

**THE CITY OF MIAMI, OKLAHOMA**

**SINGLE AUDIT REPORTS  
AND SUPPLEMENTARY SCHEDULES**

**June 30, 2023**

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 the Honorable Mayor and Members of the City Council of the 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, 2023, and the related notes to the financial statements, which collectively comprise City's basic financial statements and have issued our report thereon dated March 13, 2024. Our report includes a reference to other auditors who have 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 result of other auditor's testing of internal control over the 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as finding 2023-001 that we consider to be a significant deficiency.

### **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*.

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## City of Miami's Response to Findings

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

### Purpose of This Report

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

*Arledge & Associates PC.*

Edmond, Oklahoma

March 13, 2024





## 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, 2023. 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, 2023.

### ***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.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as items 2023-002 and 2023-003. Our opinion on each major federal program is not modified with respect to these matters.

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

The City is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The City's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

### **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. We did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs at item 2023-002 and 2023-003, that we consider to be significant deficiencies.

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.



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## 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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 13, 2024 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  
March 13, 2024



**CITY OF MIAMI, OKLAHOMA**  
**Schedule of Expenditures of Federal Awards By Grant**  
**For the Year Ended June 30, 2023**

<i>Award Information</i>	<i>AL#</i>	<i>Pass-Through Entity Name</i>	<i>Pass-Through Entity #</i>	<i>Name of Grant - Grant ID No.</i>	<i>Federal Expenditures (\$)</i>
<b><i>WIOA Cluster-Cluster</i></b>					
Department of Labor					
WIOA Adult Program					
WIOA Adult Program	17.258	OK Dept of Commerce & OK Dept of Libraries		Adult Online High School Grant F-23-183	\$ 16,799
Total WIOA Adult Program					<u>16,799</u>
Total Department of Labor					<u>16,799</u>
<b><i>Total WIOA Cluster-Cluster</i></b>					
<b><i>Other Programs (Treated individually for major program determination)</i></b>					
United States Department of Justice					
Coronavirus Emergency Supplemental Funding Program					
Coronavirus Emergency Supplemental Funding Program	16.034	District Attorneys Council		20E128 202VD-BX-0058	<u>15,400</u>
Total Coronavirus Emergency Supplemental Funding Program					15,400
Recovery Act - State and Local Law Enforcement Assistance Program: Combating Criminal Narcotics Activity Stemming from the Southern Border of the United States Competitive Grant Program					
Recovery Act - State and Local Law Enforcement Assistance Program: Combating Criminal Narcotics Activity Stemming from the Southern Border of the United States Competitive Grant Program	16.809			State and Local HIDTA Task Force Grant--HIDTA Treas 303	<u>18,223</u>
Total Recovery Act - State and Local Law Enforcement Assistance Program: Combating Criminal Narcotics Activity Stemming from the Southern Border of the United States Competitive Grant Program					18,223
Total United States Department of Justice					<u>33,623</u>
Department of the Treasury					
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS					
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027			American Rescue Plan SA-0131	1,510,627
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	Ottawa County		American Rescue Plan 03-03	<u>18,000</u>
Total CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS					<u>1,528,627</u>
Total Department of the Treasury					1,528,627
National Endowment for the Humanities					
Grants to States					
Grants to States	45.310			Health Literacy F-23-079	<u>9,000</u>
Total Grants to States					<u>9,000</u>
Total National Endowment for the Humanities					9,000
National Archives and Records Administration					
National Historical Publications and Records Grants					
National Historical Publications and Records Grants	89.003	Oklahoma Department of Libraries		Preservation Assessment Grant F-23-171	<u>250</u>
Total National Historical Publications and Records Grants					<u>250</u>
Total National Archives and Records Administration					250
Department of Homeland Security					
Hazard Mitigation Grant					
Hazard Mitigation Grant	97.039	Oklahoma Emergency Management		FEMA 4438	<u>199,428</u>
Total Hazard Mitigation Grant					<u>199,428</u>
Total Department of Homeland Security					<u>199,428</u>
<b><i>Total Other Programs (Treated individually for major program determination)</i></b>					
<b><i>Total Expenditures of Federal Awards</i></b>					
					<u>\$ 1,787,727</u>

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, 2023**

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**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, 2023. 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, 2023, the City did not provide federal awards to subrecipients.

**NOTE E— SUBSEQUENT EVENTS**

Management has evaluated subsequent events through 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  
For the Year Ended June 30, 2023**

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**Section I--Summary of Auditor's Results**

*Financial statements*

Type of auditor's report issued on whether the financial statements were in accordance with GAAP:

*Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  none reported

Noncompliance material to financial statements noted?

yes  no

*Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified?  yes  none reported

Type of auditor's report issued on compliance for major federal programs:

*Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

yes  no

Identification of major federal programs:

Program

Assistance Listing Number

Coronavirus State and Local Fiscal Recovery Funds

21.027

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

yes  no

## CITY OF MIAMI, OKLAHOMA

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Cont'd) For the Year Ended June 30, 2023

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#### SECTION II – FINANCIAL STATEMENT FINDINGS

##### Internal Control Findings

##### **Finding 2023-001 – Cash Monitoring**

**Criteria:** Internal controls over cash reconciliation should timely prevent, or detect and correct errors relating to timing differences of general ledger activity versus bank activity. Cash should be timely reconciled and long outstanding reconciling items should be investigated to determine the validity of the reconciling item.

**Condition:** The City's internal controls over cash monitoring were lacking, as the City was not investigating reconciling items upon completion of the bank reconciliations.

