



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

AS OF AND FOR THE FISCAL YEAR ENDED

JUNE 30, 2022

THE CITY OF MIAMI, OKLAHOMA

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

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2022**

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

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 Miami, Oklahoma, (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Miami Industrial Development Authority ("MIDA"), which represent 10 percent, 9 percent, and 15 percent, respectively, of the assets, net position, and 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 5 to the financial statements, in 2022 the City adopted new accounting guidance, GASB No. 87 *Leases*. Also, in 2022 the City will not adopt guidance, GASB No. 92 paragraph 11, as it is not required. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in

accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2022, 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 PC

Edmond, Oklahoma
December 15, 2022



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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, 2022. Please read it in conjunction with the City’s financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2022, the City’s total net position increased by \$6,858,155 or 16.3% from the prior year.
- During the year, the City’s expenses for governmental activities were \$12.8 million and were funded by program revenues of \$2.1 million and further funded with taxes and other general revenues that totaled \$10 million.
- In the City’s business-type activities, such as utilities, program revenues exceeded expenses by \$7.4 million.
- At June 30, 2022, the General Fund reported an unassigned fund balance of \$992,034.
- For budgetary reporting purposes, the General Fund reported revenues under estimates of \$690,389 or 6.7%, while expenditures were under the final appropriations by \$1,061,317 or 9.9%.
- The City implemented GASB Statement 87, Leases, during the fiscal year. Leased assets and related amounts were recorded in the City’s enterprise funds and MIPFA component unit fund.

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:

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- **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)

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 fund 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 \$48,828,404 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.)
	2022	2021		2022	2021		2022	2021	
Current assets	\$ 14,777	\$ 11,474	29%	\$ 25,318	\$ 20,299	25%	\$ 40,095	\$ 31,773	26%
Capital assets, net	26,054	27,498	-5%	30,367	29,068	4%	56,421	56,566	0%
Total assets	40,831	38,972	5%	55,685	49,367	13%	96,516	88,339	9%
Deferred outflows	2,320	2,738	-15%	753	998	-25%	3,073	3,736	-18%
Current liabilities	3,107	2,847	9%	6,883	4,803	43%	9,990	7,650	31%
Non-current liabilities	21,783	26,493	-18%	10,836	13,061	-17%	32,619	39,554	-18%
Total liabilities	24,890	29,340	-15%	17,719	17,864	-1%	42,609	47,204	-10%
Deferred inflows	5,877	1,849	218%	2,276	1,051	117%	8,153	2,900	181%
Net position									
Net investment capital assets	17,144	18,279	-6%	19,375	17,616	10%	36,519	35,895	2%
Restricted	3,404	2,943	16%	207	321	-36%	3,611	3,264	11%
Unrestricted (deficit)	(8,164)	(10,701)	24%	16,861	13,513	25%	8,697	2,812	209%
Total net position	\$ 12,384	\$ 10,521	18%	\$ 36,443	\$ 31,450	16%	\$ 48,827	\$ 41,971	16%

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 2022, the net investment in capital assets amounted to \$36,519,277. 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, \$3,611,290 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 \$8,697,837.

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

Governmental Activities:

Current assets – increased \$3.3 million (29%) due to an increase in cash and cash equivalent and net pension asset.

Non-current liabilities – decreased \$4.5 million (18%) due to a decrease in net pension liability.
Deferred inflows – increased \$4.0 million (218%) due to an increase in deferred amounts related to pensions.

Business-Type Activities:

Current assets – increased \$5.0 million (25%) mainly due to an increase in cash and cash equivalents.

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Current liabilities – increased \$2.1 million (43%) mainly due to an advance utility payment of \$1.7 million from the tribe that has not yet been earned.

Deferred inflows – increased \$1.2 million (117%) mainly due to an increased in deferred amounts related to pensions.

Changes in Net Position

For the year ended June 30, 2022, net position of the primary government changed as follows:

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

	Governmental Activities		% Inc. (Dec.)	Business-Type Activities		% Inc. (Dec.)	Total		% Inc. (Dec.)
	2022	2021		2022	2021		2022	2021	
Revenues									
Charges for service	\$ 1,019	\$ 920	11%	\$ 32,053	\$ 28,057	14%	\$ 33,072	\$ 28,977	14%
Operating grants and contributions	1,046	1,962	-47%	57	422	-86%	1,103	2,384	-54%
Capital grants and contributions	65	604	-89%	209	552	-62%	274	1,156	-76%
Taxes	9,926	9,147	9%	-	-	-	9,926	9,147	9%
Investment income	11	12	-8%	9	12	-25%	20	24	-17%
Miscellaneous	107	193	-45%	8	3	167%	115	196	-41%
Total revenues	12,174	12,839	-5%	32,336	29,046	11%	44,510	41,885	6%
Expenses									
General government	1,694	1,223	39%	-	-	-	1,694	1,223	39%
Public safety	5,413	6,539	-17%	-	-	-	5,413	6,539	-17%
Streets	3,055	3,556	-14%	-	-	-	3,055	3,556	-14%
Culture and recreation	1,593	1,284	24%	-	-	-	1,593	1,284	24%
Economic development	392	394	-1%	-	-	-	392	394	-1%
Interest on debt	617	941	-34%	-	-	-	617	941	-34%
Water	-	-	-	2,453	2,877	-15%	2,453	2,877	-15%
Wastewater	-	-	-	1,406	1,680	-16%	1,406	1,680	-16%
Sanitation	-	-	-	1,697	2,195	-23%	1,697	2,195	-23%
Electric	-	-	-	18,939	13,185	44%	18,939	13,185	44%
Airport	-	-	-	393	492	-20%	393	492	-20%
Total expenses	12,764	13,937	-8%	24,888	20,429	22%	37,652	34,366	10%
Excess (deficiency) before transfers	(590)	(1,098)	46%	7,448	8,617	-14%	6,858	7,519	-9%
Transfers	2,453	2,434	1%	(2,453)	(2,434)	1%	-	-	-
Change in net position	\$ 1,863	\$ 1,336	39%	\$ 4,995	\$ 6,183	-19%	\$ 6,858	\$ 7,519	-9%

Explanations of significant changes in Table 2 are as follows:

Governmental Activities:

Public safety- decrease \$1.1 million (17%) due to a decrease in operational expenses.

Streets – decrease of \$0.5 million (14%) due to a decrease in street repairs and main street improvements in the current year.

General government- increase \$0.5 million (39%) due to an increase in operational expenses.

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Operating grants and contributions – Decrease of \$0.9 million (47%) due to a decrease in general government and public safety grants.

Capital grants and contributions – decrease of \$0.5 million (89%) due to a decrease in culture and recreation and public safety grants.

Business-Type Activities:

Operating grants and contributions – decrease of \$0.4 million (86%) due to a decrease in water and airport grants.

Capital grants and contributions – decrease of \$.3 million (62%) due to a decrease in water and airport grants.

Electric expenses – increase of \$5.8 million (44%) due to an increase in purchase energy expenses.

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</u>		<u>% Inc. (Dec.)</u>	<u>Net Revenue</u>		<u>% Inc. (Dec.)</u>
	<u>of Services</u>			<u>(Expense)</u>		
	<u>2022</u>	<u>2021</u>		<u>of Services</u>	<u>2021</u>	
General government	\$ 1,693	\$ 1,223	38%	\$ (1,209)	\$ (224)	440%
Public safety	5,414	6,539	-17%	(4,485)	(5,299)	-15%
Streets	3,055	3,556	-14%	(2,858)	(3,294)	-13%
Culture, parks and recreation	1,593	1,284	24%	(1,219)	(518)	135%
Economic development	392	394	-1%	(247)	(175)	41%
Interest on long-term debt	617	941	-34%	(617)	(941)	-34%
Total	<u>\$ 12,764</u>	<u>\$ 13,937</u>	-8%	<u>(\$10,635)</u>	<u>\$ (10,451)</u>	2%

For the year ended June 30, 2022 total expenses for governmental activities amounted to approximately \$12.8 million which was a decrease from the prior year of 8%. See Table 2 above for explanations of changes.

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Business-type Activities

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

	Total Expense of Services		% Inc. Dec.	Net Revenue (Expense) of Services		% Inc. Dec.
	<u>2022</u>	<u>2021</u>		<u>2022</u>	<u>2021</u>	
	Water	\$ 2,453		\$ 2,877	-15%	
Wastewater	1,406	1,679	-16%	1,164	874	33%
Sanitation	1,697	2,195	-23%	1,150	525	119%
Electric	18,939	13,185	44%	3,782	5,909	-36%
Airport	393	492	-20%	-	113	-100%
Total	\$ 24,888	\$ 20,428	22%	\$ 7,431	\$ 8,602	-14%

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

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

- Total business-type activities reported net revenues of \$7,430,815 for the year ended June 30, 2022.

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2022 fiscal year, the governmental funds reported a combined fund balance of \$9.2 million or an 18% increase of \$1,410,757. The enterprise funds reported combined net position of \$35.3 million or a 16.9% increase from 2021.

Fund Balance/Net Position

Governmental Funds		Proprietary Funds	
Restricted	\$ 3,447,469	Net investment in capital assets	\$ 19,374,799
Committed	271,236	Restricted for debt service and other	207,449
Assigned	4,485,091	Unrestricted	15,685,695
Unassigned	<u>992,034</u>		
Total Fund Balance	\$ 9,195,830	Total Net Position	\$ 35,267,943

General Fund Budgetary Highlights

For budgetary reporting purposes, the General Fund reported revenues under estimates of \$690,389 or 6.7%, while expenditures were under the final appropriations by \$1,061,317 or 9.9%.

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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2022, the City had \$56.4 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 decrease of \$0.1 million or 0.3% 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>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 4,601	\$ 4,601	\$ 791	\$ 780	5,392	\$ 5,381
Buildings	6,044	6,384	7,296	7,773	13,340	14,157
Machinery, furniture and equipment	2,829	2,895	5,094	4,890	7,923	7,785
Infrastructure	12,336	13,504	14,689	12,579	27,025	26,083
Construction in progress	243	114	2,497	3,046	2,740	3,160
Totals	\$ 26,053	\$ 27,498	\$ 30,367	\$ 29,068	\$ 56,420	\$ 56,566

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

Main street project phase III	\$989,756
Substation 1 rehabilitation	\$765,351
Airport pavement rehabilitation	\$676,532
SCADA design	\$303,925
East central water line project	\$263,381

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 \$29.6 million in long-term debt outstanding which represents a \$1.1 million decrease, or 4%, from the prior year. The City's changes in long-term debt by type of debt are as follows:

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

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	Accrued absences	\$ 627	\$ 655	\$ 180	\$ 184	\$ 807
Revenue Bonds	17,005	17,470	6,705	7,365	23,710	24,835
Bond Premium (Discount)	145	166	36	67	181	233
Notes Payable- Direct borrowing	-	-	4,251	4,021	4,251	4,021
Capital Leases	617	774	-	-	617	774
Totals	\$ 18,394	\$ 19,065	\$ 11,172	\$ 11,637	\$ 29,566	\$ 30,702

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 2022-2023 budget is expected to remain level with a few exceptions. In October of 2022, we received the second half of the \$2.2M in American Rescue Plan Act (ARPA), associated with the Coronavirus Local Fiscal Recover Funds, plus an additional \$10,835.87. All monies received will be budgeted per the eligible categories. The continued electric, water, and wastewater utility rates will fund the needed electric, water, and wastewater system improvements. With the high inflation rate, 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 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 as we transition to more normal operations. Spending remains optimistically cautious as our use and sales tax revenues remain positively affected. Sales tax for FY 21/22 ended up 8.76% and use tax up 10.24% 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

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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.

GRDA Winter Storm Uri

In February 2021, the State of Oklahoma experienced a major winter storm, Uri, which 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 by October 2022. The City has opted to allow their sixteen (16) industrial customers 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. We are tracking those repayments monthly and will eliminate the PCAX rate once the amount the City has paid GRDA has been recouped.

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

**CITY OF MIAMI, OKLAHOMA
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BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022

Statement of Net Position– June 30, 2022

	Primary Government			Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and equivalents	\$ 11,530,034	\$ 15,686,750	\$ 27,216,784	\$ 948,159
Investments	131,968	1,664,904	1,796,872	-
Accounts receivable, net	372,962	5,091,648	5,464,610	-
Due from other governments	1,501,855	-	1,501,855	-
Other receivables	569,344	436	569,780	100
Internal balances	(1,159,959)	1,159,959	-	-
Leases receivable	-	248,964	248,964	279,031
Inventory	-	1,465,814	1,465,814	-
Net pension asset	1,830,509	-	1,830,509	-
Capital Assets				
Land and construction in progress	4,844,164	3,288,076	8,132,240	350,792
Other capital assets, net of depreciation	21,209,755	27,079,036	48,288,791	8,173,108
Total assets	40,830,632	55,685,587	96,516,219	9,751,190
DEFERRED OUTFLOWS:				
Deferred amounts related to pensions	1,835,674	470,025	2,305,699	-
Deferred amounts related to OPEB	291,991	183,611	475,602	-
Deferred amount on refunding	192,326	-	192,326	-
Deferred amount related to GRDA settlement	-	99,788	99,788	-
Total deferred outflows of resources	2,319,991	753,424	3,073,415	-
LIABILITIES				
Accounts payable and accrued liabilities	558,146	3,498,943	4,057,089	11,531
Claims liability	687,229	-	687,229	-
Accrued interest payable	43,628	113,263	156,891	-
Unearned revenue	1,142,944	1,643,318	2,786,262	-
Long-term liabilities				
Due within one year	675,047	1,627,610	2,302,657	211,290
Due in more than one year	21,782,726	10,835,557	32,618,283	-
Total liabilities	24,889,720	17,718,691	42,608,411	222,821
DEFERRED INFLOWS:				
Deferred amounts related to leases	-	249,720	249,720	275,470
Deferred amounts related to pensions	4,914,449	1,312,331	6,226,780	-
Deferred amounts related to OPEB	962,420	713,899	1,676,319	-
Total deferred inflows of resources	5,876,869	2,275,950	8,152,819	275,470
NET POSITION:				
Net investment in capital assets	17,144,478	19,374,799	36,519,277	8,316,453
Net Position:				
Restricted	3,403,841	207,449	3,611,290	-
Unrestricted (deficit)	(8,164,285)	16,862,122	8,697,837	936,446
Total net position	\$ 12,384,034	\$ 36,444,370	\$ 48,828,404	\$ 9,252,899

See accompanying notes to the basic financial statements.

