	3,849,791
Materials and supplies	11,179,275	-	35,327	-	11,214,602
Other services and charges	3,535,228	(556,251)	17,745	-	2,996,722
Depreciation expense	1,858,978	-	-	-	1,858,978
Total operating expenses	<u>20,349,644</u>	<u>(556,251)</u>	<u>126,700</u>	<u>-</u>	<u>19,920,093</u>
Operating income (loss)	<u>7,779,313</u>	<u>556,251</u>	<u>6,911</u>	<u>-</u>	<u>8,342,475</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment income	46	1,168	-	10,611	11,825
Miscellaneous	62,988	-	-	4,598	67,586
Capital grants	100,000	-	-	-	100,000
Interest expense and fiscal charges	(58,147)	(253,843)	-	-	(311,990)
Total non-operating revenue (expenses)	<u>104,887</u>	<u>(252,675)</u>	<u>-</u>	<u>15,209</u>	<u>(132,579)</u>
Income (loss) before contributions and transfers	<u>7,884,200</u>	<u>303,576</u>	<u>6,911</u>	<u>15,209</u>	<u>8,209,896</u>
Contributed assets- governmental activities	969,837	-	-	-	969,837
Transfers in, interaccount	1,742,218	908,200	-	372,232	3,022,650
Transfers out, interaccount	(1,280,432)	(1,742,218)	-	-	(3,022,650)
Transfers in	8,785,986	-	-	100,000	8,885,986
Transfers out	(12,290,608)	-	-	-	(12,290,608)
Change in net position	<u>5,811,201</u>	<u>(530,442)</u>	<u>6,911</u>	<u>487,441</u>	<u>5,775,111</u>
Total net position - beginning	20,180,495	(4,417,296)	191,443	4,143,357	20,097,999
Total net position - ending	<u>\$ 25,991,696</u>	<u>\$ (4,947,738)</u>	<u>\$ 198,354</u>	<u>\$ 4,630,798</u>	<u>\$ 25,873,110</u>

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**Combining Schedule of Cash Flows – Special Utility Authority Accounts - Year Ended June 30, 2021**