**Cause and Effect:** Although the City in most cases did reconcile its various cash accounts within trivial differences and reviews occurred, there were instances identified where follow up efforts in determining the cause of long outstanding reconciling items that had not yet cleared the bank. As a result, the following errors were identified during audit fieldwork:

- A duplicate journal entry of a \$78,000 cash transfer between accounts remained as a reconciling item from May of 2023 through November of 2023 and was not timely investigated.
- A reconciling error identified in a previous audit was corrected in the general ledger, however, the item remained on the bank reconciliation as outstanding throughout the current fiscal year. A roughly \$128,000 variance existed between the recorded cash in the general ledger versus the adjusted balance of the bank reconciliation.

**Recommendation:** We recommend the city reviews its outstanding reconciling items timely and investigate differences that remain outstanding month to month.

**Management Response:** Our finance department has experienced high turnover throughout the past couple fiscal years, although we are now fully staffed. We are making sure all bank reconciliations are completed monthly to catch and correct errors. Now being fully staffed, we are committed to reconciling and clearing all outstanding items on the bank reconciliations. Although identifying the cause of all items will take time as many items were made prior to the personnel now within the department.

##### Compliance Findings

*There are no findings requiring reporting under this section.*

## CITY OF MIAMI, OKLAHOMA

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Cont'd) For the Year Ended June 30, 2023

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#### SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

##### Internal Control Findings

##### **Finding 2023-002 – Reporting Requirements**

**Criteria:** Per the Compliance and Reporting Guidance for Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), all recipients are required to submit Project and Expenditure Reports. Annual reports are required for cities below 250,000 residents that are allocated less than \$10 million in CSLFRF funding and must be submitted to the Department of Treasury by April 30. In addition, according to the City's internal control policies, the City has established channels of communication and systems for tracking the sources of grant funding, both state and federal.

Additionally, the City received a reimbursement based grant award in 2023 which management did not thoroughly determine the funding source for appropriate inclusion or exclusion from the schedule of expenditures of federal awards (SEFA). Upon the conclusion of audit test work, it was determined the grant awarded came from state sources, and thus would not be included in the SEFA.

**Condition:** The City's internal controls over required reporting requirements were not timely monitored and tracked.

**Questioned Costs:** \$0

**Cause and Effect:** Due to the City not having a centralized reporting requirement schedule, the required annual report for CSLFRF funding was not submitted by April 30, 2023, and therefore was not in compliance with the compliance reporting requirements. As of the end of audit fieldwork, this report was still pending submission to the Department of Treasury.

As a result of the City's lack of oversight for the funding source of a grant, potential non-compliance could exist as requirements for federal versus state awards may differ. This also could be overlooked for appropriate inclusion in the SEFA, resulting in improper reporting.

**Recommendation:** We recommend the City centrally tracks its required grant reporting and related deadlines with specific individuals identified by grant for each individual's responsibility in meeting the reporting deadlines.

**Management Response:** With the turnover in staff and management in the department, the new Finance Director submitted for login credentials to [SLFRF@treasury.gov](mailto:SLFRF@treasury.gov) in order to complete required reporting. The email for login credentials was sent on April 28, 2023. Once login credentials were received, the final report was submitted on November 6, 2023. To date, no penalties have been reported by the Treasury. Additionally, we are working to centrally track grants and loans moving forward and communicating this with department heads and the interim city manager.

## CITY OF MIAMI, OKLAHOMA

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Cont'd) For the Year Ended June 30, 2023

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#### SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS [Continued]

##### **Finding 2023-003 – Inadequate Records Retention (Procurement)**

**Criteria:** Per Federal regulations for general procurement standards (2 CFR § 200.318 (i)), non-Federal entity must maintain records sufficient to detail the history of the procurement process. These records will include but are not limited to, the following: Rationale for the method of procurement, selection or rejection, and the basis for the contract price.

**Condition:** In our procurement testing for CSLFRF funding, the City was unable to provide evidence that demonstrates public notice was published according to (2 CFR § 200.320(b)) for 1 of the 5 projects selected.

**Questioned Costs:** \$0

**Cause and Effect:** Due to the City not having a centralized repository for procurement records, sufficient evidence was unable to verify that procurements provide full and open competition to potential bidders, as there was a lack of documentation related to the public notice for open bidding to occur.

**Recommendation:** We recommend the City updates their procurement policies and procedures by centrally tracking procurement documents for up to five years. Centrally tracking documentation will help the City mitigate potential contractual and administrative issues related to procurement.

**Management Response:** The Finance Director is initiating conversations with department heads regarding updating procurement policies and procedures. We are taking steps to ensure all procurement documents are stored centrally in order for these items to be readily available moving forward.

#### Compliance Findings

*See finding 2023-002 above.*

*See finding 2023-003 above.*

**CITY OF MIAMI, OKLAHOMA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 2023**

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**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.*

*City of*



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

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2023**

**THE CITY OF MIAMI, OKLAHOMA**

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

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2023**

**CITY OF MIAMI, OKLAHOMA  
ANNUAL FINANCIAL REPORT  
As of and for the Year Ended June 30, 2023**

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ANNUAL FINANCIAL REPORT  
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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council  
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, 2023, 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, 2023, 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 14 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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.

### **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 and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 supplementary information as listed in the table of contents 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.



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### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 13, 2024, 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  
March 13, 2024



**CITY OF MIAMI, OKLAHOMA  
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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, 2023. Please read it in conjunction with the City’s financial statements, which follow this section.