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
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Statement of Activities –Year Ended June 30, 2022

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position			Discretely Presented Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental Activities								
General Government	\$ 1,693,436	\$ 220,927	\$ 263,746	\$ -	\$ (1,208,763)	\$ -	\$ (1,208,763)	\$ -
Public Safety	5,413,391	420,374	469,725	38,445	(4,484,847)	-	(4,484,847)	-
Public Works and Streets	3,054,893	50,735	146,156	-	(2,858,002)	-	(2,858,002)	-
Culture and Recreation	1,593,438	209,795	138,294	26,353	(1,218,996)	-	(1,218,996)	-
Economic Development	391,723	116,775	28,189	-	(246,759)	-	(246,759)	-
Interest on long-term Debt	617,222	-	-	-	(617,222)	-	(617,222)	-
Total governmental activities	<u>12,764,103</u>	<u>1,018,606</u>	<u>1,046,110</u>	<u>64,798</u>	<u>(10,634,589)</u>	<u>-</u>	<u>(10,634,589)</u>	<u>-</u>
Business-type activities								
Water	2,453,269	3,731,628	56,682	-	-	1,335,041	1,335,041	-
Wastewater	1,405,471	2,569,106	-	-	-	1,163,635	1,163,635	-
Sanitation	1,696,538	2,846,793	-	-	-	1,150,255	1,150,255	-
Electric	18,938,978	22,721,128	-	-	-	3,782,150	3,782,150	-
Airport	393,479	184,731	-	208,482	-	(266)	(266)	-
Total business-type activities	<u>24,887,735</u>	<u>32,053,386</u>	<u>56,682</u>	<u>208,482</u>	<u>-</u>	<u>7,430,815</u>	<u>7,430,815</u>	<u>-</u>
Total primary government	<u>\$ 37,651,838</u>	<u>\$ 33,071,992</u>	<u>\$ 1,102,792</u>	<u>\$ 273,280</u>	<u>(10,634,589)</u>	<u>7,430,815</u>	<u>(3,203,774)</u>	<u>-</u>
Component Units								
Culture and Recreation	\$ 645,371	\$ 388,792	\$ 165,762	\$ -	-	-	-	(90,817)
Economic Development	72,566	95,646	-	-	-	-	-	23,080
Total component units	<u>\$ 717,937</u>	<u>\$ 484,438</u>	<u>\$ 165,762</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(67,737)</u>
General revenues:								
Taxes:								
Sales and use taxes					9,332,194	-	9,332,194	-
Property tax					13,343	-	13,343	-
Franchise and public service taxes					349,288	-	349,288	-
Hotel/motel taxes					232,309	-	232,309	-
Investment income					10,832	9,138	19,970	3,418
Miscellaneous					106,548	8,277	114,825	-
Transfers - internal activity					2,453,335	(2,453,335)	-	-
Total general revenues and transfers					<u>12,497,849</u>	<u>(2,435,920)</u>	<u>10,061,929</u>	<u>3,418</u>
Change in net position					1,863,260	4,994,895	6,858,155	(64,319)
Net position - beginning					10,520,774	31,449,475	41,970,249	9,317,218
Net position - ending					<u>\$ 12,384,034</u>	<u>\$ 36,444,370</u>	<u>\$ 48,828,404</u>	<u>\$ 9,252,899</u>

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
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BASIC FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS

CITY OF MIAMI, OKLAHOMA
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Governmental Funds Balance Sheet - June 30, 2022

City of Miami 2013
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	S&L Fiscal Recovery Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 3,572,110	\$ 1,142,944	\$ 4,428,519	\$ 9,143,573
Receivables:				
Accounts receivable	282,991	-	91,721	374,712
Due from other funds	87,654	-	45,061	132,715
Due from other governments and entities	1,208,530	-	293,325	1,501,855
Other receivables	7,500	-	-	7,500
Total assets	\$ 5,158,785	\$ 1,142,944	\$ 4,858,626	\$ 11,160,355
 LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 185,516	\$ -	\$ 230,081	\$ 415,597
Wages payable	131,738	-	2,891	134,629
Due to other funds	77,843	-	38,404	116,247
Total liabilities	395,097	-	271,376	666,473
 DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	99,698	1,142,944	55,410	1,298,052
 Fund balances:				
Restricted	-	-	3,447,469	3,447,469
Committed	-	-	271,236	271,236
Assigned	3,671,956	-	813,135	4,485,091
Unassigned	992,034	-	-	992,034
Total fund balances	4,663,990	-	4,531,840	9,195,830
Total liabilities, deferred inflows and fund balances	\$ 5,158,785	\$ 1,142,944	\$ 4,858,626	\$ 11,160,355

See accompanying notes to the basic financial statements.

CITY OF MIAMI, OKLAHOMA
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Governmental Funds Statement of Changes in Fund Balances – Year Ended June 30, 2022

	<u>General Fund</u>	<u>S&I Fiscal Recovery Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 7,450,209	\$ -	\$ 2,290,835	\$ 9,741,044
Intergovernmental	741,524	-	324,551	1,066,075
Charges for services	404,238	-	181,599	585,837
Fines and forfeitures	291,862	-	-	291,862
Licenses and permits	175,378	-	-	175,378
Investment income	10,359	-	473	10,832
Miscellaneous	337,633	-	82,367	420,000
Total revenues	<u>9,411,203</u>	<u>-</u>	<u>2,879,825</u>	<u>12,291,028</u>
EXPENDITURES				
Current:				
General government	1,459,448	-	48,286	1,507,734
Public Safety	6,179,614	-	131,159	6,310,773
Public works and streets	1,385,579	-	662,574	2,048,153
Culture and recreation	1,213,949	-	273,538	1,487,487
Economic development	420,219	-	-	420,219
Capital Outlay	-	-	417,928	417,928
Debt Service:				
Principal	104,947	-	517,071	622,018
Interest and other charges	11,168	-	538,341	549,509
Total expenditures	<u>10,774,924</u>	<u>-</u>	<u>2,588,897</u>	<u>13,363,821</u>
Excess (deficiency) of revenues over expenditures	(1,363,721)	-	290,928	(1,072,793)
OTHER FINANCING SOURCES (USES)				
Transfers in	10,376,083	-	562,421	10,938,504
Transfers out	(8,329,637)	-	(125,317)	(8,454,954)
Total other financing sources and uses	<u>2,046,446</u>	<u>-</u>	<u>437,104</u>	<u>2,483,550</u>
Net change in fund balances	682,725	-	728,032	1,410,757
Fund balances - beginning	3,981,265	-	3,803,808	7,785,073
Fund balances - ending	<u>\$ 4,663,990</u>	<u>\$ -</u>	<u>\$ 4,531,840</u>	<u>\$ 9,195,830</u>

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

Reconciliation of Governmental Funds and Government-Wide Financial Statements:

Total fund balance, governmental funds	\$	9,195,830
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.		26,053,919
Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds.		155,108
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.		
Net pension asset		1,830,509
Pension related deferred outflows		1,835,674
OPEB related deferred outflows		291,991
Deferred amounts on refunding		192,326
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:		
Noe payable obligations		(616,687)
Interest payable		(43,628)
Net pension liability		(2,555,621)
Pension related deferred inflows		(4,914,449)
Total OPEB liability		(1,507,711)
OPEB related deferred inflows		(962,420)
Accrued compensated absences		(627,442)
Unamortized debt premium		(145,312)
Revenue bond payable		(17,005,000)
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		1,206,947
Net Position of Governmental Activities in the Statement of Net Position	<u>\$</u>	<u>12,384,034</u>

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

Changes in Fund Balances – Changes in Net Position Reconciliation:

Net change in fund balances - total governmental funds:	\$	1,410,757
<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		630,207
Depreciation expense		(2,059,539)
Disposed capital assets		(14,750)
<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>		
		1,549,482
<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 unavailable revenue		878
<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>		
Note payable principal payments		157,019
Revenue bond principal payments		465,000
<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		775
Change in accrued compensated absences		28,016
Change in total OPEB liability		(23,615)
Change in amortization of bond premium		20,276
Change in amortization of unamortized gain/loss		(88,765)
<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		(212,481)
Change in net position of governmental activities	\$	1,863,260

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
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BASIC FINANCIAL STATEMENTS - PROPRIETARY FUNDS

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
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Proprietary Funds Statement of Net Position - June 30, 2022

	<u>Enterprise Funds</u>			<u>Internal Service Funds</u>
	<u>Miami Special Utility Authority</u>	<u>Airport Fund</u>	<u>Total</u>	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 12,863,788	\$ 61,033	\$ 12,924,821	\$ 2,386,461
Cash and cash equivalents, restricted	2,959,373	-	2,959,373	-
Investments	1,466,265	-	1,466,265	131,968
Accounts receivable, net	5,048,525	43,123	5,091,648	-
Leases receivables	18,471	-	18,471	-
Other receivable	436	-	436	560,094
Inventory	1,432,790	33,024	1,465,814	-
Due from other funds	41,593	30,128	71,721	458,448
Total current assets	<u>23,831,241</u>	<u>167,308</u>	<u>23,998,549</u>	<u>3,536,971</u>
Non-current assets:				
Cash and cash equivalents, restricted	1,195	-	1,195	-
Leases receivables	230,493	-	230,493	-
Capital assets:				
Land, construction in progress, and water rights	3,275,215	12,861	3,288,076	-
Other capital assets, net of accumulated depreciation	22,954,153	4,124,883	27,079,036	-
Total non-current assets	<u>26,461,056</u>	<u>4,137,744</u>	<u>30,598,800</u>	<u>-</u>
Total assets	<u>50,292,297</u>	<u>4,305,052</u>	<u>54,597,349</u>	<u>3,536,971</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred amounts related to pensions	470,025	-	470,025	-
Deferred amounts related to OPEB	183,611	-	183,611	-
Deferred amounts related to GRDA settlement	99,788	-	99,788	-
Total deferred outflow of resources	<u>753,424</u>	<u>-</u>	<u>753,424</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	3,382,104	36,838	3,418,942	19,793
Claims liability	-	-	-	675,356
Wages payable	79,204	797	80,001	-
Due to other funds	86,341	1,848	88,189	458,448
Accrued interest payable	113,263	-	113,263	-
Accrued compensated absences	17,675	146	17,821	-
Unearned revenue	1,643,318	-	1,643,318	-
Refundable deposits	35,217	-	35,217	-
Capital lease payable	144,620	-	144,620	-
Revenue bond payable	465,000	-	465,000	-
Notes payable	964,952	-	964,952	-
Total current liabilities	<u>6,931,694</u>	<u>39,629</u>	<u>6,971,323</u>	<u>1,153,597</u>
Non-current liabilities:				
Accrued compensated absences	161,335	1,306	162,641	-
Net pension liability	54,687	-	54,687	-
Total OPEB liability	884,690	-	884,690	-
Refundable deposits	315,798	-	315,798	-
Revenue bond payable	6,240,000	-	6,240,000	-
Notes payable, net	3,177,741	-	3,177,741	-
Total non-current liabilities	<u>10,834,251</u>	<u>1,306</u>	<u>10,835,557</u>	<u>-</u>
Total liabilities	<u>17,765,945</u>	<u>40,935</u>	<u>17,806,880</u>	<u>1,153,597</u>
DEFERRED INFLOW OF RESOURCES				
Deferred amounts related to leases	249,720	-	249,720	-
Deferred amounts related to pensions	1,312,331	-	1,312,331	-
Deferred amounts related to OPEB	713,899	-	713,899	-
Total deferred inflow of resources	<u>2,275,950</u>	<u>-</u>	<u>2,275,950</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	15,237,055	4,137,744	19,374,799	-
Restricted for debt service	207,449	-	207,449	-
Unrestricted	15,559,322	126,373	15,685,695	2,383,374
Total net position	<u>\$ 31,003,826</u>	<u>\$ 4,264,117</u>	<u>\$ 35,267,943</u>	<u>\$ 2,383,374</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

Total net position per Government-Wide financial statements	<u>1,176,427</u>
	<u>\$ 36,444,370</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, 2022

	<u>Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>Miami Special Utility Authority</u>	<u>Airport Fund</u>	<u>Total</u>	
REVENUES				
Charges for services	\$ 30,960,775	\$ 193,005	\$ 31,153,780	\$ 1,866,285
Fees, licenses and permits	133,625	-	133,625	-
Miscellaneous	790,398	-	790,398	1,058,177
Total operating revenues	<u>31,884,798</u>	<u>193,005</u>	<u>32,077,803</u>	<u>2,924,462</u>
OPERATING EXPENSES				
Personal services	3,525,540	42,641	3,568,181	-
Materials and supplies	13,936,612	84,728	14,021,340	-
Other services and charges	4,551,745	(10,995)	4,540,750	489,621
Insurance claims and expense	-	-	-	2,751,684
Depreciation expense	2,091,470	277,105	2,368,575	-
Total operating expenses	<u>24,105,367</u>	<u>393,479</u>	<u>24,498,846</u>	<u>3,241,305</u>
Operating income (loss)	<u>7,779,431</u>	<u>(200,474)</u>	<u>7,578,957</u>	<u>(316,843)</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	9,138	-	9,138	495
Miscellaneous	52,217	20	52,237	-
Capital grant	-	208,482	208,482	-
Interest expense and fiscal charges	(296,717)	-	(296,717)	-
Total non-operating revenue (expenses)	<u>(235,362)</u>	<u>208,502</u>	<u>(26,860)</u>	<u>495</u>
Income (loss) before contributions and transfers	<u>7,544,069</u>	<u>8,028</u>	<u>7,552,097</u>	<u>(316,348)</u>
Contributed assets- governmental activities	30,215	-	30,215	-
Transfers in	8,465,882	18	8,465,900	-
Transfers out	(10,909,450)	(40,000)	(10,949,450)	-
Change in net position	<u>5,130,716</u>	<u>(31,954)</u>	<u>5,098,762</u>	<u>(316,348)</u>
Total net position - beginning	25,873,110	4,296,071	30,169,181	2,699,722
Total net position - ending	<u>\$ 31,003,826</u>	<u>\$ 4,264,117</u>	<u>\$ 35,267,943</u>	<u>\$ 2,383,374</u>
Change in net position above			5,098,762	
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			(103,867)	
Change in Business-Type Activities in Net Position per Government-Wide Financial Statements			<u>\$ 4,994,895</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, 2022