	Miami Special Utility Authority Accounts				Total
	Public Utilities	Utility Improvement Account	Stormwater Account	Rainy Day Account	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 28,058,591	\$ -	\$ 133,611	\$ 4,598	\$ 28,196,800
Payments to suppliers	(14,462,821)	78,885	(53,072)	-	(14,437,008)
Payments to employees	(3,983,688)	-	(73,036)	-	(4,056,724)
Receipts from other funds	-	-	54,122	-	54,122
Payments to other funds	(142,090)	-	-	-	(142,090)
Receipts of customer meter deposits	163,930	-	-	-	163,930
Refunds of customer meter deposits	(174,410)	-	-	-	(174,410)
<b>Net cash provided by operating activities</b>	<b>9,459,512</b>	<b>78,885</b>	<b>61,625</b>	<b>4,598</b>	<b>9,604,620</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers from other funds	8,785,986	-	-	100,000	8,885,986
Transfers to other funds	(12,290,608)	-	-	-	(12,290,608)
Interaccount transfer in	-	908,200	-	372,232	1,280,432
Interaccount transfer out	(1,280,432)	-	-	-	(1,280,432)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(4,785,054)</b>	<b>908,200</b>	<b>-</b>	<b>472,232</b>	<b>(3,404,622)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital assets purchased	(2,933,755)	(1,742,218)	-	-	(4,675,973)
Principal paid on debt	(1,303,223)	(635,000)	-	-	(1,938,223)
Premium on debt issued	-	-	-	-	-
Note proceeds	1,298,278	-	-	-	1,298,278
Interest and fiscal agent fees paid on debt	(94,993)	(259,533)	-	-	(354,526)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(3,033,693)</b>	<b>(2,636,751)</b>	<b>-</b>	<b>-</b>	<b>(5,670,444)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Sale (Purchase) of investments	(1,438)	-	-	(10,611)	(12,049)
Interest and dividends	855	1,168	-	10,611	12,634
<b>Net cash provided by investing activities</b>	<b>(583)</b>	<b>1,168</b>	<b>-</b>	<b>-</b>	<b>585</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,640,182</b>	<b>(1,648,498)</b>	<b>61,625</b>	<b>476,830</b>	<b>530,139</b>
<b>Balances - beginning of year</b>	<b>3,740,532</b>	<b>4,247,783</b>	<b>391,971</b>	<b>2,691,899</b>	<b>11,072,185</b>
<b>Balances - end of year</b>	<b>\$ 5,380,714</b>	<b>\$ 2,599,285</b>	<b>\$ 453,596</b>	<b>\$ 3,168,729</b>	<b>\$ 11,602,324</b>
<b>Reconciliation to Statement of Net Position:</b>					
Cash and cash equivalents	\$ 4,747,443	\$ (4,489,193)	\$ 453,596	\$ 3,168,729	\$ 3,880,575
Restricted cash and cash equivalents - current	632,076	7,088,478	-	-	7,720,554
Restricted cash and cash equivalents - noncurrent	1,195	-	-	-	1,195
<b>Total cash and cash equivalents, end of year</b>	<b>\$ 5,380,714</b>	<b>\$ 2,599,285</b>	<b>\$ 453,596</b>	<b>\$ 3,168,729</b>	<b>\$ 11,602,324</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income	\$ 7,779,313	\$ 556,251	\$ 6,911	\$ -	\$ 8,342,475
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation expense	1,858,978	-	-	-	1,858,978
Other nonoperating revenue	162,988	-	-	4,598	167,586
Change in assets and liabilities:					
Receivables, net	(233,354)	-	-	-	(233,354)
Due from other funds	(142,090)	-	-	-	(142,090)
Inventory	(18,880)	-	-	-	(18,880)
Deferred outflows related to pension	(137,089)	-	-	-	(137,089)
Deferred outflows related to OPEB	19,181	-	-	-	19,181
Deferred outflows related to GRDA Settlement	11,331	-	-	-	11,331
Accounts payable	259,231	(477,366)	-	-	(218,135)
Due to other funds	-	-	54,122	-	54,122
Due to employees	2,219	-	-	-	2,219
Refundable deposits	(10,480)	-	-	-	(10,480)
Total OPEB liability	(105,211)	-	-	-	(105,211)
Net pension obligation	32,004	-	-	-	32,004
Accrued compensated absences	17,324	-	592	-	17,916
Deferred inflows related to OPEB	64,682	-	-	-	64,682
Deferred inflows related to pension	(100,635)	-	-	-	(100,635)
<b>Net cash provided by operating activities</b>	<b>\$ 9,459,512</b>	<b>\$ 78,885</b>	<b>\$ 61,625</b>	<b>\$ 4,598</b>	<b>\$ 9,604,620</b>
<b>Noncash activities:</b>					
Assets contributed by governmental activities	\$ 969,837	\$ -	\$ -	\$ -	\$ 969,837
Asset acquired by capital lease	369,500	-	-	-	369,500
Asset acquired via accounts payable	422,010	-	-	-	422,010
	<b>\$ 1,761,347</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,761,347</b>

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**Combining Statement of Net Position – Internal Service Funds – June 30, 2021**

	<u>Internal Service Funds</u>			<u>Total</u>
	<u>Worker's Compensation Fund</u>	<u>Unemployment Fund</u>	<u>Health Insurance Fund</u>	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 1,519,245	\$ 202,604	\$ 582,144	\$ 2,303,993
Investments	131,474	-	-	131,474
Other receivable	331,609	-	751,622	1,083,231
Due from other funds	208,585	-	-	208,585
Total current assets	<u>2,190,913</u>	<u>202,604</u>	<u>1,333,766</u>	<u>3,727,283</u>
Total assets	<u>2,190,913</u>	<u>202,604</u>	<u>1,333,766</u>	<u>3,727,283</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	-	-	-	-
Claims liability	332,780	2,212	483,984	818,976
Due to other funds	-	-	208,585	208,585
Total current liabilities	<u>332,780</u>	<u>2,212</u>	<u>692,569</u>	<u>1,027,561</u>
Total liabilities	<u>332,780</u>	<u>2,212</u>	<u>692,569</u>	<u>1,027,561</u>
<b>NET POSITION</b>				
Unrestricted	1,858,133	200,392	641,197	2,699,722
Total net position	<u>\$ 1,858,133</u>	<u>\$ 200,392</u>	<u>\$ 641,197</u>	<u>\$ 2,699,722</u>