***FINANCIAL HIGHLIGHTS***

- For the fiscal year ended June 30, 2023, the City’s total net position increased by \$5,110,462 or 10.5% from the prior year.
- During the year, the City’s expenses for governmental activities were \$14.6 million and were funded by program revenues of \$3.7 million and further funded with taxes and other general revenues that totaled \$12.2 million.
- In the City’s business-type activities, such as utilities, program revenues exceeded expenses by \$3.8 million.
- At June 30, 2023, the General Fund reported an unassigned fund balance of \$1,047,849.
- For budgetary reporting purposes, the General Fund reported revenues under estimates of \$1,590,168 or 18.25%, while expenditures were under the final appropriations by \$1,290,016 or 11.0%.
- The City implemented GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, and GASB Statement 96, *Subscription-Based Information Technology Arrangements*, during the fiscal year. Implementation had no impact on the financial statements

***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

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***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.

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 the MIDA offices.

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

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**Using This Annual Report**

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

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

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- 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.

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

**Fund Financial Statements**

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

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

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

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

**Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$53,938,866 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.)
	2023	2022		2023	2022		2023	2022	
Current assets	\$ 14,156	\$ 14,777	-4%	\$ 23,343	\$ 25,318	-8%	\$ 37,499	\$ 40,095	-6%
Capital assets, net	26,677	26,054	2%	33,954	30,367	12%	60,631	56,421	7%
<b>Total assets</b>	<b>40,833</b>	<b>40,831</b>	0%	<b>57,297</b>	<b>55,685</b>	3%	<b>98,130</b>	<b>96,516</b>	2%
<b>Deferred outflows</b>	<b>3,330</b>	<b>2,320</b>	44%	<b>1,311</b>	<b>753</b>	74%	<b>4,641</b>	<b>3,073</b>	51%
Current liabilities	2,866	3,107	-8%	5,866	6,883	-15%	8,732	9,990	-13%
Non-current liabilities	24,311	21,783	12%	12,407	10,836	14%	36,718	32,619	13%
<b>Total liabilities</b>	<b>27,177</b>	<b>24,890</b>	9%	<b>18,273</b>	<b>17,719</b>	3%	<b>45,450</b>	<b>42,609</b>	7%
<b>Deferred inflows</b>	<b>1,900</b>	<b>5,877</b>	-68%	<b>1,483</b>	<b>2,276</b>	-35%	<b>3,383</b>	<b>8,153</b>	-59%
Net position									
Net investment capital assets	17,689	17,144	3%	27,993	19,375	44%	45,682	36,519	25%
Restricted	4,388	3,404	29%	805	207	289%	5,193	3,611	44%
Unrestricted (deficit)	(6,991)	(8,164)	-14%	10,054	16,861	-40%	3,063	8,697	-65%
<b>Total net position</b>	<b>\$ 15,086</b>	<b>\$ 12,384</b>	22%	<b>\$ 38,852</b>	<b>\$ 36,443</b>	7%	<b>\$ 53,938</b>	<b>\$ 48,827</b>	10%

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 2023, the net investment in capital assets amounted to \$45,683,118. 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, \$5,193,317 also represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position is unrestricted amounting to \$3,062,431.

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

*Governmental Activities:*

Deferred outflows – increased \$1.0 million (44%) mainly due to an increase in deferred outflows related to pension.

Non-current liabilities – increased \$2.5 million (12%) due to an increase in net pension liability.

Deferred inflows – decreased \$4.0 million (68%) due to a decrease in deferred amounts related to pensions.

*Business-Type Activities:*

Deferred outflows – increased \$0.5 million (74%) mainly due to an increase in deferred outflows related to pensions.

Current liabilities – decreased \$1.0 million (15%) mainly due to decrease in accounts payable.

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Deferred inflows – decreased \$8.8 million (35%) mainly due to a decrease in deferred amounts related to pensions.

**Changes in Net Position**

For the year ended June 30, 2023, 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.)
	2023	2022		2023	2022		2023	2022	
<b>Revenues</b>									
Charges for service	\$ 1,251	\$ 1,019	23%	\$ 32,418	\$ 32,053	1%	\$ 33,669	\$ 33,072	2%
Operating grants and contributions	1,107	1,007	10%	315	57	453%	1,422	1,064	34%
Capital grants and contributions	1,325	104	1176%	-	209	-100%	1,325	313	324%
Taxes	10,351	9,926	4%	-	-	-	10,351	9,926	4%
Intergovernmental revenue	1,511	-	100%	-	-	-	1,511	-	100%
Investment income	27	11	145%	79	9	778%	106	20	430%
Miscellaneous	304	107	184%	6	8	-25%	310	115	170%
<b>Total revenues</b>	<b>15,876</b>	<b>12,174</b>	<b>30%</b>	<b>32,818</b>	<b>32,336</b>	<b>1%</b>	<b>48,694</b>	<b>44,510</b>	<b>9%</b>
<b>Expenses</b>									
General government	1,629	1,694	-4%	-	-	-	1,629	1,694	-4%
Public safety	6,672	5,413	23%	-	-	-	6,672	5,413	23%
Streets	3,369	3,055	10%	-	-	-	3,369	3,055	10%
Culture and recreation	1,805	1,593	13%	-	-	-	1,805	1,593	13%
Economic development	537	392	37%	-	-	-	537	392	37%
Interest on debt	608	617	-1%	-	-	-	608	617	-1%
Water	-	-	-	2,806	2,453	14%	2,806	2,453	14%
Wastewater	-	-	-	1,351	1,406	-4%	1,351	1,406	-4%
Sanitation	-	-	-	2,638	1,697	55%	2,638	1,697	55%
Electric	-	-	-	21,717	18,939	15%	21,717	18,939	15%
Airport	-	-	-	452	393	15%	452	393	15%
<b>Total expenses</b>	<b>14,620</b>	<b>12,764</b>	<b>15%</b>	<b>28,964</b>	<b>24,888</b>	<b>16%</b>	<b>43,584</b>	<b>37,652</b>	<b>16%</b>
Excess (deficiency) before transfers	1,256	(590)	313%	3,854	7,448	-48%	5,110	6,858	-25%
Transfers	1,447	2,453	-41%	(1,447)	(2,453)	-41%	-	-	-
<b>Change in net position</b>	<b>\$ 2,703</b>	<b>\$ 1,863</b>	<b>45%</b>	<b>\$ 2,407</b>	<b>\$ 4,995</b>	<b>-52%</b>	<b>\$ 5,110</b>	<b>\$ 6,858</b>	<b>-25%</b>