	Enterprise Funds			Internal Service Fund
	Miami Special Utility Authority	Airport Fund	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 32,173,831	187,957	\$ 32,361,788	\$ 3,447,599
Payments to suppliers	(17,458,995)	(614,698)	(18,073,693)	(469,828)
Payments to employees	(3,989,981)	(47,713)	(4,037,694)	-
Receipts from other funds	18,329	-	18,329	249,863
Payments to other funds	57,647	-	57,647	(249,863)
Receipts of customer meter deposits	153,614	-	153,614	-
Refunds of customer meter deposits	(172,911)	-	(172,911)	-
Claims and judgments paid	-	-	-	(2,895,304)
Net cash provided by operating activities	10,781,534	(474,454)	10,307,080	82,467
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	8,465,882	18	8,465,900	-
Transfers to other funds	(10,909,450)	(40,000)	(10,949,450)	-
Net cash provided by (used in) noncapital financing activities	(2,443,568)	(39,982)	(2,483,550)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets purchased	(3,557,690)	(79,557)	(3,637,247)	-
Principal paid on debt	(1,754,612)	-	(1,754,612)	-
Proceeds of capital grants	-	602,697	602,697	-
Proceeds from debt	1,324,579	-	1,324,579	-
Interest and fiscal agent fees paid on debt	(331,237)	-	(331,237)	-
Net cash provided by (used in) capital and related financing activities	(4,318,960)	523,140	(3,795,820)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Sale (Purchase) of investments	193,888	-	193,888	(494)
Interest and dividends	9,138	-	9,138	495
Net cash provided by (used in) investing activities	203,026	-	203,026	1
Net increase (decrease) in cash and cash equivalents	4,222,032	8,704	4,230,736	82,468
Balances - beginning of year	11,602,324	52,329	11,654,653	2,303,993
Balances - end of year	\$ 15,824,356	\$ 61,033	\$ 15,885,389	\$ 2,386,461
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 12,863,788	\$ 61,033	\$ 12,924,821	\$ 2,386,461
Restricted cash and cash equivalents - current	2,959,373	-	2,959,373	-
Restricted cash and cash equivalents - noncurrent	1,195	-	1,195	-
Total cash and cash equivalents, end of year	\$ 15,824,356	\$ 61,033	\$ 15,885,389	\$ 2,386,461
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 7,779,431	\$ (200,474)	\$ 7,578,957	\$ (316,843)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	2,091,470	277,105	2,368,575	-
Unearned revenue	1,643,318	-	1,643,318	-
Other nonoperating revenue	52,217	20	52,237	-
Change in assets and liabilities:				
Receivables, net	(1,157,538)	(5,068)	(1,162,606)	523,137
Leases receivable	(248,964)	-	(248,964)	-
Due from other funds	57,647	-	57,647	(249,863)
Inventory	(136,670)	(8,885)	(145,555)	-
Deferred outflows related to pension	208,518	577	209,095	-
Deferred outflows related to OPEB	35,671	-	35,671	-
Accounts payable	1,166,032	(532,080)	633,952	19,793
Claims liability	-	-	-	(143,620)
Due to other funds	18,329	-	18,329	249,863
Due to employees	(90,768)	(1,284)	(92,052)	-
Refundable deposits	(19,297)	-	(19,297)	-
Total OPEB liability	(102,667)	-	(102,667)	-
Net pension liability	(1,740,807)	-	(1,740,807)	-
Accrued compensated absences	(3,401)	105	(3,296)	-
Deferred inflows related to pension	933,353	(4,470)	928,883	-
Deferred inflows related to leases	249,720	-	249,720	-
Deferred inflows related to OPEB	45,940	-	45,940	-
Net cash provided by operating activities	\$ 10,781,534	\$ (474,454)	\$ 10,307,080	\$ 82,467
Noncash activities:				
Assets contributed by governmental activities	\$ 30,215	\$ -	\$ 30,215	\$ -
	\$ 30,215	\$ -	\$ 30,215	\$ -

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
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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, 2022

	<u>MCFA</u>	<u>MDRA</u>	<u>MIDA</u>	<u>MIPFA</u>	<u>Total</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 342,439	\$ 148,670	\$ 236,809	\$ 220,241	\$ 948,159
Receivables:					
Leases receivable	-	-	-	7,508	7,508
Other receivable	-	-	-	100	100
Total current assets	<u>342,439</u>	<u>148,670</u>	<u>236,809</u>	<u>227,849</u>	<u>955,767</u>
Non-current assets:					
Leases receivable	-	-	-	271,523	271,523
Capital assets:					
Land, construction in progress, and water rights	-	-	102,571	248,221	350,792
Other capital assets, net of accumulated depreciation	7,239,199	-	684,178	249,731	8,173,108
Total non-current assets	<u>7,239,199</u>	<u>-</u>	<u>786,749</u>	<u>769,475</u>	<u>8,795,423</u>
Total assets	<u>7,581,638</u>	<u>148,670</u>	<u>1,023,558</u>	<u>997,324</u>	<u>9,751,190</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	-	9,824	-	1,707	11,531
Accrued compensated absences	-	3,208	-	-	3,208
Accrued interest on notes payable	-	-	635	-	635
Notes payable	-	-	207,447	-	207,447
Total liabilities	<u>-</u>	<u>13,032</u>	<u>208,082</u>	<u>1,707</u>	<u>222,821</u>
DEFERRED INFLOW OF RESOURCES					
Deferred amounts related to leases	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,470</u>	<u>275,470</u>
NET POSITION					
Net investment in capital assets	7,239,199	-	579,302	497,952	8,316,453
Unrestricted	342,439	135,638	236,174	222,195	936,446
Total net position	<u>\$ 7,581,638</u>	<u>\$ 135,638</u>	<u>\$ 815,476</u>	<u>\$ 720,147</u>	<u>\$ 9,252,899</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMI, OKLAHOMA
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Discretely Presented Component Units Combining Statement of Changes in Net Position - Year Ended June 30, 2022

	<u>MCFA</u>	<u>MDRA</u>	<u>MIDA</u>	<u>MIPFA</u>	<u>Total</u>
REVENUES					
Charges for services	\$ 148,145	\$ 225,647	\$ 71,774	\$ 23,872	\$ 469,438
Miscellaneous	-	15,000	-	-	15,000
Total operating revenues	<u>148,145</u>	<u>240,647</u>	<u>71,774</u>	<u>23,872</u>	<u>484,438</u>
OPERATING EXPENSES					
Personal services	-	114,537	-	-	114,537
Materials and supplies	-	18,706	-	600	19,306
Other services and charges	65,789	197,645	11,750	2,293	277,477
Depreciation expense	246,170	2,524	20,727	28,713	298,134
Total operating expenses	<u>311,959</u>	<u>333,412</u>	<u>32,477</u>	<u>31,606</u>	<u>709,454</u>
Operating income (loss)	<u>(163,814)</u>	<u>(92,765)</u>	<u>39,297</u>	<u>(7,734)</u>	<u>(225,016)</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment income	149	-	1	3,268	3,418
Miscellaneous income	4,358	161,379	-	25	165,762
Interest expense and fiscal charges	-	-	(8,483)	-	(8,483)
Total non-operating revenue (expenses)	<u>4,507</u>	<u>161,379</u>	<u>(8,482)</u>	<u>3,293</u>	<u>160,697</u>
Change in net position	(159,307)	68,614	30,815	(4,441)	(64,319)
Total net position - beginning	7,740,945	67,024	784,661	724,588	9,317,218
Total net position - ending	<u>\$ 7,581,638</u>	<u>\$ 135,638</u>	<u>\$ 815,476</u>	<u>\$ 720,147</u>	<u>\$ 9,252,899</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.
- S&L Fiscal Recovery Fund –to account for activity related to ARPA funds received from the Federal Government.

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.
- Capital Improvement Fund accounts for use tax used for city capital projects for various departments.

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, 2022 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	\$ 24,181,467	N/A	\$ 24,181,467	\$ -
Cash on hand	3,395	N/A	3,395	-
Time deposits	1,796,872	N/A	-	1,796,872
Money Market Funds	3,031,922	Not rated	-	3,031,922
Sub-Total	<u>\$ 29,013,656</u>		<u>\$ 24,184,862</u>	<u>\$ 4,828,794</u>
Reconciliation to Financial Statements:				
Cash and cash equivalents	\$ 27,216,784			
Investments	1,796,872			
	<u>\$ 29,013,656</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, 2022:

- Money Market Mutual Funds of \$3,031,922 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, 2022, the City was not exposed to custodial credit risk.

Component Unit:

The bank deposits of the MDRA component unit of \$148,670 at June 30, 2022 were fully insured by the F.D.I.C.

The bank deposits of the MCFA component unit of \$342,439 at June 30, 2022 were fully insured.

The bank deposits of the MIPFA component unit of \$220,241 at June 30, 2022 were fully insured by the F.D.I.C.

The bank deposits of the MIDA component unit of \$236,809 at June 30, 2022 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, 2022, the investments held by the City mature between 2022 through 2023.

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, 2022.

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, 2022 are as follows:

Cash and cash equivalents:	
Cash Restricted for Refundable deposits	\$ 49,524
Money Markets Restricted for Debt Service	2,711,210
	<u>\$ 2,760,734</u>
Cash and cash equivalents, noncurrent:	
Cash Restricted for Refundable deposits	1,195
	<u>\$ 1,195</u>
Investments:	
Refundable deposits	\$ 198,639
	<u>\$ 198,639</u>

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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
Governmental Activities:			
Taxes	1,309,483	\$ -	\$ 1,309,483
Due from other governments	277,336	-	277,336
Court fines	706,795	(593,127)	113,668
Grants receivable	5,007	-	5,007
Other	738,667	-	738,667
Total Governmental Activities	\$ 3,037,288	\$ (593,127)	\$ 2,444,161
Reconciliation to Statement of Net Position:			
Accounts receivable, net			\$ 372,962
Due from other governmental agencies			1,501,855
Other receivable			569,344
Total			\$ 2,444,161
Business-Type Activities:			
Utilities	\$ 7,333,765	\$ (2,242,117)	\$ 5,091,648

5. Leases Receivables

The City is a party as lessor for two noncancellable long-term leases of buildings, and infrastructure. The corresponding lease receivable, are recorded in an amount equal to the present value of the expected future minimum lease payments received or received, respectively, discounted by an applicable interest rate.

Lease-related amounts are recognized at the inception of leases in which the city is the lessor and are recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

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Business-type Activities

The City as a lessor, has entered into lease agreements involving an infrastructure. The total amount of inflows of resources, including lease revenue and interest revenue recognized during the fiscal year was \$268,929.

Component Unit

The MIPFA as a lessor, has entered into lease agreements involving a building. The total amount of inflows of resources, including lease revenue and interest revenue recognized during the fiscal year was \$5,938.

6. 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.

7. 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 the acquisition 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, 2022, capital assets balances changed as follows:

	Balance at July 1, 2021	Additions	Transfers/ Deductions	Balance at June 30, 2022
PRIMARY GOVERNMENT:				
<i>Governmental activities:</i>				
Capital assets not being depreciated:				
Land	\$ 4,601,374	\$ -	\$ -	\$ 4,601,374
Construction in progress	113,519	188,701	59,430	242,790
Total capital assets not being depreciated	<u>4,714,893</u>	<u>188,701</u>	<u>59,430</u>	<u>4,844,164</u>
Other capital assets:				
Buildings	23,180,501	-	-	23,180,501
Infrastructure	47,549,569	-	-	47,549,569
Machinery, furniture and equipment	12,814,804	500,936	329,261	12,986,479
Total other capital assets at historical cost	<u>83,544,874</u>	<u>500,936</u>	<u>329,261</u>	<u>83,716,549</u>
Less accumulated depreciation for:				
Buildings	16,796,183	339,894	-	17,136,077
Infrastructure	34,045,624	1,167,821	-	35,213,445
Machinery, furniture and equipment	9,919,959	551,824	314,511	10,157,272
Total accumulated depreciation	<u>60,761,766</u>	<u>2,059,539</u>	<u>314,511</u>	<u>62,506,794</u>
Other capital assets, net	22,783,108	(1,558,603)	14,750	21,209,755
Governmental activities capital assets, net	<u>\$ 27,498,001</u>	<u>\$ (1,369,902)</u>	<u>\$ 74,180</u>	<u>\$ 26,053,919</u>

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	Restated Balance at July 1, 2021	Additions	Transfers/ Deductions	Balance at June 30, 2022
<i>Business-type activities:</i>				
Capital assets not being depreciated:				
Land	\$ 780,300	\$ 10,500	\$ -	\$ 790,800
Construction in progress	3,046,344	2,355,087	2,904,155	2,497,276
Total capital assets not being depreciated	<u>3,826,643</u>	<u>2,365,587</u>	<u>2,904,155</u>	<u>3,288,076</u>
Other capital assets:				
Buildings and utility infrastructure	21,098,912	-	-	21,098,912
Machinery, furniture and equipment	19,969,056	1,026,193	253,153	20,742,096
Infrastructure	30,020,072	3,179,837	-	33,199,909
Total other capital assets at historical cost	<u>71,088,040</u>	<u>4,206,030</u>	<u>253,153</u>	<u>75,040,917</u>
Less accumulated depreciation for:				
Buildings and utility infrastructure	13,326,038	476,870	-	13,802,908
Machinery, furniture and equipment	15,078,983	822,503	253,153	15,648,333
Infrastructure	17,441,437	1,069,202	-	18,510,639
Total accumulated depreciation	<u>45,846,458</u>	<u>2,368,575</u>	<u>253,153</u>	<u>47,961,880</u>
Other capital assets, net	<u>25,241,582</u>	<u>1,837,455</u>	<u>-</u>	<u>27,079,037</u>
Business-type activities capital assets, net	<u>\$ 29,068,225</u>	<u>\$ 4,203,042</u>	<u>\$ 2,904,155</u>	<u>\$ 30,367,113</u>