**CITY OF MIAMI, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Year Ended June 30, 2021**

**Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds -  
Year Ended June 30, 2021**

	<b>Internal Service Funds</b>			<b>Total</b>
	<b>Worker's Compensation Fund</b>	<b>Unemployment Fund</b>	<b>Health Insurance Fund</b>	
<b>REVENUES</b>				
Charges for services	\$ 310,488	\$ 23,205	\$ 1,612,402	\$ 1,946,095
Miscellaneous	584,704	417	66,832	651,953
Total operating revenues	<u>895,192</u>	<u>23,622</u>	<u>1,679,234</u>	<u>2,598,048</u>
<b>OPERATING EXPENSES</b>				
Other services and charges	20,086	-	419,929	440,015
Insurance claims and expense	502,209	6,075	750,341	1,258,625
Total operating expenses	<u>522,295</u>	<u>6,075</u>	<u>1,170,270</u>	<u>1,698,640</u>
Operating income	<u>372,897</u>	<u>17,547</u>	<u>508,964</u>	<u>899,408</u>
<b>NON-OPERATING REVENUES</b>				
Investment income	772	-	-	772
Total non-operating revenue	<u>772</u>	<u>-</u>	<u>-</u>	<u>772</u>
Income before transfers	<u>373,669</u>	<u>17,547</u>	<u>508,964</u>	<u>900,180</u>
Transfers out	(88,916)	-	-	(88,916)
Change in net position	<u>284,753</u>	<u>17,547</u>	<u>508,964</u>	<u>811,264</u>
Total net position - beginning	1,573,380	182,845	132,233	1,888,458
Total net position - ending	<u>\$ 1,858,133</u>	<u>\$ 200,392</u>	<u>\$ 641,197</u>	<u>\$ 2,699,722</u>

**CITY OF MIAMI, OKLAHOMA**  
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**Combining Statement of Cash Flows – Internal Service Funds - Year Ended June 30, 2021**

	<b>WORKER'S COMPENSATION FUND</b>	<b>UNEMPLOYMENT FUND</b>	<b>HEALTH INSURANCE FUND</b>	<b>TOTALS</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 958,932	\$ 23,622	\$ 927,612	\$ 1,910,166
Payments to suppliers	(20,086)	-	(420,489)	(440,575)
Claims and benefits paid	(672,672)	(17,749)	(374,054)	(1,064,475)
Net Cash Provided by Operating Activities	<u>266,174</u>	<u>5,873</u>	<u>133,069</u>	<u>405,116</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers to other funds	(88,916)	-	-	(88,916)
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>(88,916)</u>	<u>-</u>	<u>-</u>	<u>(88,916)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends	772	-	-	772
Sale (purchase) of investments	(772)	-	-	(772)
Net Cash Provided by Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>177,258</b>	<b>5,873</b>	<b>133,069</b>	<b>316,200</b>
<b>Balances - beginning of the year</b>	<b>1,341,987</b>	<b>196,731</b>	<b>449,075</b>	<b>1,987,793</b>
<b>Balances - end of the year</b>	<b>\$ 1,519,245</b>	<b>\$ 202,604</b>	<b>\$ 582,144</b>	<b>\$ 2,303,993</b>
<b>Reconciliation to Statement of Net Position:</b>				
Cash and cash equivalents	\$ 1,519,245	\$ 202,604	\$ 582,144	\$ 2,303,993
Total cash and cash equivalents	<u>\$ 1,519,245</u>	<u>\$ 202,604</u>	<u>\$ 582,144</u>	<u>\$ 2,303,993</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>				
Operating income	\$ 372,897	\$ 17,547	\$ 508,964	\$ 899,408
Change in assets and liabilities:				
Receivables, net	63,740	-	(751,622)	(687,882)
Accounts payable	-	-	(560)	(560)
Claims liability	(170,463)	(11,674)	376,287	194,150
Net Cash Provided by Operating Activities	<u>\$ 266,174</u>	<u>\$ 5,873</u>	<u>\$ 133,069</u>	<u>\$ 405,116</u>