Explanations of significant changes in Table 2 are as follows:

*Governmental Activities:*

Public safety- increase \$1.3 million (23%) due to an increase in operational expenses.

Capital grants and contributions – increase of \$1.2 million (1176%) due to an increase in funding from Oklahoma Department of Transportation.

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*Business-Type Activities:*

Electric expenses – increase of \$2.8 million (15%) 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)**

	Total Expense of Services		% Inc. (Dec.)	Net Revenue (Expense) of Services		% Inc. (Dec.)
	<u>2023</u>	<u>2022</u>		<u>2023</u>	<u>2022</u>	
	General government	\$ 1,629		\$ 1,693	-4%	
Public safety	6,672	5,414	23%	(5,454)	(4,485)	22%
Streets	3,369	3,055	10%	(1,849)	(2,858)	-35%
Culture, parks and recreation	1,805	1,593	13%	(1,450)	(1,219)	19%
Economic development	537	392	37%	(351)	(247)	42%
Interest on long-term debt	608	617	-1%	(608)	(617)	-1%
<b>Total</b>	<b>\$ 14,620</b>	<b>\$ 12,764</b>	15%	<b>(\$10,937)</b>	<b>\$ (10,635)</b>	3%

For the year ended June 30, 2023, total expenses for governmental activities amounted to approximately \$14.6 million which was an increase from the prior year of 15%. 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>2023</u>	<u>2022</u>		<u>2023</u>	<u>2022</u>	
	Water	\$ 2,806		\$ 2,453	14%	
Wastewater	1,351	1,406	-4%	1,242	1,164	7%
Sanitation	2,638	1,697	55%	233	1,150	-80%
Electric	21,717	18,939	15%	1,283	3,782	-66%
Airport	452	393	15%	(284)	-	100%
<b>Total</b>	<b>\$ 28,964</b>	<b>\$ 24,888</b>	<b>16%</b>	<b>\$ 3,770</b>	<b>\$ 7,431</b>	<b>-49%</b>

The City's business-type activities include utility services for water, electricity, 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 \$3,770,038 for the year ended June 30, 2023.

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

As the City completed its 2023 fiscal year, the governmental funds reported a combined fund balance of \$10.3 million or an 12.5% increase of \$1,143,780. The enterprise funds reported combined net position of \$37.6 million or a 6.7% increase from 2022.

**Fund Balance/Net Position**

Governmental Funds		Proprietary Funds	
Restricted	\$ 4,431,459	Net investment in capital assets	\$ 27,993,544
Committed	217,492	Restricted for debt service and other	804,694
Assigned	4,642,810	Unrestricted	8,833,812
Unassigned	<u>1,047,849</u>		
Total Fund Balance	<u>\$ 10,339,610</u>	Total Net Position	<u>\$ 37,632,050</u>

**General Fund Budgetary Highlights**

For budgetary reporting purposes, the General Fund reported revenues under estimates of \$1,590,168 or 18.25%, while expenditures were under the final appropriations by \$1,290,016 or

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***CAPITAL ASSET AND DEBT ADMINISTRATION***

**Capital Assets**

At the end of June 30, 2023, the City had \$60.6 million invested in capital assets, net of depreciation, including police and fire equipment, buildings, park facilities, electrical infrastructure, water lines and sewer lines. (See table below). This represents a net increase of \$4.2 million or 7.5% 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 4,601	\$ 4,601	\$ 1,133	\$ 791	5,734	\$ 5,392
Buildings	5,705	6,044	6,820	7,296	12,525	13,340
Machinery, furniture and equipment	3,360	2,829	6,586	5,094	9,946	7,923
Infrastructure	12,555	12,336	18,240	14,689	30,795	27,025
Construction in progress	456	243	1,176	2,497	1,632	2,740
<b>Totals</b>	<b>\$ 26,677</b>	<b>\$ 26,053</b>	<b>\$ 33,955</b>	<b>\$ 30,367</b>	<b>\$ 60,632</b>	<b>\$ 56,420</b>

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

Sewer improvements	\$1,100,000
Street improvements	\$846,000
Water improvements	\$771,000

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

**Long- Term Debt**

At year-end, the City had \$30.8 million in long-term debt outstanding which represents a \$1.2 million increase, 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 Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accrued absences	\$ 711	\$ 627	\$ 212	\$ 180	\$ 923	\$ 807
Revenue Bonds	16,530	17,005	6,240	6,705	22,770	23,710
Bond Premium (Discount)	125	145	5	36	130	181
Notes Payable- Direct borrowing	867	617	6,114	4,251	6,981	4,868
<b>Totals</b>	<b>\$ 18,233</b>	<b>\$ 18,394</b>	<b>\$ 12,571</b>	<b>\$ 11,172</b>	<b>\$ 30,804</b>	<b>\$ 29,566</b>

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

**The Upcoming Year**

The City’s FY 2023-2024 budget is expected to remain level with a few exceptions. Any remaining funds from the \$2.2M in American Rescue Plan Act (ARPA), associated with the Coronavirus Local Fiscal Recover Funds, received were 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, continue to have a positive impact on our budget capacity. The City continually looks for ways to enhance our revenue base that will assist in completing major infrastructure and development projects. The Covid-19 pandemic, supply chain issues, and inflation that began affecting our community in March of 2020 continue 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 22/23 ended up at 4.24% and use tax up at 4.01% over the previous year which more closely mirrors our normal growth pattern.