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	\$ 268,857
Public Safety	211,575
Streets	1,263,420
Culture and Recreation	315,687
Total	<u>\$ 2,059,539</u>

Business-Type Activities:

Airport	\$ 277,105
Electric	871,846
Water	556,943
Wastewater	416,798
Sanitation	245,883
Total	<u>\$ 2,368,575</u>

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Capital assets of the component units were:

MIDA

	Balance at August 1, 2021	Additions	Deductions	Balance at July 31, 2022
<i>MIDA - Discreetly Presented Component unit</i>				
Capital assets not being depreciated:				
Land	\$ 102,571	\$ -	\$ -	\$ 102,571
Total capital assets not being depreciated	<u>102,571</u>	<u>-</u>	<u>-</u>	<u>102,571</u>
Other capital assets:				
Buildings and utility infrastructure	1,036,352	-	-	1,036,352
Less accumulated depreciation for:				
Buildings and utility infrastructure	331,446	20,727	-	352,173
Other capital assets, net	704,906	(20,727)	-	684,179
MIDA capital assets, net	<u>\$ 807,477</u>	<u>\$ (20,727)</u>	<u>\$ -</u>	<u>\$ 786,750</u>

MDRA

	Balance at July 1, 2021	Additions	Deductions	Balance at June 30, 2022
<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	18,182	2,524	-	20,706
Total accumulated depreciation	<u>22,732</u>	<u>2,524</u>	<u>-</u>	<u>25,256</u>
Other capital assets, net	2,524	(2,524)	-	-
MDRA capital assets, net	<u>\$ 2,524</u>	<u>\$ (2,524)</u>	<u>\$ -</u>	<u>\$ -</u>

MIPFA

	Balance at July 1, 2021	Additions	Deductions	Balance at June 30, 2022
<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	373,629	19,681	-	393,310
Machinery, furniture and equipment	104,435	9,032	-	113,467
Total accumulated depreciation	<u>478,064</u>	<u>28,713</u>	<u>-</u>	<u>506,777</u>
Other capital assets, net	278,445	(28,713)	-	249,732
MIPFA capital assets, net	<u>\$ 526,666</u>	<u>\$ (28,713)</u>	<u>\$ -</u>	<u>\$ 497,953</u>

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MCFA

	Balance at July 1, 2021	Additions	Deductions	Balance at June 30, 2022
<i>MCFA - Discreetly Presented Component unit</i>				
Other capital assets:				
Buildings	\$ 8,851,208	\$ -	\$ -	\$ 8,851,208
Less accumulated depreciation for:				
Buildings	1,365,839	246,170	-	1,612,009
Other capital assets, net	7,485,369	(246,170)	-	7,239,199
MCFA capital assets, net	<u>\$ 7,485,369</u>	<u>\$ (246,170)</u>	<u>\$ -</u>	<u>\$ 7,239,199</u>

8. 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.

Receivable Fund		Payable Fund		Amount	Nature of Interfund Balance
General Fund	*	Airport Fund	*	\$ 1,313	Payroll reimbursement
General Fund	*	MSUA	*	86,341	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	*	41,058	Posting correction
Airport Fund	*	General Fund	*	30,128	Posting correction
Workers Compensation Fund		Health Insurance Fund		458,448	deposit to the wrong fund
Total				<u>\$ 662,884</u>	

* Denotes major fund.

	Due From Other Funds	Due To Other Funds	Net Internal Balances
Reconciliation to Fund Financial Statements:			
Governmental Funds	\$ 132,715	\$ (666,473)	\$ (533,758)
Proprietary Funds	71,721	-	71,721
Internal Service Funds	458,448	-	458,448
Total	<u>\$ 662,884</u>	<u>\$ (666,473)</u>	<u>\$ (3,589)</u>

Reconciliation to Statement of Net Position:

Net Internal Balances	\$ 71,721
Internal Service Fund Activity reported in Business-type Activities	1,176,427
Net Internal Balance	<u>\$ 1,248,148</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, 2022 were as follows:

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<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>	<u>Nature of Interfund Transfer</u>
General Fund	* MSUA	\$ 8,835,750	Operating subsidy/pledged sales tax
Demolition account	* MSUA	50,000	Operating subsidy
General Fund	* Street Project	1,490,133	Pledged sales tax
Street and alley	* MSUA	500,000 A	Operating subsidy
Capital Improvement Fund	* General Fund	3,151	Operating subsidy
Police grant	General Fund	4 A	Operating subsidy
Police grant	Grant Fund	117 A,B	Operating subsidy
General Fund	Street and Alley	355 A	Operating subsidy
General Fund	Grant Fund	200 B	Grant matching
General Fund	Summer Recreation Program	227 A	Budgeted
Summer Recreation Program	Street and Alley	25,000 A,B	Operating subsidy
Grant Fund	* MSUA	33,567 A	Budgeted
MSUA	Airport	40,000	Budgeted
Airport	* General Fund	18	Budgeted
Rainy Day	Capital Improvement Fund	100,000 B	Budgeted
MSUA	* General Fund	8,325,882	Operating subsidy/pledged sales tax
		<u>\$ 19,404,404</u>	

Denotes Major Fund	Subtotal non-major Governmental Funds transfers in	\$ 559,270 A
	Subtotal non-major Governmental Funds transfers out	\$ 25,317 B

Reconciliation to fund financial statements:	<u>Transfers to Other Funds</u>	<u>Transfers from Other Funds</u>	<u>Net Transfers</u>
Governmental Funds	\$ (8,454,954)	\$ 10,938,504	\$ 2,483,550
Enterprise Funds	(10,949,450)	8,465,900	(2,483,550)
Totals	<u>\$ (19,404,404)</u>	<u>\$ 19,404,404</u>	<u>\$ -</u>

Reconciliation to Statement of Activities:		
Net Transfers		\$ (2,483,550)
Transfer of assets from Governmental Activities to Business Type Activities		30,215
Transfers - Internal Activity		<u>\$ (2,453,335)</u>

9. Long-Term Debt

The City's long term debt consists of revenue bonds and notes, capital lease obligations, accrued compensated absences and long-term deposits subject to refund.

For the year ended June 30, 2022, the City's long-term debt balances changed as follows:

Primary Government:

<u>Type of Debt</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
Governmental Activities:					
Revenue Bond Premium	\$ 165,589	\$ -	\$ 20,277	\$ 145,312	\$ -
Revenue Bonds	17,470,000	-	465,000	17,005,000	475,000
Notes Payable - direct borrowings	773,706	-	157,019	616,687	137,302
Accrued Compensated Absences	655,457	-	28,015	627,442	62,745
Total Governmental Activities	<u>\$ 19,064,752</u>	<u>\$ -</u>	<u>\$ 670,311</u>	18,394,441	675,047
Plus: Total OPEB liability				1,507,711	-
Net pension liability				2,555,621	-
				<u>\$ 22,457,773</u>	<u>\$ 675,047</u>
Reconciliation to Statement of Net Position:					
Due within one year				\$ 675,047	
Due in more than one year				21,782,726	
				<u>\$ 22,457,773</u>	

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<u>Type of Debt</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
Business-Type Activities:					
Notes Payable - Direct borrowings	\$ 4,021,131	\$ 1,324,589	\$ 1,094,622	\$ 4,251,098	\$ 1,109,572
Unamortized Bond Premium (Discount)	66,642		30,427	36,215	-
Revenue Bonds	7,365,000	-	660,000	6,705,000	465,000
Accrued Compensated Absences	<u>183,758</u>	<u>-</u>	<u>3,296</u>	<u>180,462</u>	<u>17,821</u>
 Total Business-Type Activities	 <u>\$ 11,636,531</u>	 <u>\$ 1,324,589</u>	 <u>\$ 1,788,345</u>	 11,172,775	 1,592,393
 Plus: Total OPEB liability				884,690	-
Net pension liability				54,687	-
Refundable deposits				<u>351,015</u>	<u>35,217</u>
				<u>\$ 12,463,167</u>	<u>\$ 1,627,610</u>
 Reconciliation to Statement of Net Position:					
Due within one year				\$ 1,627,610	
Due in more than one year				<u>10,835,557</u>	
				<u>\$ 12,463,167</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.

\$17,005,000

Current portion	\$475,000
Non-current portion	<u>16,530,000</u>
	<u>\$17,005,000</u>

Notes Payable – Direct Borrowings:

\$304,491 capital lease obligation for the purchase of fire tanker trucks, matures August 2027 with a stated interest rate of 2.14%. If the City defaults, the collateralized equipment will be returned to the lender.	229,094
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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%. If the City defaults, the collateralized equipment will be returned to the lender.	234,238
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\$255,638 capital lease obligation for the purchase of excavator, matures February 2025 with a stated interest rate of 1.67%. If the City defaults, the collateralized equipment will be returned to the lender.	<u>153,355</u>
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Total capital lease obligations	<u>\$616,687</u>
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Current portion	\$137,302
Non-current portion	<u>479,385</u>
	<u>\$616,687</u>

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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:

Revenue Bond Payable –

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>\$6,705,000</u>
Total Revenue Bonds Payable	<u>\$6,705,000</u>
Current portion	\$465,000
Non-current portion	<u>6,240,000</u>
	<u>\$6,705,000</u>

Notes Payable – 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.

\$132,000

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.

159,553

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.

320,298

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.

97,420

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<p>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.</p>	915,000
<p>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 \$1,144,862 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.</p>	1,022,862
<p>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 \$1,559,345 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.</p>	1,459,344
<p>\$369,500 note payable for the purchase of a refuse truck, matures February 2023 with a stated interest rate of 1.50%. If the Authority defaults, the collateralized equipment will be returned to the lender.</p>	123,158
<p>\$285,663 note payable for the purchase of a digger derrick truck, matures July 2021 with a stated interest rate of 1.95%. If the Authority defaults, the collateralized equipment will be returned to the lender.</p>	16,553
<p>\$95,994 note payable for the purchase of a truck for water, matures August 2022 with a stated interest rate of 2.99%. If the Authority defaults, the collateralized equipment will be returned to the lender.</p>	<u>4,910</u>
<p>Total Notes Payable – Direct Borrowings</p>	<p><u>\$4,251,098</u></p>
<p>Current portion</p>	<p>\$1,109,572</p>
<p>Non-current portion</p>	<p><u>3,141,526</u></p>
	<p><u>\$4,251,098</u></p>

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

Governmental-Type Activities				
Year Ending June 30,	Revenue Bonds Payable		Notes Payable - Direct Borrowings	
	Principal	Interest	Principal	Interest
2023	\$ 475,000	\$ 518,788	\$ 137,302	\$ 10,338
2024	485,000	509,188	140,023	7,617
2025	495,000	499,387	142,798	4,843
2026	505,000	489,388	92,794	2,012
2027	515,000	479,188	93,383	1,424
2028-2032	1,610,000	2,244,606	10,387	43
2033-2037	4,435,000	2,099,550	-	-
2038-2042	3,925,000	1,242,375	-	-
2043-2047	4,560,000	641,250	-	-
Total	\$ 17,005,000	\$ 8,723,720	\$ 616,687	\$ 26,277

Business-Type Activities				
Year Ending June 30,	Notes Payable-Direct Borrowings		Revenue Bonds Payable	
	Principal	Interest	Principal	Interest
2023	\$ 1,109,572	\$ 150,504	\$ 465,000	\$ 221,325
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	303,250	84,358	530,000	157,725
2028-2032	1,567,250	345,537	2,905,000	531,725
2033-2037	1,666,250	211,760	1,305,000	68,950
2038-2042	1,639,250	71,299	-	-
Amount to be drawn	(4,630,793)	-	-	-
Total	\$ 4,251,098	\$ 1,179,290	\$ 6,705,000	\$ 1,543,800

MDRA Debt:

<u>Type of Debt</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>
Component Unit:					
Accrued Compensated Absences	\$ 2,927	\$ 281	\$ -	\$ 3,208	\$ 321
Total MDRA	<u>\$ 2,927</u>	<u>\$ 281</u>	<u>\$ -</u>	<u>\$ 3,208</u>	<u>\$ 321</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 \$114,368

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 71,452

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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 21,627

Total debt outstanding – MIDA \$207,447

<u>Type of Debt</u>	<u>Balance August 1, 2021</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance July 31, 2022</u>	<u>Due Within One Year</u>
Component Unit:					
MIDA Note payable (direct borrowings)	\$ 278,661	\$ -	\$ 71,214	\$ 207,447	\$ 207,447

<u>Component Unit - MIDA</u>		
<u>Year Ending June 30,</u>	<u>Notes Payable - direct borrowing</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 207,447	-
Total	\$ 207,447	\$ -

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 \$1,665,491. The 2019 note refinanced the 2003B and 2004 B notes. Net utility revenues received in the current year were \$8,087,413. Debt service payments of \$885,951 for the current fiscal year were 11% 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 \$33,977,519. Pledged sales taxes received in the current year were \$8,325,882. Net revenues and sales tax pledged during the year was \$16,415,984. Debt service payments of \$1,900,558 for the current fiscal year were 11.6% of the pledged revenue.

10. 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.

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- 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, 2022 net position restricted by enabling legislation totaled \$286,075.

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:

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	General Fund	Major Capital Project Fund		Other Governmental Fund	Total
		Capital Improvement Fund			
Fund Balance:					
Restricted For:					
Police operations - grants	\$ -	\$ -		\$ 136,096	\$ 136,096
General obligation debt service	-	-		509,767	509,767
Capital improvements	-	-		126,339	126,339
Street improvements	-	-		1,100,654	1,100,654
Culture and rec programs	-	-		367,867	367,867
Economic development	-	-		91,716	91,716
Grant fund	-	-		1,089,550	1,089,550
Police - drug programs	-	-		25,480	25,480
Sub-total restricted	-	-		3,447,469	3,447,469
Committed for:					
Street operations	-	-		271,236	271,236
Assigned for:					
Capital improvements	-	813,135		-	813,135
Demolition	285,882	-		-	285,882
Culture and rec programs	-	-		-	-
Supplement next year's budget	3,386,074	-		-	3,386,074
Sub-total assigned	3,671,956	813,135		-	4,485,091
Unassigned:	992,034	-		-	992,034
TOTAL FUND BALANCE	\$ 4,663,990	\$ 813,135		\$ 3,718,705	\$ 9,195,830

12. 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

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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, 2022, the City did not assess a property tax.