**CITY OF MIAMI, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
**As of and for the Year Ended June 30, 2021**

**Combining Schedule of Cash Flows – Discretely Presented Component Units - Year Ended June 30, 2021**

	<u>MCFA</u>	<u>MDRA</u>	<u>MIPFA</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 118,715	\$ 303,652	\$ 30,621	\$ 452,988
Payments to suppliers	(46,789)	(147,277)	(2,997)	(197,063)
Payments to employees	-	(102,292)	-	(102,292)
Net Cash Provided by Operating Activities	<u>71,926</u>	<u>54,083</u>	<u>27,624</u>	<u>153,633</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends	-	-	183	183
Net Cash Provided by Investing Activities	<u>-</u>	<u>-</u>	<u>183</u>	<u>183</u>
<b>Net Increase in Cash and Cash Equivalents</b>	71,926	54,083	27,807	153,816
<b>Balances - beginning of the year</b>	<u>176,253</u>	<u>19,353</u>	<u>172,123</u>	<u>367,729</u>
<b>Balances - end of the year</b>	<u>\$ 248,179</u>	<u>\$ 73,436</u>	<u>\$ 199,930</u>	<u>\$ 521,545</u>
<b>Reconciliation to Statement of Net Position:</b>				
Cash and cash equivalents	<u>\$ 248,179</u>	<u>\$ 73,436</u>	<u>\$ 199,930</u>	<u>\$ 521,545</u>
Total cash and cash equivalents	<u>\$ 248,179</u>	<u>\$ 73,436</u>	<u>\$ 199,930</u>	<u>\$ 521,545</u>
		\$ -		
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (176,617)	\$ (60,669)	\$ (6,102)	\$ (243,388)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	251,697	2,525	28,713	282,935
Other nonoperating revenue	20	104,992	4,797	109,809
Change in assets and liabilities:				
Other receivable	600	-	-	600
Accounts payables	(3,774)	4,308	216	750
Accrued compensated absences	-	2,927	-	2,927
Net Cash Provided by Operating Activities	<u>\$ 71,926</u>	<u>\$ 54,083</u>	<u>\$ 27,624</u>	<u>\$ 153,633</u>

**CITY OF MIAMI, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
As of and for the Year Ended June 30, 2021

**Schedule of Federal Awards and State Awards –Year Ended June 30, 2021**

City of Miami, Oklahoma  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2021