**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 when the dam's operational license is renewed. That process started in 2018 and could potentially take several more years to complete. The City has engaged legal counsel to represent its interest during the relicensing process

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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 paid the amount in October 2022. The City opted to allow their sixteen (16) industrial customers to repay their actual usage during this time totaling \$1,025,878.70. All industrial customers completed their payments as of October 2023. The City also 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. As of November 2023, approximately 16 months remain to recover the full amount. The City tracks the repayments and will eliminate the PCAX rate once the amount the City paid GRDA has been recovered.

**Contacting the City's Financial Management**

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

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

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**BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE**

**CITY OF MIAMI, OKLAHOMA**  
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**As of and for the Year Ended June 30, 2023**

**Statement of Net Position– June 30, 2023**

	Primary Government			Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash and equivalents	\$ 12,518,922	\$ 14,375,606	\$ 26,894,528	\$ 912,195
Investments	133,520	1,671,851	1,805,371	101,836
Accounts receivable, net	472,392	4,023,250	4,495,642	-
Due from other governments	1,477,026	-	1,477,026	-
Other receivables	451,564	436	452,000	500
Internal balances	(1,207,272)	1,207,272	-	-
Leases receivable	-	230,493	230,493	271,523
Inventory	-	1,833,765	1,833,765	-
Net pension asset	309,568	-	309,568	-
Capital Assets				
Land and construction in progress	5,057,129	2,308,606	7,365,735	350,791
Other capital assets, net of depreciation	21,620,177	31,645,773	53,265,950	7,885,236
Total assets	<u>40,833,026</u>	<u>57,297,052</u>	<u>98,130,078</u>	<u>9,522,081</u>
<b>DEFERRED OUTFLOWS:</b>				
Deferred amounts related to pensions	3,012,490	1,022,853	4,035,343	-
Deferred amounts related to OPEB	214,255	188,519	402,774	-
Deferred amount on refunding	103,559	-	103,559	-
Deferred amount related to GRDA settlement	-	99,788	99,788	-
Total deferred outflows of resources	<u>3,330,304</u>	<u>1,311,160</u>	<u>4,641,464</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	634,262	2,195,913	2,830,175	17,085
Claims liability	562,560	-	562,560	-
Accrued interest payable	42,836	104,163	146,999	-
Unearned revenue	786,097	1,328,050	2,114,147	-
Long-term liabilities				
Due within one year	839,924	2,238,326	3,078,250	147,889
Due in more than one year	24,310,986	12,407,007	36,717,993	-
Total liabilities	<u>27,176,665</u>	<u>18,273,459</u>	<u>45,450,124</u>	<u>164,974</u>
<b>DEFERRED INFLOWS:</b>				
Deferred amounts related to leases	-	230,511	230,511	265,971
Deferred amounts related to pensions	757,881	457,569	1,215,450	-
Deferred amounts related to OPEB	1,142,057	794,534	1,936,591	-
Total deferred inflows of resources	<u>1,899,938</u>	<u>1,482,614</u>	<u>3,382,552</u>	<u>265,971</u>
<b>NET POSITION:</b>				
Net investment in capital assets	17,689,574	27,993,544	45,683,118	8,092,020
Restricted	4,388,623	804,694	5,193,317	-
Unrestricted (deficit)	(6,991,470)	10,053,901	3,062,431	999,116
Total net position	<u>\$ 15,086,727</u>	<u>\$ 38,852,139</u>	<u>\$ 53,938,866</u>	<u>\$ 9,091,136</u>

See accompanying notes to the basic financial statements.

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**Statement of Activities –Year Ended June 30, 2023**