13. 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 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.

	<u>Worker's Compensation</u>	<u>Health Care</u>	<u>Unemployment Fund</u>	<u>Total</u>
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	<u>(642,143)</u>	<u>(374,054)</u>	<u>(17,749)</u>	<u>(1,033,946)</u>
Claim liability, June 30, 2021	332,780	483,984	2,212	818,976
Claims and changes in estimates	1,109,891	2,163,138	6,295	3,279,324
Claims payments	<u>(908,090)</u>	<u>(2,506,367)</u>	<u>(8,507)</u>	<u>(3,422,964)</u>
Claim liability, June 30, 2022	<u>\$ 534,581</u>	<u>\$ 140,755</u>	<u>\$ -</u>	<u>\$ 675,336</u>

14. 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, 2022:

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	<u>Governmental</u>	<u>Business Type</u>	<u>Total</u>
Deferred Outflows:			
Police Pension	\$ 243,478	\$ -	\$ 243,478
Fire Pension	1,144,046	-	1,144,046
OkMRF	448,150	470,025	918,175
Total	<u>\$ 1,835,674</u>	<u>\$ 470,025</u>	<u>\$ 2,305,699</u>
Deferred Inflows:			
Police Pension	\$ 1,412,113	\$ -	\$ 1,412,113
Fire Pension	2,319,536	-	2,319,536
OkMRF	1,182,800	1,312,331	2,495,131
Total	<u>\$ 4,914,449</u>	<u>\$ 1,312,331</u>	<u>\$ 6,226,780</u>
Net Pension Liability:			
Fire Pension	\$ 2,505,890	\$ -	\$ 2,505,890
OkMRF	49,731	54,687	104,418
Total	<u>\$ 2,555,621</u>	<u>\$ 54,687</u>	<u>\$ 2,610,308</u>
Net Pension Asset:			
Police Pension	\$ 1,830,509	\$ -	\$ 1,830,509
Total	<u>\$ 1,830,509</u>	<u>\$ -</u>	<u>\$ 1,830,509</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. Benefits are established or amended by the City Council in accordance with O.S. Title 11, Section 48-101-102.

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B. Eligibility Factors and Benefit Provisions

<u>Provision</u>	<u>As of 07/01/21 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
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	117
Deferred Vested Former Employees	16
Retirees or Retiree Beneficiaries	<u>83</u>
Total	<u>216</u>

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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, 2021. For the year ended June 30, 2022, the City recognized \$730,002 of employer contributions to the plan which is in excess of the actuarially determined amount by \$209,752 based on covered payroll of \$5,505,289. Employees contribute 3.75% to the plan in accordance with the plan provisions adopted by the City Council. Employee contributions for fiscal 2022 were \$198,934.

Actuarial Assumptions

Date of Last Actuarial Valuation	July 1, 2021
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
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	Select and ultimate rates Ultimate rates are age-related as shown
	Additional rates per thousand are added during the first 5 years:
	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

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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:

	Target Allocation	Real Return	Weighted Return
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%
TOTAL	100%		
Average Real Return			4.75%
Inflation			2.75%
Long-term expected return			7.50%

E. Changes in Net Pension Liability – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2021 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, 2021 and the City’s report ending date of June 30, 2022, that would have had a significant

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impact on the net pension liability. The following table reports the components of changes in net pension liability:

	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances Beginning of Year	\$ 14,976,088	\$ 11,629,624	\$ 3,346,464
Changes for the Year:			
Service cost	390,061	-	390,061
Interest expense	1,085,829	-	1,085,829
Experience losses (gains) - (amortized over avg remain svc period of actives & inactive)	(643,221)	-	(643,221)
Changes of assumptions	-	-	-
Contributions--City	-	697,806	(697,806)
Contributions--members	-	197,343	(197,343)
Net investment income	-	3,203,292	(3,203,292)
Benefits paid	(1,015,092)	(1,015,092)	-
Plan administrative expenses	-	(23,726)	23,726
Benefit changes due to plan amendments	-	-	-
Change in deferred contributions made subsequent to the measurement date	-	-	-
Net Changes	<u>(182,423)</u>	<u>3,059,623</u>	<u>(3,242,046)</u>
Balances End of Year	<u>\$ 14,793,665</u>	<u>\$ 14,689,247</u>	<u>\$ 104,418</u>

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	\$ 1,890,923	\$ 104,418	\$ (1,368,183)

The City reported (\$397,981) in pension expense for the year ended June 30, 2022. At June 30, 2022, 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	\$ -	\$ 759,981
Net difference between projected and actual earnings	-	1,611,766
Changes in assumptions	66,031	-
Changes in proportion and differences between City contributions and proportionate share of contributions	104,486	104,486
City contributions during measurement date	17,656	18,898
City contributions subsequent to the measurement date	730,002	-
Total	<u>\$ 918,175</u>	<u>\$ 2,495,131</u>

The \$730,002 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, 2023. Any other amounts reported as deferred

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outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2023	\$	(668,380)
2024		(583,868)
2025		(564,171)
2026		(490,539)
2027		-
	\$	(2,306,958)

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

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.

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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 \$175,750. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$376,133 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 \$277,480. 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, 2022, the City reported a liability of \$2,505,890 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2021. Based upon this information, the City's proportion was .3805%.

For the year ended June 30, 2022, the City recognized pension expense of (\$95,760). At June 30, 2022, 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	\$ 908,829	\$ 44,008
Changes of assumptions	-	55,580
Net difference between projected and actual earnings on pension plan investments	-	1,992,075
Changes in proportion	58,889	225,672
Contributions during the measurement date	578	2,201
Contributions subsequent to the measurement date	175,750	-
Total	\$ 1,144,046	\$ 2,319,536

In the year ending June 30, 2022, \$175,750 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:

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Year ended June 30:

	2023	\$	(252,877)
	2024		(307,768)
	2025		(323,647)
	2026		(466,948)
	2027		-
	Total	<u>\$</u>	<u>(1,351,240)</u>

Actuarial Assumptions- The total pension liability was determined by an actuarial valuation as of July 1, 2021, 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, 2021, 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, 2021, 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%	3.53%
Domestic equity	47%	5.73%
International equity	15%	8.50%
Real estate	10%	7.97%
Other assets	8%	4.73%

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.

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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 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:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability	\$ 3,915,971	\$ 2,505,890	\$ 1,325,363

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.

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

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.

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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 \$179,746. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$153,825 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 \$108,247. 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, 2022, the City reported an asset of \$1,830,509 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2021. The City's proportion of the net pension asset 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, 2021. Based upon this information, the City's proportion was .3816%.

For the year ended June 30, 2022, the City recognized pension expense of (\$183,388). At June 30, 2022, 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	\$ 26,282	\$ 72,250
Changes of assumptions	27,836	-
Net difference between projected and actual earnings on pension plan investments	-	1,335,295
Changes in proportion	7,312	2,269
Contributions during measurement date	2,302	2,299
Contributions subsequent to the measurement date	179,746	-
Total	\$ 243,478	\$ 1,412,113

In the year ending June 30, 2023, \$179,746 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:			
2023	\$	(305,481)	
2024		(265,707)	
2025		(336,454)	
2026		(444,144)	
2027		3,405	
Total	\$	(1,348,381)	

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Actuarial Assumptions-The total pension asset was determined by an actuarial valuation as of July 1, 2021, 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).
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, 2021, 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, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	3.22%
Domestic equity	4.55%
International equity	8.50%
Real estate	7.97%
Private Equity	9.36%
Commodities	0.00%

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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.

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)	\$ (686,496)	\$ (1,830,509)	\$ (2,797,858)

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.

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, 2022, employees contributed \$102,223 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, 2022. Separate audited financial statements are not available.

15. 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.

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, 2022 were \$90,502.

Employees Covered by Benefit Terms

Active Employees	171
Inactive or beneficiaries receiving benefits	<u>8</u>
Total	<u>179</u>

Total OPEB Liability – The total OPEB liability was determined based on an alternative measurement method valuation performed as of June 30, 2021 which is also the measurement date.

Actuarial Assumptions- The total OPEB liability in the June 30, 2021 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%

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Changes in Total OPEB Liability -

	Total OPEB Liability
Balances at Beginning of Year	<u>\$ 2,482,105</u>
Changes for the Year:	
Service cost	182,230
Interest expense	54,855
Change of benefit terms	107,385
Change in assumptions	(42,145)
Difference between expected and actual experience	(301,527)
Benefits paid	<u>(90,502)</u>
Net Changes	<u>(89,704)</u>
Balances End of Year	<u><u>\$ 2,392,401</u></u>

OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2022, the City recognized OPEB expense of \$82,341. At June 30, 2022, 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	\$ -	\$ 688,673
Changes of assumptions	-	593,841
Changes in proportion	385,368	383,292
City Contributions during measurement date	10,452	10,513
Benefits paid subsequent to the measurement date	<u>79,782</u>	<u>-</u>
Total	<u><u>\$ 475,602</u></u>	<u><u>\$ 1,676,319</u></u>

In the year ending June 30, 2022, \$79,782 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	\$ (262,129)
2023	(262,129)
2024	(248,527)
2025	(207,507)
2026	(161,729)
Thereafter	<u>(138,478)</u>
	<u><u>\$ (1,280,499)</u></u>

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:

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	Current Discount Rate		
	1% Decrease (1.16%)	(2.16%)	1% Increase (3.16%)
Employers' total OPEB liability	\$ 2,679,915	\$ 2,392,401	\$ 2,137,989

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 (4.96% decreasing to 3.87%)	(5.96% decreasing to 4.87%)	1% Increase (6.96% decreasing to 5.87%)
Employers' total OPEB liability	\$ 2,087,135	\$ 2,392,401	\$ 2,758,393

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 2022, 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.

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, 2022, 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.

GRDA Winter Storm

In February 2021, the State of Oklahoma experienced a major winter storm, Uri, which 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 by October 2022. The City has opted to allow their sixteen (16) industrial customers 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. We are tracking those repayments monthly and will eliminate the PCAX rate once the amount the City has paid GRDA has been recouped.

REQUIRED SUPPLEMENTARY INFORMATION

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Budgetary Comparison Schedules (Budgetary Basis) – Year Ended June 30, 2022

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budget basis)	Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 2,481,641	\$ 2,481,641	\$ 3,529,969	\$ 1,048,328
Resources (Inflows):				
Taxes and assessments	7,187,900	7,187,900	8,870,284	1,682,384
Fees, licenses and permits	43,500	43,500	80,817	37,317
Charges for services	134,745	134,745	133,466	(1,279)
Fines and forfeitures	248,400	248,400	260,553	12,153
Interest earned	10,300	10,300	10,350	50
Miscellaneous	2,700	2,650,490	139,165	(2,511,325)
Intergovernmental	74,600	74,600	164,911	90,311
Total Resources (Inflows)	<u>7,702,145</u>	<u>10,349,935</u>	<u>9,659,546</u>	<u>(690,389)</u>
Amounts available for appropriation	<u>10,183,786</u>	<u>12,831,576</u>	<u>13,189,515</u>	<u>357,939</u>
Charges to Appropriations (Outflows):				
General Government				
Municipal Court	161,875	162,675	145,670	17,005
General Government	744,876	763,223	580,208	183,015
Human Resources	371,900	346,065	276,821	69,244
Legal	109,450	109,470	77,149	32,321
Public Safety				
Police	2,503,496	2,499,757	2,413,720	86,037
Fire	2,199,685	2,191,485	2,148,386	43,099
Emergency Management	56,066	59,273	38,026	21,247
Police Communications	502,886	577,875	520,512	57,363
Code Compliance	108,722	120,722	73,461	47,261
Risk Management	714,704	715,484	692,420	23,064
Public Works and Streets				
Streets	756,394	793,160	675,573	117,587
Cemetery	333,887	309,182	276,351	32,831
Facilities	294,107	327,338	282,768	44,570
Animal Control	223,439	224,039	176,078	47,961
Culture and Recreation				
Parks	697,929	646,692	534,485	112,207
Swimming Pool	212,526	212,579	131,034	81,545
Library	572,550	615,400	570,440	44,960
Total Charges to Appropriations	<u>10,564,492</u>	<u>10,674,419</u>	<u>9,613,102</u>	<u>1,061,317</u>
Other financing sources (uses)				
Transfers from other funds	7,589,041	7,590,885	8,839,742	1,248,857
Transfers to other funds	(6,974,246)	(7,045,748)	(8,512,186)	(1,466,438)
Total other financing sources (uses)	<u>614,795</u>	<u>545,137</u>	<u>327,556</u>	<u>(217,581)</u>
Ending Budgetary Fund Balance	<u>\$ 234,089</u>	<u>\$ 2,702,294</u>	<u>\$ 3,903,969</u>	<u>\$ 1,201,675</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:

	Fund Balance June 30, 2021	Net Change in Fund Balance	Fund Balance June 30, 2022
Budget to GAAP Reconciliation:			
Fund Balance - GAAP Basis	\$3,981,265	\$682,725	\$4,663,990
Increases (Decreases):			
Revenues:			
Receivable from other governments and entities	(909,716)	(31,090)	(940,806)
Accounts receivable	(230,465)	45,801	(184,664)
State on behalf pension payments	(401,184)	(128,774)	(529,958)
Combining accounts	(302,828)	(110,463)	(413,291)
Expenditures:			
Accrued payroll	317,419	(188,620)	128,799
Other expenditures	674,294	(24,353)	649,941
State on behalf pension payments	401,184	128,774	529,958
Fund Balance - Budgetary Basis	\$3,529,969	\$374,000	\$3,903,969

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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>	<u>2022</u>
City's proportion of the net pension liability	0.413176%	0.418954%	0.4143524%	0.4169184%	0.421250%	0.394823%	0.375765%	0.380507%
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	\$2,505,890
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	\$1,236,103
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	449%	388%	437%	443%	392%	342%	384%	203%
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%	68.12%

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

Notes to Schedule:

Only the previous eight 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>	<u>2022</u>
Statutorially required contribution	\$ 160,255	\$ 162,264	\$ 165,905	\$ 169,204	\$ 170,934	\$ 168,865	\$ 173,054	\$ 175,750
Contributions in relation to the statutorially 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>	<u>175,750</u>
Contribution deficiency (excess)	<u>\$ -</u>	<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	\$ 1,255,355
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

Notes to Schedule:

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

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

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>	<u>2022</u>
City's proportion of the net pension liability (asset)	0.4416%	0.3977%	0.4577%	0.3683%	0.4088%	0.3946%	0.3839%	0.3816%
City's proportionate share of the net pension liability (asset)	\$ (148,685)	\$ 16,217	\$ 700,954	\$ 29,715	\$ (194,728)	\$ (25,191)	\$ 440,848	\$(1,830,509)
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	\$ 1,378,435
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%	132.80%
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%	117.07%

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

Notes to Schedule:

Only the previous eight 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>	<u>2022</u>
Statutorily required contribution	\$ 145,903	\$ 156,178	\$ 152,094	\$ 162,102	\$ 166,813	\$ 167,131	\$ 171,661	\$ 179,197
Contributions in relation to the statutorily 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>	<u>179,746</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (549)</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	\$ 1,378,435
Contributions as a percentage of covered-employee payroll	12.89%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

Notes to Schedule:

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

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

**Required Supplementary Information
Oklahoma Municipal Retirement Fund**

Schedule of Changes in Net Pension Liability and Related Ratios

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total pension liability								
Service cost	\$ 276,403	\$ 308,701	\$ 344,545	\$ 330,866	\$ 283,926	\$ 346,075	\$ 345,024	\$ 390,061
Interest	1,034,763	1,037,326	1,073,154	1,087,717	1,061,577	1,044,256	1,070,892	1,085,829
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	102,207	(202,315)	(535,480)	(541,596)	(272,005)	(198,240)	(643,221)
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)	(1,015,092)
Benefit changes due to plan amendments	-	-	-	-	-	35,013	-	-
Net change in total pension liability	<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>	<u>(182,423)</u>
Total pension liability - beginning	<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>	<u>14,976,088</u>
Total pension liability - ending (a)	<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>	<u>\$ 14,793,665</u>
Plan fiduciary net position								
Contributions - employer	\$ 569,542	\$ 618,748	\$ 640,172	\$ 650,799	\$ 635,453	\$ 646,533	\$ 657,276	\$ 697,806
Contributions - member	166,578	175,420	181,046	183,989	179,680	182,834	185,855	197,343
Net investment income	1,363,071	261,920	83,267	1,149,965	755,918	735,845	465,013	3,203,292
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)	(1,015,092)
Administrative expense	(20,151)	(19,533)	(18,698)	(20,154)	(21,162)	(22,670)	(23,361)	(23,726)
Other	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	<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>	<u>3,059,623</u>
Plan fiduciary net position - beginning	<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>	<u>11,629,624</u>
Plan fiduciary net position - ending (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>	<u>\$ 14,689,247</u>
Net pension liability - ending (a) - (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>	<u>\$ 104,418</u>
Plan fiduciary net position as a percentage of the total pension liability	68.59%	66.68%	64.99%	70.44%	75.06%	76.90%	77.65%	99.29%
Covered employee payroll	\$ 4,356,987	\$ 4,742,831	\$ 4,657,554	\$ 4,735,571	\$ 4,920,014	\$ 4,576,812	\$ 5,258,704	\$ 5,505,289
Net pension liability as a percentage of covered-employee payroll	100.06%	100.60%	109.51%	91.65%	73.05%	74.58%	63.64%	1.90%

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

Notes to Schedule:

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

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

**Required Supplementary Information
Oklahoma Municipal Retirement Fund**

Schedule of Employer Contributions

	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 616,160	\$ 643,059	\$ 592,589	\$ 590,967	\$ 512,617	\$ 518,316	\$ 551,638	\$ 577,505
Contributions in relation to the actuarially determined contribution	616,160	643,059	623,633	635,553	647,362	655,182	697,304	730,002
Contribution deficiency (excess)	\$ -	\$ -	\$ (31,044)	\$ (44,586)	\$ (134,745)	\$ (136,866)	\$ (145,666)	\$ (152,497)
Covered employee payroll	\$ 4,661,027	\$ 4,849,681	\$ 4,703,091	\$ 4,792,921	\$ 4,882,062	\$ 4,941,046	\$ 5,258,704	\$ 5,505,289
Contributions as a percentage of covered-employee payroll	13.22%	13.26%	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, 2021
3. Actuarially determined contribution rate is calculated as of July 1, 2021
July 2021 through June 2022 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
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

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>	<u>2022</u>
Total OPEB Liability					
Service cost	\$ 233,167	\$ 206,592	\$ 180,562	\$ 182,138	\$ 182,230
Interest	91,262	125,031	120,692	96,946	54,855
Change of benefit terms	-	-	-	-	107,385
Changes in assumptions	(280,566)	(378,465)	(162,177)	(237,748)	(42,145)
Differences between expected and actual experience		(17,115)	(388,393)	(237,298)	(301,527)
Benefit payments	<u>(78,120)</u>	<u>(103,265)</u>	<u>(99,477)</u>	<u>(91,824)</u>	<u>(90,502)</u>
Net change in total OPEB liability	(34,257)	(167,222)	(348,793)	(287,786)	(89,704)
Balances at Beginning of Year	<u>3,320,163</u>	<u>3,285,906</u>	<u>3,118,684</u>	<u>2,769,891</u>	<u>2,482,105</u>
Balances End of Year	<u>\$ 3,285,906</u>	<u>\$ 3,118,684</u>	<u>\$ 2,769,891</u>	<u>\$ 2,482,105</u>	<u>\$ 2,392,401</u>

Covered employee payroll	\$ 7,400,000	\$ 7,310,000	\$ 7,011,000	\$ 7,564,000	\$ 7,458,000
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Total OPEB liability as a percentage of covered-employee payroll	44.40%	42.66%	39.51%	32.81%	32.08%
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Notes to Schedule:

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

OTHER SUPPLEMENTARY INFORMATION

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022

Combining Balance Sheet – General Fund Accounts - June 30, 2022

	<u>General Fund</u>	<u>Municipal Court Account</u>	<u>Travel Information Center Account</u>	<u>MCVB & Tourism Account</u>	<u>Demolition Account</u>	<u>Total General Fund</u>
ASSETS						
Cash and cash equivalents	\$ 3,478,601	\$ 15,276	\$ -	\$ 97,077	\$ (18,844)	\$ 3,572,110
Investments	-	-	-	-	-	-
Receivables:						
Accounts receivable	184,664	-	-	40,330	57,997	282,991
Due from other funds	87,654	-	-	-	-	87,654
Due from other accounts	6,696	-	-	-	-	6,696
Receivable from other governments	940,806	-	-	20,995	246,729	1,208,530
Other receivables	-	-	7,500	-	-	7,500
Total assets	<u>\$ 4,698,421</u>	<u>\$ 15,276</u>	<u>\$ 7,500</u>	<u>\$ 158,402</u>	<u>\$ 285,882</u>	<u>\$ 5,165,481</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 141,382	\$ 8,385	\$ (410)	\$ 36,159	\$ -	\$ 185,516
Wages payable	128,799	-	-	2,939	-	131,738
Due to other funds	77,843	-	-	-	-	77,843
Due to other accounts	-	6,696	-	-	-	6,696
Total liabilities	<u>348,024</u>	<u>15,081</u>	<u>(410)</u>	<u>39,098</u>	<u>-</u>	<u>401,793</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue	99,698	-	-	-	-	99,698
Fund balances:						
Restricted	-	-	-	-	-	-
Assigned	3,386,074	-	-	-	285,882	3,671,956
Unassigned (deficit)	864,625	195	7,910	119,304	-	992,034
Total fund balances	<u>4,250,699</u>	<u>195</u>	<u>7,910</u>	<u>119,304</u>	<u>285,882</u>	<u>4,663,990</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,698,421</u>	<u>\$ 15,276</u>	<u>\$ 7,500</u>	<u>\$ 158,402</u>	<u>\$ 285,882</u>	<u>\$ 5,165,481</u>

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund
Accounts – Year Ended June 30, 2022**

	<u>General Fund</u>	<u>Municipal Court Account</u>	<u>Travel Information Center Account</u>	<u>MCVB & Tourism Account</u>	<u>Demolition Account</u>	<u>Total General Fund</u>
REVENUES						
Taxes	\$ 7,217,900	\$ -	\$ -	\$ 232,309	\$ -	\$ 7,450,209
Intergovernmental	741,524	-	-	-	-	741,524
Charges for services	143,344	-	-	22,624	238,270	404,238
Fines and forfeitures	248,934	-	-	-	42,928	291,862
Licenses and permits	93,448	-	-	-	81,930	175,378
Investment income	10,359	-	-	-	-	10,359
Miscellaneous	263,339	-	30,264	44,030	-	337,633
Total revenues	<u>8,718,848</u>	<u>-</u>	<u>30,264</u>	<u>298,963</u>	<u>363,128</u>	<u>9,411,203</u>
EXPENDITURES						
Current:						
General government	1,069,018	-	-	-	390,430	1,459,448
Public safety	6,179,614	-	-	-	-	6,179,614
Public works and streets	1,385,579	-	-	-	-	1,385,579
Culture and recreation	1,213,949	-	-	-	-	1,213,949
Economic development	-	-	6,371	413,848	-	420,219
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal	104,947	-	-	-	-	104,947
Interest and fiscal charges	11,168	-	-	-	-	11,168
Total expenditures	<u>9,964,275</u>	<u>-</u>	<u>6,371</u>	<u>413,848</u>	<u>390,430</u>	<u>10,774,924</u>
Excess (deficiency) of revenues over expenditures	<u>(1,245,427)</u>	<u>-</u>	<u>23,893</u>	<u>(114,885)</u>	<u>(27,302)</u>	<u>(1,363,721)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in - interaccount	3,792	-	-	182,531	18	186,341
Transfers out - interaccount	(182,549)	-	(3,792)	-	-	(186,341)
Transfers in	10,326,083	-	-	-	50,000	10,376,083
Transfers out	(8,329,637)	-	-	-	-	(8,329,637)
Total other financing sources and uses	<u>1,817,689</u>	<u>-</u>	<u>(3,792)</u>	<u>182,531</u>	<u>50,018</u>	<u>2,046,446</u>
Net change in fund balances	572,262	-	20,101	67,646	22,716	682,725
Fund balances - beginning	3,678,437	195	(12,191)	51,658	263,166	3,981,265
Fund balances - ending	<u>\$ 4,250,699</u>	<u>\$ 195</u>	<u>\$ 7,910</u>	<u>\$ 119,304</u>	<u>\$ 285,882</u>	<u>\$ 4,663,990</u>

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

Combining Balance Sheet - Non-Major Governmental Funds - June 30, 2022

	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
ASSETS							
Cash and cash equivalents	\$ 81,792	\$ 341,316	\$ 25,480	\$ 299,262	\$ 1,130,496	\$ 91,716	\$ 136,096
Accounts receivable	-	-	-	-	1,750	-	-
Due from other governments	-	10,696	-	-	39,065	-	-
Due from other funds	-	38,404	-	-	-	-	-
Total assets	<u>\$ 81,792</u>	<u>\$ 390,416</u>	<u>\$ 25,480</u>	<u>\$ 299,262</u>	<u>\$ 1,171,311</u>	<u>\$ 91,716</u>	<u>\$ 136,096</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ -	\$ 119,180	\$ -	\$ 10,296	\$ 81,761	\$ -	\$ -
Wages payable	-	-	-	2,891	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>119,180</u>	<u>-</u>	<u>13,187</u>	<u>81,761</u>	<u>-</u>	<u>-</u>
Deferred Inflows:							
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:							
Restricted	81,792	-	25,480	286,075	1,089,550	91,716	136,096
Committed	-	271,236	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Total fund balances	<u>81,792</u>	<u>271,236</u>	<u>25,480</u>	<u>286,075</u>	<u>1,089,550</u>	<u>91,716</u>	<u>136,096</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 81,792</u>	<u>\$ 390,416</u>	<u>\$ 25,480</u>	<u>\$ 299,262</u>	<u>\$ 1,171,311</u>	<u>\$ 91,716</u>	<u>\$ 136,096</u>

(continued)

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022

Combining Balance Sheet - Non-Major Governmental Funds - June 30, 2022, Continued

	DEBT SERVICE FUND		CAPITAL PROJECT FUNDS					TOTALS
	G.O. BOND SINKING FUND	CEMETERY CARE	CAPITAL IMPROVEMENT FUND	MAIN STREET PROJECT	STREET AND STADIUM PROJECT FUND	POOL IMPROVEMENT FUND	PARK DEPARTMENT PROJECTS	
ASSETS								
Cash and cash equivalents	\$ 189,056	\$ 86,575	\$ 759,255	\$ -	\$ 1,235,461	\$ 9,973	\$ 42,041	\$ 4,428,519
Accounts receivable	-	-	89,971	-	-	-	-	91,721
Due from other governments	55,409	-	-	-	188,155	-	-	293,325
Due from other funds	-	-	6,657	-	-	-	-	45,061
Total assets	<u>\$ 244,465</u>	<u>\$ 86,575</u>	<u>\$ 855,883</u>	<u>\$ -</u>	<u>\$ 1,423,616</u>	<u>\$ 9,973</u>	<u>\$ 42,041</u>	<u>\$ 4,858,626</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ -	\$ 12,250	\$ 4,344	\$ -	\$ 2,250	\$ -	\$ -	\$ 230,081
Wages payable	-	-	-	-	-	-	-	2,891
Due to other funds	-	-	38,404	-	-	-	-	38,404
Total liabilities	<u>-</u>	<u>12,250</u>	<u>42,748</u>	<u>-</u>	<u>2,250</u>	<u>-</u>	<u>-</u>	<u>271,376</u>
Deferred Inflows:								
Deferred revenue	55,410	-	-	-	-	-	-	55,410
Fund balances:								
Restricted	189,055	74,325	-	-	1,421,366	9,973	42,041	3,447,469
Committed	-	-	-	-	-	-	-	271,236
Assigned	-	-	813,135	-	-	-	-	813,135
Total fund balances	<u>189,055</u>	<u>74,325</u>	<u>813,135</u>	<u>-</u>	<u>1,421,366</u>	<u>9,973</u>	<u>42,041</u>	<u>4,531,840</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 244,465</u>	<u>\$ 86,575</u>	<u>\$ 855,883</u>	<u>\$ -</u>	<u>\$ 1,423,616</u>	<u>\$ 9,973</u>	<u>\$ 42,041</u>	<u>\$ 4,858,626</u>