<u>Federal Grantor/ Pass-through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Grant I.D. Number</u>	<u>Award Amount</u>	<u>Expenditures</u>
<b><u>Institute of Museum and Library Services</u></b>				
Pass through Oklahoma Department of Libraries:				
CARES Digital Inclusion	45.310	F-21-031	\$ 4,400	\$ 4,400
CARES Digital Inclusion	45.310	F-21-030	15,000	15,000
CARES PPE	45.310	F-20-136	1,000	1,000
Health literacy	45.310	F-21.085	9,000	9,000
Subtotal Oklahoma Department of Libraries 45.310			<u>29,400</u>	<u>29,400</u>
Pass through Oklahoma Humanities Council:				
Promotion of the Humanities	45.129	Y20.333	10,000	10,000
Promotion of the Humanities	45.129	Y-21.003	1,000	1,000
Subtotal Oklahoma Humanities Council 45.129			<u>11,000</u>	<u>11,000</u>
<b>Total Institute of Museum and Library Services</b>			<b><u>40,400</u></b>	<b><u>40,400</u></b>
<b><u>Department of Homeland Security</u></b>				
Assistance to Firefighters grant	97.044	EMW-2019-FG-04719	48,571	48,080
Pass through Oklahoma Emergency Management:				
Public Assistance	97.042	FEMA 4453 PW 114	31,096	31,096
Public Assistance	97.042	FEMA 4453 PW 92	10,031	10,031
Public Assistance	97.042	FEMA 4438 PW 873	34,009	34,009
Public Assistance	97.042	FEMA 4438 PW	5,475	5,475
Public Assistance	97.042	DR 4453 PW 126	76,218	76,217
Public Assistance - CARES	97.042	CARES PPE	13,888	12,965
Subtotal Oklahoma Emergency Management 97.042			<u>170,717</u>	<u>169,793</u>
Saferoom	97.039	FEMA 4256	192,000	8,000
Subtotal Oklahoma Emergency Management			<u>362,717</u>	<u>177,793</u>
<b>Total Department of Homeland Security</b>			<b><u>411,288</u></b>	<b><u>225,873</u></b>
<b><u>Department of Justice</u></b>				
State and Local HIDTA Task Force Grant	16.809	HIDTA Treas 303	23,233	20,241
Coronavirus Emergency Supplemental funding Program	16.034	20E0914 - 2020-VD-BX-00	16,000	16,000
Coronavirus Emergency Supplemental funding Program	16.034	20E128 2020VD-BX-0058	88,635	28,175
Subtotal Grants to States 16.034			<u>104,635</u>	<u>44,175</u>
<b>Total Department of Justice</b>			<b><u>127,868</u></b>	<b><u>64,416</u></b>
<b><u>US Department of the Treasury</u></b>				
Coronavirus Relief Fund	21.019	N/A	<u>1,008,826</u>	<u>1,000,717</u>
<b><u>US Department of Transportation</u></b>				
Airport Improvement Program	20.106	3-40-009-020-2020	451,730	451,730
Airport Improvement Program and COVID -19 Airports Programs	20.106	3-40-0059-022-2021	13,000	13,000
Airport Improvement Program and COVID -19 Airports Programs	20.106	3-40-0059-021-2021	30,000	30,000
Subtotal Grants to States 21.106			<u>494,730</u>	<u>494,730</u>
Pass through Oklahoma Department of Transportation:				
Transportation Enhancement Project Agreement	20.205	STP-158E(196)EH	458,224	458,224
<b>Total US Department of Transportation</b>			<b><u>1,447,684</u></b>	<b><u>1,447,684</u></b>
<b><u>Environmental Protection Agency</u></b>				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	ORF-19-0029-DW	100,000	100,000
Passed through Oklahoma Employment Security Commission:				
Coronavirus Relief Fund	17.225	N/A	8,566	8,566
<b>Total Federal Awards</b>			<b><u>\$ 3,144,632</u></b>	<b><u>\$ 2,887,656</u></b>

**Notes to Schedule of Expenditures of Federal Awards**

Note A - Significant Accounting Policies - The accompanying schedule of expenditures of federal awards is prepared on the basis of accounting consistent with the definition of federal awards expended in the Uniform Guidance.

**CITY OF MIAMI, OKLAHOMA  
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City of Miami, Oklahoma  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
Year Ended June 30, 2021

<u>State Grantor/ Pass-through Grantor/Program Title</u>	<u>Grant ID. Number</u>	<u>Award Amount</u>	<u>Expenditures</u>
<b>STATE AWARDS:</b>			
<u>Oklahoma Department of Libraries:</u>			
State aid	17 State Aid	\$ 11,943	\$ 10,811
Comm literacy	F-20-008	10,090	10,090
Total Oklahoma Department of Libraries		\$ 22,033	\$ 20,901
<u>Oklahoma Tobacco Settlement Endowment Trust:</u>			
Healthy Incentive Program Grant for Communities	FY 2021	\$ 24,000	\$ 24,000
Total State Awards		\$ 46,033	\$ 44,901