<b>Functions/Programs</b>	<b>Program Revenue</b>				<b>Net (Expense) Revenue and Changes in Net Position</b>			<b>Discretely Presented Component Units</b>
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>Primary government</b>								
Governmental Activities								
General Government	\$ 1,629,005	\$ 174,233	\$ 230,628	\$ -	\$ (1,224,144)	\$ -	\$ (1,224,144)	\$ -
Public Safety	6,671,547	576,234	607,086	33,958	(5,454,269)	-	(5,454,269)	-
Public Works and Streets	3,368,866	74,335	180,202	1,264,904	(1,849,425)	-	(1,849,425)	-
Culture and Recreation	1,805,359	239,686	89,401	26,353	(1,449,919)	-	(1,449,919)	-
Economic Development	537,066	186,126	-	-	(350,940)	-	(350,940)	-
Interest on long-term Debt	608,544	-	-	-	(608,544)	-	(608,544)	-
Total governmental activities	<u>14,620,387</u>	<u>1,250,614</u>	<u>1,107,317</u>	<u>1,325,215</u>	<u>(10,937,241)</u>	<u>-</u>	<u>(10,937,241)</u>	<u>-</u>
Business-type activities								
Water	2,806,116	3,786,622	315,268	-	-	1,295,774	1,295,774	-
Wastewater	1,350,625	2,592,628	-	-	-	1,242,003	1,242,003	-
Sanitation	2,637,525	2,870,525	-	-	-	233,000	233,000	-
Electric	21,716,902	22,999,977	-	-	-	1,283,075	1,283,075	-
Airport	452,356	168,542	-	-	-	(283,814)	(283,814)	-
Total business-type activities	<u>28,963,524</u>	<u>32,418,294</u>	<u>315,268</u>	<u>-</u>	<u>-</u>	<u>3,770,038</u>	<u>3,770,038</u>	<u>-</u>
Total primary government	<u>\$ 43,583,911</u>	<u>\$ 33,668,908</u>	<u>\$ 1,422,585</u>	<u>\$ 1,325,215</u>	<u>(10,937,241)</u>	<u>3,770,038</u>	<u>(7,167,203)</u>	<u>-</u>
<b>Component Units</b>								
Culture and Recreation	\$ 586,723	\$ 263,111	\$ 132,231	\$ -	-	-	-	(191,381)
Economic Development	71,496	94,500	-	-	-	-	-	23,004
Total component units	<u>\$ 658,219</u>	<u>\$ 357,611</u>	<u>\$ 132,231</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(168,377)</u>
<b>General revenues:</b>								
Taxes:								
Sales and use taxes	-	-	-	-	9,755,772	-	9,755,772	-
Property tax	-	-	-	-	9,314	-	9,314	-
Franchise and public service taxes	-	-	-	-	367,354	-	367,354	-
Hotel/motel taxes	-	-	-	-	218,827	-	218,827	-
Grants and contributions not restricted to specific programs	-	-	-	-	1,510,627	-	1,510,627	-
Investment income	-	-	-	-	27,434	78,831	106,265	6,613
Miscellaneous	-	-	-	-	303,765	5,741	309,506	-
Transfers - internal activity	-	-	-	-	1,446,841	(1,446,841)	-	-
Total general revenues and transfers	-	-	-	-	<u>13,639,934</u>	<u>(1,362,269)</u>	<u>12,277,665</u>	<u>6,613</u>
Change in net position	-	-	-	-	2,702,693	2,407,769	5,110,462	(161,764)
Net position - beginning	-	-	-	-	12,384,034	36,444,370	48,828,404	9,252,900
Net position - ending	-	-	-	-	<u>\$ 15,086,727</u>	<u>\$ 38,852,139</u>	<u>\$ 53,938,866</u>	<u>\$ 9,091,136</u>

See accompanying notes to the basic financial statements.

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

**CITY OF MIAMI, OKLAHOMA**  
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**Governmental Funds Balance Sheet - June 30, 2023**

	<b>General Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,720,404	\$ 6,262,634	\$ 9,983,038
Receivables:			
Accounts receivable	359,410	116,607	476,017
Due from other funds	87,654	45,061	132,715
Due from other governments and entities	1,212,104	264,922	1,477,026
Other receivables	7,500	-	7,500
Total assets	\$ 5,387,072	\$ 6,689,224	\$ 12,076,296
 <b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 190,375	\$ 308,428	\$ 498,803
Wages payable	124,951	1,351	126,302
Due to other funds	81,494	38,404	119,898
Total liabilities	396,820	348,183	745,003
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	150,176	841,507	991,683
 Fund balances:			
Restricted	-	4,431,459	4,431,459
Committed	-	217,492	217,492
Assigned	3,792,227	850,583	4,642,810
Unassigned	1,047,849	-	1,047,849
Total fund balances	4,840,076	5,499,534	10,339,610
Total liabilities, deferred inflows and fund balances	\$ 5,387,072	\$ 6,689,224	\$ 12,076,296

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, 2023**

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>			
Taxes	\$ 7,745,900	\$ 2,417,529	\$ 10,163,429
Intergovernmental	826,384	3,089,865	3,916,249
Charges for services	427,351	124,955	552,306
Fines and forfeitures	326,916	-	326,916
Licenses and permits	137,350	-	137,350
Investment income	17,807	9,627	27,434
Miscellaneous	546,282	187,355	733,637
Total revenues	<u>10,027,990</u>	<u>5,829,331</u>	<u>15,857,321</u>
<b>EXPENDITURES</b>			
Current:			
General government	1,420,216	15,613	1,435,829
Public Safety	6,820,018	102,915	6,922,933
Public works and streets	1,565,931	999,328	2,565,259
Culture and recreation	1,432,962	101,539	1,534,501
Economic development	555,594	-	555,594
Capital Outlay	-	3,106,299	3,106,299
Debt Service:			
Principal	86,979	601,707	688,686
Interest and other charges	7,827	534,658	542,485
Total expenditures	<u>11,889,527</u>	<u>5,462,059</u>	<u>17,351,586</u>
Excess (deficiency) of revenues over expenditures	(1,861,537)	367,272	(1,494,265)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	10,785,215	577,012	11,362,227
Transfers out	(8,747,592)	(440,142)	(9,187,734)
Total other financing sources and uses	<u>2,037,623</u>	<u>600,422</u>	<u>2,638,045</u>
Net change in fund balances	176,086	967,694	1,143,780
Fund balances - beginning	4,663,990	4,531,840	9,195,830
Fund balances - ending	<u>\$ 4,840,076</u>	<u>\$ 5,499,534</u>	<u>\$ 10,339,610</u>