CITY OF MIAMI, OKLAHOMA
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As of and for the Year Ended June 30, 2022

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – Year Ended June 30, 2022

	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
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	5,000	125,982	22,315	-	129,245	-	42,009
Charges for services	-	-	-	173,158	-	-	-
Investment income	-	-	-	-	-	-	-
Miscellaneous	-	-	-	326	72,041	-	-
Total revenues	<u>5,000</u>	<u>125,982</u>	<u>22,315</u>	<u>173,484</u>	<u>201,286</u>	<u>-</u>	<u>42,009</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	41,691	-	-
Public safety	-	-	9,449	-	103,361	-	18,349
Public works	-	624,091	-	-	35,573	-	-
Culture and recreation	-	-	-	159,883	90,305	-	-
Capital Outlay	-	-	-	-	10,500	-	-
Debt Service							
Principal retirement	-	52,071	-	-	-	-	-
Interest and fiscal charges	-	3,404	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>679,566</u>	<u>9,449</u>	<u>159,883</u>	<u>281,430</u>	<u>-</u>	<u>18,349</u>
Revenues over (under) expenditures	5,000	(553,584)	12,866	13,601	(80,144)	-	23,660
OTHER FINANCING SOURCES (USES)							
Transfers in	-	500,355	-	227	33,567	-	121
Transfers out	-	-	-	(25,000)	(317)	-	-
Total other financing sources (uses)	<u>-</u>	<u>500,355</u>	<u>-</u>	<u>(24,773)</u>	<u>33,250</u>	<u>-</u>	<u>121</u>
Net change in fund balances	5,000	(53,229)	12,866	(11,172)	(46,894)	-	23,781
Fund balances - beginning	76,792	324,465	12,614	297,247	1,136,444	91,716	112,315
Fund balances - ending	<u>\$ 81,792</u>	<u>\$ 271,236</u>	<u>\$ 25,480</u>	<u>\$ 286,075</u>	<u>\$ 1,089,550</u>	<u>\$ 91,716</u>	<u>\$ 136,096</u>

(continued)

CITY OF MIAMI, OKLAHOMA
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Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – Year Ended June 30, 2022,
Continued

	DEBT SERVICE FUND	CAPITAL PROJECT FUNDS						TOTALS
	G.O. BOND SINKING FUND	CEMETERY CARE	CAPITAL IMPROVEMENT FUND	MAIN STREET PROJECT	STREET AND STADIUM PROJECT FUND	POOL IMPROVEMENT FUND	PARK DEPARTMENT PROJECTS	
REVENUES								
Taxes	\$ 13,343	\$ -	\$ 779,058	\$ -	\$ 1,498,434	\$ -	\$ -	\$ 2,290,835
Intergovernmental	-	-	-	-	-	-	-	324,551
Charges for services	-	8,441	-	-	-	-	-	181,599
Investment earnings	-	-	473	-	-	-	-	473
Miscellaneous	-	-	10,000	-	-	-	-	82,367
Total revenues	<u>13,343</u>	<u>8,441</u>	<u>789,531</u>	<u>-</u>	<u>1,498,434</u>	<u>-</u>	<u>-</u>	<u>2,879,825</u>
EXPENDITURES								
Current:								
General government	-	6,595	-	-	-	-	-	48,286
Public safety	-	-	-	-	-	-	-	131,159
Public works	-	-	-	-	2,910	-	-	662,574
Culture and recreation	-	-	-	-	-	23,350	-	273,538
Capital Outlay	-	12,250	395,178	-	-	-	-	417,928
Debt Service								
Principal retirement	-	-	-	-	465,000	-	-	517,071
Interest and fiscal charges	-	-	-	-	534,937	-	-	538,341
Total Expenditures	<u>-</u>	<u>18,845</u>	<u>395,178</u>	<u>-</u>	<u>1,002,847</u>	<u>23,350</u>	<u>-</u>	<u>2,588,897</u>
Excess (deficiency) of revenues over expenditures	13,343	(10,404)	394,353	-	495,587	(23,350)	-	290,928
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	3,151	-	-	25,000	-	562,421
Transfers out	-	-	(100,000)	-	-	-	-	(125,317)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(96,849)</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>437,104</u>
Net change in fund balances	13,343	(10,404)	297,504	-	495,587	1,650	-	728,032
Fund balances - beginning	175,712	84,729	515,631	-	925,779	8,323	42,041	3,803,808
Fund balances - ending	<u>\$ 189,055</u>	<u>\$ 74,325</u>	<u>\$ 813,135</u>	<u>\$ -</u>	<u>\$ 1,421,366</u>	<u>\$ 9,973</u>	<u>\$ 42,041</u>	<u>\$ 4,531,840</u>

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
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Combining Schedule of Net Position – Special Utility Authority Accounts – June 30, 2022

Miami Special Utility Authority Accounts					
	Public Utilities	Utility Improvement Account	Stormwater Account	Rainy Day Account	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 8,808,905	\$ (97,455)	\$ 499,682	\$ 3,652,656	\$ 12,863,788
Cash and cash equivalents, restricted	841,228	2,118,145	-	-	2,959,373
Investments	-	-	-	1,466,265	1,466,265
Accounts receivable, net	5,048,525	-	-	-	5,048,525
Leases receivables	18,471	-	-	-	18,471
Other receivable	436	-	-	-	436
Inventory	1,432,790	-	-	-	1,432,790
Due from other accounts	269,125	-	-	-	269,125
Due from other funds	41,593	-	-	-	41,593
Total current assets	<u>16,461,073</u>	<u>2,020,690</u>	<u>499,682</u>	<u>5,118,921</u>	<u>24,100,366</u>
Non-current assets:					
Cash and cash equivalents, restricted	1,195	-	-	-	1,195
Leases receivables	230,493	-	-	-	230,493
Capital assets:					
Land, construction in progress, and water rights	3,275,215	-	-	-	3,275,215
Other capital assets, net of accumulated depreciation	22,954,153	-	-	-	22,954,153
Total non-current assets	<u>26,461,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,461,056</u>
Total assets	<u>42,922,129</u>	<u>2,020,690</u>	<u>499,682</u>	<u>5,118,921</u>	<u>50,561,422</u>
DEFERRED OUTFLOW OF RESOURCES					
Deferred amounts related to pension	470,025	-	-	-	470,025
Deferred amounts related to OPEB	183,611	-	-	-	183,611
Deferred amounts related to GRDA settlement	99,788	-	-	-	99,788
Total deferred outflow of resources	<u>753,424</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>753,424</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	3,369,035	13,069	-	-	3,382,104
Wages payable	79,204	-	-	-	79,204
Due to other accounts	-	-	269,125	-	269,125
Due to other funds	86,341	-	-	-	86,341
Accrued interest payable	21,045	92,218	-	-	113,263
Accrued compensated absences	17,235	-	440	-	17,675
Unearned revenue	1,643,318	-	-	-	1,643,318
Refundable deposits	35,217	-	-	-	35,217
Capital lease payable	144,620	-	-	-	144,620
Revenue bond payable	-	465,000	-	-	465,000
Notes payable	964,952	-	-	-	964,952
Total current liabilities	<u>6,360,967</u>	<u>570,287</u>	<u>269,565</u>	<u>-</u>	<u>7,200,819</u>
Non-current liabilities:					
Accrued compensated absences	155,168	-	6,167	-	161,335
Net pension liability	54,687	-	-	-	54,687
Total OPEB liability	884,690	-	-	-	884,690
Refundable deposits	315,798	-	-	-	315,798
Revenue bond payable	-	6,240,000	-	-	6,240,000
Notes payable, net	3,177,741	-	-	-	3,177,741
Total non-current liabilities	<u>4,588,084</u>	<u>6,240,000</u>	<u>6,167</u>	<u>-</u>	<u>10,834,251</u>
Total liabilities	<u>10,949,051</u>	<u>6,810,287</u>	<u>275,732</u>	<u>-</u>	<u>18,035,070</u>
DEFERRED INFLOW OF RESOURCES					
Deferred amounts related to leases	249,720	-	-	-	249,720
Deferred amounts related to pensions	1,312,331	-	-	-	1,312,331
Deferred amounts related to OPEB	713,899	-	-	-	713,899
Total deferred inflow of resources	<u>2,275,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,275,950</u>
NET POSITION					
Net investment in capital assets	21,942,055	(6,705,000)	-	-	15,237,055
Restricted for debt service	207,449	-	-	-	207,449
Unrestricted	8,301,048	1,915,403	223,950	5,118,921	15,559,322
Total net position	<u>\$ 30,450,552</u>	<u>\$ (4,789,597)</u>	<u>\$ 223,950</u>	<u>\$ 5,118,921</u>	<u>\$ 31,003,826</u>

**CITY OF MIAMI, OKLAHOMA
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**Combining Schedule of Revenues, Expenses and Changes in Net Position – Special Utility Authority
Accounts - Year Ended June 30, 2022**

	Miami Special Utility Authority Accounts				Total
	Public Utilities	Utility Improvement Account	Stormwater Account	Rainy Day Account	
REVENUES					
Charges for services	\$ 30,960,775	\$ -	\$ -	\$ -	\$ 30,960,775
Fees, licenses and permits	-	-	133,625	-	133,625
Miscellaneous	790,398	-	-	-	790,398
Total operating revenues	<u>31,751,173</u>	<u>-</u>	<u>133,625</u>	<u>-</u>	<u>31,884,798</u>
OPERATING EXPENSES					
Personal services	3,446,870	-	78,670	-	3,525,540
Materials and supplies	13,930,787	-	5,825	-	13,936,612
Other services and charges	4,228,383	314,828	8,534	-	4,551,745
Depreciation expense	2,091,470	-	-	-	2,091,470
Total operating expenses	<u>23,697,510</u>	<u>314,828</u>	<u>93,029</u>	<u>-</u>	<u>24,105,367</u>
Operating income (loss)	<u>8,053,663</u>	<u>(314,828)</u>	<u>40,596</u>	<u>-</u>	<u>7,779,431</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment income	75	4,867	-	4,196	9,138
Miscellaneous	40,522	-	-	11,695	52,217
Interest expense and fiscal charges	(63,016)	(233,701)	-	-	(296,717)
Total non-operating revenue (expenses)	<u>(22,419)</u>	<u>(228,834)</u>	<u>-</u>	<u>15,891</u>	<u>(235,362)</u>
Income (loss) before contributions and transfers	<u>8,031,244</u>	<u>(543,662)</u>	<u>40,596</u>	<u>15,891</u>	<u>7,544,069</u>
Contributed assets- governmental activities	30,215	-	-	-	30,215
Transfers in, interaccount	94,728	781,531	(15,000)	372,232	1,233,491
Transfers out, interaccount	(1,153,763)	(79,728)	-	-	(1,233,491)
Transfers in	8,365,882	-	-	100,000	8,465,882
Transfers out	(10,909,450)	-	-	-	(10,909,450)
Change in net position	4,458,856	158,141	25,596	488,123	5,130,716
Total net position - beginning	25,991,696	(4,947,738)	198,354	4,630,798	25,873,110
Total net position - ending	<u>\$ 30,450,552</u>	<u>\$ (4,789,597)</u>	<u>\$ 223,950</u>	<u>\$ 5,118,921</u>	<u>\$ 31,003,826</u>

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022

Combining Schedule of Cash Flows – Special Utility Authority Accounts - Year Ended June 30, 2022

	Miami Special Utility Authority Accounts				Total
	Public Utilities	Utility Improvement Account	Stormwater Account	Rainy Day Account	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 32,028,511	\$ -	\$ 133,625	\$ 11,695	\$ 32,173,831
Payments to suppliers	(17,059,957)	(384,679)	(14,359)	-	(17,458,995)
Payments to employees	(3,913,472)	-	(76,509)	-	(3,989,981)
Receipts from other funds	-	-	18,329	-	18,329
Payments to other funds	57,647	-	-	-	57,647
Receipts of customer meter deposits	153,614	-	-	-	153,614
Refunds of customer meter deposits	(172,911)	-	-	-	(172,911)
Net cash provided by operating activities	11,093,432	(384,679)	61,086	11,695	10,781,534
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from other funds	8,365,882	-	-	100,000	8,465,882
Transfers to other funds	(10,909,450)	-	-	-	(10,909,450)
Interaccount transfer in	94,728	781,531	-	372,232	1,248,491
Interaccount transfer out	(1,153,763)	(79,728)	(15,000)	-	(1,248,491)
Net cash provided by (used in) noncapital financing activities	(3,602,603)	701,803	(15,000)	472,232	(2,443,568)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital assets purchased	(3,557,690)	-	-	-	(3,557,690)
Principal paid on debt	(1,094,612)	(660,000)	-	-	(1,754,612)
Note proceeds	1,324,579	-	-	-	1,324,579
Interest and fiscal agent fees paid on debt	(90,651)	(240,586)	-	-	(331,237)
Net cash provided by (used in) capital and related financing activities	(3,418,374)	(900,586)	-	-	(4,318,960)
CASH FLOWS FROM INVESTING ACTIVITIES					
Sale (Purchase) of investments	198,084	-	-	(4,196)	193,888
Interest and dividends	75	4,867	-	4,196	9,138
Net cash provided by investing activities	198,159	4,867	-	-	203,026
Net increase (decrease) in cash and cash equivalents	4,270,614	(578,595)	46,086	483,927	4,222,032
Balances - beginning of year	5,380,714	2,599,285	453,596	3,168,729	11,602,324
Balances - end of year	\$ 9,651,328	\$ 2,020,690	\$ 499,682	\$ 3,652,656	\$ 15,824,356
Reconciliation to Statement of Net Position:					
Cash and cash equivalents	\$ 8,808,905	\$ (97,455)	\$ 499,682	\$ 3,652,656	\$ 12,863,788
Restricted cash and cash equivalents - current	841,228	2,118,145	-	-	2,959,373
Restricted cash and cash equivalents - noncurrent	1,195	-	-	-	1,195
Total cash and cash equivalents, end of year	\$ 9,651,328	\$ 2,020,690	\$ 499,682	\$ 3,652,656	\$ 15,824,356
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income	\$ 8,053,663	\$ (314,828)	\$ 40,596	\$ -	\$ 7,779,431
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation expense	2,091,470	-	-	-	2,091,470
Unearned revenue	1,643,318	-	-	-	1,643,318
Other nonoperating revenue	40,522	-	-	11,695	52,217
Change in assets and liabilities:					
Receivables, net	(1,157,538)	-	-	-	(1,157,538)
Leases receivable	(248,964)	-	-	-	(248,964)
Due from other funds	57,647	-	-	-	57,647
Inventory	(136,670)	-	-	-	(136,670)
Deferred outflows related to pension	208,518	-	-	-	208,518
Deferred outflows related to OPEB	35,671	-	-	-	35,671
Accounts payable	1,235,883	(69,851)	-	-	1,166,032
Due to other funds	-	-	18,329	-	18,329
Due to employees	(90,768)	-	-	-	(90,768)
Refundable deposits	(19,297)	-	-	-	(19,297)
Total OPEB liability	(102,667)	-	-	-	(102,667)
Net pension obligation	(1,740,807)	-	-	-	(1,740,807)
Accrued compensated absences	(5,562)	-	2,161	-	(3,401)
Deferred inflows related to OPEB	45,940	-	-	-	45,940
Deferred inflows related to leases	249,720	-	-	-	249,720
Deferred inflows related to pension	933,353	-	-	-	933,353
Net cash provided by operating activities	\$ 11,093,432	\$ (384,679)	\$ 61,086	\$ 11,695	\$ 10,781,534
Noncash activities:					
Assets contributed by governmental activities	\$ 30,215	\$ -	\$ -	\$ -	\$ 30,215
	\$ 30,215	\$ -	\$ -	\$ -	\$ 30,215