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA  
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**Reconciliation of Governmental Funds and Government-Wide Financial Statements:**

Total fund balance, governmental funds	\$	10,339,610
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.		26,677,306
Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds.		205,586
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		309,568
Pension related deferred outflows		3,012,490
OPEB related deferred outflows		214,255
Deferred amounts on refunding		103,559
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:		
Note payable obligations		(866,555)
Interest payable		(42,836)
Net pension liability		(5,744,219)
Pension related deferred inflows		(757,881)
Total OPEB liability		(1,174,184)
OPEB related deferred inflows		(1,142,057)
Accrued compensated absences		(710,916)
Unamortized debt premium		(125,036)
Revenue bond payable		(16,530,000)
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		1,318,037
Net Position of Governmental Activities in the Statement of Net Position	\$	15,086,727

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA  
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**Changes in Fund Balances – Changes in Net Position Reconciliation:**

Net change in fund balances - total governmental funds:	\$	1,143,780
<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		2,740,192
Capital assets donated		26,353
Depreciation expense		(2,143,158)
<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>		
		623,845
<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		50,478
<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 proceeds		(463,552)
Note payable principal payments		213,684
Revenue bond principal payments		475,000
<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		792
Change in accrued compensated absences		(83,474)
Change in total OPEB liability		76,154
Change in amortization of bond premium		20,276
Change in amortization of unamortized gain/loss		(88,767)
<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		111,090
Change in net position of governmental activities	\$	2,702,693

See accompanying notes to the basic financial statements.

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**BASIC FINANCIAL STATEMENTS - PROPRIETARY FUNDS**

**CITY OF MIAMI, OKLAHOMA  
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**Proprietary Funds Statement of Net Position - June 30, 2023**

	<u>Enterprise Funds</u>			
	<u>Miami Special Utility Authority</u>	<u>Airport Fund</u>	<u>Total</u>	<u>Internal Service Funds</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 11,465,672	\$ 70,950	\$ 11,536,622	\$ 2,535,884
Cash and cash equivalents, restricted	3,037,257	-	3,037,257	-
Investments	1,472,383	-	1,472,383	133,520
Accounts receivable, net	3,988,487	34,763	4,023,250	-
Leases receivables	18,582	-	18,582	-
Other receivable	436	-	436	440,439
Inventory	1,810,085	23,680	1,833,765	-
Due from other funds	45,244	30,128	75,372	499,540
Total current assets	<u>21,838,146</u>	<u>159,521</u>	<u>21,997,667</u>	<u>3,609,383</u>
Non-current assets:				
Cash and cash equivalents, restricted	1,195	-	1,195	-
Leases receivables	211,911	-	211,911	-
Capital assets:				
Land, construction in progress, and water rights	2,295,745	12,861	2,308,606	-
Other capital assets, net of accumulated depreciation	27,821,023	3,824,750	31,645,773	-
Total non-current assets	<u>30,329,874</u>	<u>3,837,611</u>	<u>34,167,485</u>	<u>-</u>
Total assets	<u>52,168,020</u>	<u>3,997,132</u>	<u>56,165,152</u>	<u>3,609,383</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Deferred amounts related to pensions	1,022,853	-	1,022,853	-
Deferred amounts related to OPEB	188,519	-	188,519	-
Deferred amounts related to GRDA settlement	99,788	-	99,788	-
Total deferred outflow of resources	<u>1,311,160</u>	<u>-</u>	<u>1,311,160</u>	<u>-</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	2,133,193	5,575	2,138,768	9,157
Claims liability	-	-	-	562,560
Wages payable	56,416	729	57,145	-
Due to other funds	86,341	1,848	88,189	499,540
Accrued interest payable	104,163	-	104,163	-
Accrued compensated absences	21,100	147	21,247	-
Unearned revenue	1,328,050	-	1,328,050	-
Refundable deposits	30,787	-	30,787	-
Revenue bond payable	485,000	-	485,000	-
Notes payable	1,701,292	-	1,701,292	-
Total current liabilities	<u>5,946,342</u>	<u>8,299</u>	<u>5,954,641</u>	<u>1,071,257</u>
Non-current liabilities:				
Accrued compensated absences	189,894	1,319	191,213	-
Net pension liability	1,029,637	-	1,029,637	-
Total OPEB liability	736,353	-	736,353	-
Refundable deposits	277,085	-	277,085	-
Revenue bond payable	5,755,000	-	5,755,000	-
Notes payable, net	4,417,719	-	4,417,719	-
Total non-current liabilities	<u>12,405,688</u>	<u>1,319</u>	<u>12,407,007</u>	<u>-</u>
Total liabilities	<u>18,352,030</u>	<u>9,618</u>	<u>18,361,648</u>	<u>1,071,257</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Deferred amounts related to leases	230,511	-	230,511	-
Deferred amounts related to pensions	457,569	-	457,569	-
Deferred amounts related to OPEB	794,534	-	794,534	-
Total deferred inflow of resources	<u>1,482,614</u>	<u>-</u>	<u>1,482,614</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	24,155,933	3,837,611	27,993,544	-
Restricted for debt service	804,694	-	804,694	-
Unrestricted	8,683,909	149,903	8,833,812	2,538,126
Total net position	<u>\$ 33,644,536</u>	<u>\$ 3,987,514</u>	<u>\$ 37,632,050</u>	<u>\$ 2,538,126</u>
Some amounts reported for business-type activities in the Statement of Net Position are different because certain internal service fund balances are included with business-type activities and reported as interfund balances				
			1,220,089	
Total net position per Government-Wide financial statements			<u>\$ 38,852,139</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, 2023**