CITY OF MIAMI, OKLAHOMA
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Combining Statement of Net Position – Internal Service Funds – June 30, 2022

	<u>Internal Service Funds</u>			<u>Total</u>
	<u>Worker's Compensation Fund</u>	<u>Unemployment Fund</u>	<u>Health Insurance Fund</u>	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,519,281	\$ 215,636	\$ 651,544	\$ 2,386,461
Investments	131,968	-	-	131,968
Other receivable	486,472	-	73,622	560,094
Due from other funds	458,448	-	-	458,448
Total current assets	<u>2,596,169</u>	<u>215,636</u>	<u>725,166</u>	<u>3,536,971</u>
Total assets	<u>2,596,169</u>	<u>215,636</u>	<u>725,166</u>	<u>3,536,971</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	11,873	-	7,920	19,793
Claims liability	534,581	-	140,775	675,356
Due to other funds	-	-	458,448	458,448
Total current liabilities	<u>546,454</u>	<u>-</u>	<u>607,143</u>	<u>1,153,597</u>
Total liabilities	<u>546,454</u>	<u>-</u>	<u>607,143</u>	<u>1,153,597</u>
NET POSITION				
Unrestricted	<u>2,049,715</u>	<u>215,636</u>	<u>118,023</u>	<u>2,383,374</u>
Total net position	<u>\$ 2,049,715</u>	<u>\$ 215,636</u>	<u>\$ 118,023</u>	<u>\$ 2,383,374</u>

CITY OF MIAMI, OKLAHOMA
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**Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds -
Year Ended June 30, 2022**

	Internal Service Funds			Total
	Worker's Compensation Fund	Unemployment Fund	Health Insurance Fund	
REVENUES				
Charges for services	\$ 306,546	\$ 21,539	\$ 1,538,200	\$ 1,866,285
Miscellaneous	586,632	-	471,545	1,058,177
Total operating revenues	<u>893,178</u>	<u>21,539</u>	<u>2,009,745</u>	<u>2,924,462</u>
OPERATING EXPENSES				
Other services and charges	119,840	-	369,781	489,621
Insurance claims and expense	582,251	6,295	2,163,138	2,751,684
Total operating expenses	<u>702,091</u>	<u>6,295</u>	<u>2,532,919</u>	<u>3,241,305</u>
Operating income	<u>191,087</u>	<u>15,244</u>	<u>(523,174)</u>	<u>(316,843)</u>
NON-OPERATING REVENUES				
Investment income	495	-	-	495
Total non-operating revenue	<u>495</u>	<u>-</u>	<u>-</u>	<u>495</u>
Income before transfers	<u>191,582</u>	<u>15,244</u>	<u>(523,174)</u>	<u>(316,348)</u>
Transfers out	-	-	-	-
Change in net position	<u>191,582</u>	<u>15,244</u>	<u>(523,174)</u>	<u>(316,348)</u>
Total net position - beginning	1,858,133	200,392	641,197	2,699,722
Total net position - ending	<u>\$ 2,049,715</u>	<u>\$ 215,636</u>	<u>\$ 118,023</u>	<u>\$ 2,383,374</u>

CITY OF MIAMI, OKLAHOMA
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Combining Statement of Cash Flows – Internal Service Funds - Year Ended June 30, 2022

	WORKER'S COMPENSATION FUND	UNEMPLOYMENT FUND	HEALTH INSURANCE FUND	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 738,315	\$ 21,539	\$ 2,687,745	\$ 3,447,599
Payments to suppliers	(107,967)	-	(361,861)	(469,828)
Payments to other funds	-	-	249,863	249,863
Payments from other funds	(249,863)	-	-	(249,863)
Claims and benefits paid	(380,450)	(8,507)	(2,506,347)	(2,895,304)
Net Cash Provided by Operating Activities	<u>35</u>	<u>13,032</u>	<u>69,400</u>	<u>82,467</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	495	-	-	495
Sale (purchase) of investments	(494)	-	-	(494)
Net Cash Provided by Investing Activities	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Net Increase in Cash and Cash Equivalents	36	13,032	69,400	82,468
Balances - beginning of the year	<u>1,519,245</u>	<u>202,604</u>	<u>582,144</u>	<u>2,303,993</u>
Balances - end of the year	<u>\$ 1,519,281</u>	<u>\$ 215,636</u>	<u>\$ 651,544</u>	<u>\$ 2,386,461</u>
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 1,519,281	\$ 215,636	\$ 651,544	\$ 2,386,461
Total cash and cash equivalents	<u>\$ 1,519,281</u>	<u>\$ 215,636</u>	<u>\$ 651,544</u>	<u>\$ 2,386,461</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 191,087	\$ 15,244	\$ (523,174)	\$ (316,843)
Change in assets and liabilities:				
Receivables, net	(154,863)	-	678,000	523,137
Accounts payable	11,873	-	7,920	19,793
Claims liability	201,801	(2,212)	(343,209)	(143,620)
Net Cash Provided by Operating Activities	<u>\$ 35</u>	<u>\$ 13,032</u>	<u>\$ 69,400</u>	<u>\$ 82,467</u>

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022

Combining Schedule of Cash Flows – Discretely Presented Component Units - Year Ended June 30, 2022

	<u>MCFA</u>	<u>MDRA</u>	<u>MIPFA</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 160,168	\$ 402,026	\$ (255,234)	\$ 306,960
Payments to suppliers	(66,058)	(222,360)	(4,900)	(293,318)
Payments to employees	-	(117,464)	275,470	158,006
Net Cash Provided by Operating Activities	<u>94,110</u>	<u>62,202</u>	<u>15,336</u>	<u>171,648</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	149	-	3,268	3,417
Net Cash Provided by Investing Activities	<u>149</u>	<u>-</u>	<u>3,268</u>	<u>3,417</u>
Net Increase in Cash and Cash Equivalents	94,259	62,202	18,604	175,065
Balances - beginning of the year	<u>248,180</u>	<u>73,436</u>	<u>199,930</u>	<u>521,546</u>
Balances - end of the year	<u>\$ 342,439</u>	<u>\$ 135,638</u>	<u>\$ 218,534</u>	<u>\$ 696,611</u>
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 342,439	\$ 148,670	\$ 220,241	\$ 711,350
Total cash and cash equivalents	<u>\$ 342,439</u>	<u>\$ 148,670</u>	<u>\$ 220,241</u>	<u>\$ 711,350</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (163,814)	\$ (92,765)	\$ (7,734)	\$ (264,313)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	246,170	2,524	28,713	277,407
Other nonoperating revenue	4,358	161,379	25	165,762
Change in assets and liabilities:				
Other receivable	7,665	-	(100)	7,565
Leases receivable	-	-	(279,031)	(279,031)
Accounts payables	(269)	(6,009)	(2,007)	(8,285)
Deferred inflows related to leases	-	-	275,470	275,470
Accrued compensated absences	-	(2,927)	-	(2,927)
Net Cash Provided by Operating Activities	<u>\$ 94,110</u>	<u>\$ 62,202</u>	<u>\$ 15,336</u>	<u>\$ 171,648</u>

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2022**

Schedule of State Awards –Year Ended June 30, 2022

City of Miami, Oklahoma
SCHEDULE OF EXPENDITURES OF STATE AWARDS
Year Ended June 30, 2022

<u>State Grantor/ Pass-through Grantor/Program Title</u>	<u>Grant ID. Number</u>	<u>Award Amount</u>	<u>Expenditures</u>
STATE AWARDS:			
<u>Oklahoma Department of Libraries:</u>			
State aid	22 State Aid	\$ 10,825	\$ 10,825
<u>Oklahoma Aeronautics Commission:</u>			
Airfield Pavement Rehabilitation	FY 2022	\$ 212,951	\$ 212,951
Total State Awards		<u>\$ 223,776</u>	<u>\$ 223,776</u>

THE CITY OF MIAMI, OKLAHOMA

**SINGLE AUDIT REPORTS
AND SUPPLEMENTARY SCHEDULES**

June 30, 2022

THE CITY OF MIAMI, OKLAHOMA

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Miami, Oklahoma (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 15, 2022. Our report includes a reference to other auditors who audited the financial statements of the Miami Industrial Authority ("MIDA"), as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Arledge & Associates PC

Edmond, Oklahoma
December 15, 2022





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

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

Report on Compliance for Each Major Federal Program

We have audited City's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the 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, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 15, 2022 which contained unmodified opinions on those financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Arlidge & Associates PC

Edmond, Oklahoma
December 15, 2022



Miami, City of
Schedule of Expenditures of Federal Awards By Grant
For the Year Ended June 30, 2022

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal AL Number</i>	<i>Pass-through Grantor and Number</i>	<i>Federal Expenditures(\$)</i>
<i>Clean Water State Revolving Fund Cluster-Cluster</i>			
United States Environmental Protection Agency			
Capitalization Grants for Clean Water State Revolving Funds			
Capitalization Grants for Clean Water State Revolving Funds	66.458	Oklahoma Water Resource Board, ORF-14-0011-CW	686,209
Total Capitalization Grants for Clean Water State Revolving Funds			686,209
<i>Total United States Environmental Protection Agency</i>			686,209
<i>Total Clean Water State Revolving Fund Cluster-Cluster</i>			686,209
<i>Other Programs</i>			
Department of Homeland Security			
Hazard Mitigation Grant (HMGP)			
Hazard Mitigation Grant (HMGP)	97.039	Oklahoma Department of Emergency Management, FEMA- 4256-HMPG	6,000
Hazard Mitigation Grant (HMGP)	97.039	Oklahoma Department of Emergency Management and Homeland Security, FEMA-4438- DR-OK	238,270
Total Hazard Mitigation Grant (HMGP)			244,270
<i>Total Department of Homeland Security</i>			244,270
United States Department of Justice			
Coronavirus Emergency Supplemental Funding			
Coronavirus Emergency Supplemental Funding	16.034	Oklahoma District Attorneys Council,20E128	45,061
Total Coronavirus Emergency Supplemental Funding			45,061
Organized Crime Drug Enforcement Task Forces			
Organized Crime Drug Enforcement Task Forces	16.809		18,390
Total Organized Crime Drug Enforcement Task Forces			18,390
<i>Total United States Department of Justice</i>			63,450
National Endowment for the Humanities			
Promotion of the Humanities--Federal/State Partnership			
Promotion of the Humanities--Federal/State Partnership	45.129	Oklahoma Humanities Council, Y- 21.319	15,000
Promotion of the Humanities--Federal/State Partnership	45.129	Oklahoma Humanities Council, Y- 22.004	1,000
Promotion of the Humanities--Federal/State Partnership	45.129	Oklahoma Humanities Council, Y- 22.047	1,000
Total Promotion of the Humanities--Federal/State Partnership Grants to States			17,000
Grants to States	45.310	Oklahoma Department of Libraries, F-22.004	9,000
Grants to States	45.310	Oklahoma Department of Libraries, F-22.104	25,000
Total Grants to States			34,000
<i>Total National Endowment for the Humanities</i>			51,000
<i>Total Other Programs</i>			358,720
<i>Total Expenditures of Federal Awards</i>			\$ 1,044,929

The accompanying notes are an integral part of this schedule

CITY OF MIAMI, OKLAHOMA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended June 30, 2022

NOTE A--BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of Miami, Oklahoma (the "City") under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C—INDIRECT COST RATE

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

NOTE D—SUBRECIPIENTS

During the year ended June 30, 2022, the City did not provide federal awards to subrecipients.

NOTE E— SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 15, 2022, the date on which the report on schedule of expenditures of federal awards required by the uniform guidance were available to be issued. No items of significance were determined.

CITY OF MIAMI, OKLAHOMA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Cont'd)
For the Year Ended June 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

Compliance Findings

There are no findings requiring reporting under this section.

Internal Control Findings

There are no findings requiring reporting under this section.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Compliance Findings

There are no findings requiring reporting under this section.

Internal Control Findings

There are no findings requiring reporting under this section.

CITY OF MIAMI, OKLAHOMA

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022**

SECTION II – FINANCIAL STATEMENT FINDINGS

Compliance Findings

None noted in prior year audit.

Internal Control Findings

None noted in prior year audit.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Compliance Findings

None noted in prior year audit.

Internal Control Findings

None noted in prior year audit.