	<u>Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>Miami Special Utility Authority</u>	<u>Airport Fund</u>	<u>Total</u>	
<b>REVENUES</b>				
Charges for services	\$ 31,232,838	\$ 174,273	\$ 31,407,111	\$ 1,913,512
Fees, licenses and permits	132,968	-	132,968	-
Miscellaneous	923,410	-	923,410	194,905
Total operating revenues	<u>32,289,216</u>	<u>174,273</u>	<u>32,463,489</u>	<u>2,108,417</u>
<b>OPERATING EXPENSES</b>				
Personal services	3,929,797	47,644	3,977,441	-
Materials and supplies	17,457,190	85,903	17,543,093	-
Other services and charges	4,671,424	18,676	4,690,100	466,903
Insurance claims and expense	-	-	-	1,488,313
Depreciation expense	2,218,829	300,133	2,518,962	-
Total operating expenses	<u>28,277,240</u>	<u>452,356</u>	<u>28,729,596</u>	<u>1,955,216</u>
Operating income (loss)	<u>4,011,976</u>	<u>(278,083)</u>	<u>3,733,893</u>	<u>153,201</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	78,831	-	78,831	1,551
Miscellaneous	287,510	-	287,510	-
Interest expense and fiscal charges	(289,286)	-	(289,286)	-
Total non-operating revenue (expenses)	<u>77,055</u>	<u>-</u>	<u>77,055</u>	<u>1,551</u>
Income (loss) before contributions and transfers	<u>4,089,031</u>	<u>(278,083)</u>	<u>3,810,948</u>	<u>154,752</u>
Contributed assets- governmental activities	727,652	-	727,652	-
Transfers in	9,043,128	1,480	9,044,608	-
Transfers out	(11,219,101)	-	(11,219,101)	-
Change in net position	<u>2,640,710</u>	<u>(276,603)</u>	<u>2,364,107</u>	<u>154,752</u>
Total net position - beginning	31,003,826	4,264,117	35,267,943	2,383,374
Total net position - ending	<u>\$ 33,644,536</u>	<u>\$ 3,987,514</u>	<u>\$ 37,632,050</u>	<u>\$ 2,538,126</u>
Change in net position above			2,364,107	
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			43,662	
Change in Business-Type Activities in Net Position per Government-Wide Financial Statements			<u>\$ 2,407,769</u>	

See accompanying notes to the basic financial statements.

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**Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2023**

	<b>Enterprise Funds</b>			
	<b>Miami Special Utility Authority</b>	<b>Airport Fund</b>	<b>Total</b>	<b>Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 33,339,967	182,633	\$ 33,522,600	\$ 2,228,072
Payments to suppliers	(23,754,820)	(126,498)	(23,881,318)	(477,539)
Payments to employees	(4,445,060)	(47,698)	(4,492,758)	-
Receipts from other funds	42,205	-	42,205	41,092
Payments to other funds	(45,856)	-	(45,856)	(41,092)
Receipts of customer meter deposits	128,511	-	128,511	-
Refunds of customer meter deposits	(171,654)	-	(171,654)	-
Claims and judgments paid	-	-	-	(1,601,109)
<b>Net cash provided by operating activities</b>	<b>5,093,293</b>	<b>8,437</b>	<b>5,101,730</b>	<b>149,424</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers from other funds	9,043,128	1,480	9,044,608	-
Transfers to other funds	(11,219,101)	-	(11,219,101)	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(2,175,973)</b>	<b>1,480</b>	<b>(2,174,493)</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital assets purchased	(5,378,577)	-	(5,378,577)	-
Principal paid on debt	(1,716,618)	-	(1,716,618)	-
Proceeds from debt	3,114,358	-	3,114,358	-
Interest and fiscal agent fees paid on debt	(329,428)	-	(329,428)	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(4,310,265)</b>	<b>-</b>	<b>(4,310,265)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Sale (Purchase) of investments	-	-	-	(1,552)
Interest and dividends	72,713	-	72,713	1,551
<b>Net cash provided by (used in) investing activities</b>	<b>72,713</b>	<b>-</b>	<b>72,713</b>	<b>(1)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,320,232)</b>	<b>9,917</b>	<b>(1,310,315)</b>	<b>149,423</b>
<b>Balances - beginning of year</b>	<b>15,824,356</b>	<b>61,033</b>	<b>15,885,389</b>	<b>2,386,461</b>
<b>Balances - end of year</b>	<b>\$ 14,504,124</b>	<b>\$ 70,950</b>	<b>\$ 14,575,074</b>	<b>\$ 2,535,884</b>
<b>Reconciliation to Statement of Net Position:</b>				
Cash and cash equivalents	\$ 11,465,672	\$ 70,950	\$ 11,536,622	\$ 2,535,884
Restricted cash and cash equivalents - current	3,037,257	-	3,037,257	-
Restricted cash and cash equivalents - noncurrent	1,195	-	1,195	-
<b>Total cash and cash equivalents, end of year</b>	<b>\$ 14,504,124</b>	<b>\$ 70,950</b>	<b>\$ 14,575,074</b>	<b>\$ 2,535,884</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 4,011,976	\$ (278,083)	\$ 3,733,893	\$ 153,201
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	2,218,829	300,133	2,518,962	-
Other nonoperating revenue	287,510	-	287,510	-
Change in assets, liabilities and deferrals:				
Receivables, net	1,060,038	8,360	1,068,398	119,655
Leases receivable	18,471	-	18,471	-
Due from other funds	(561,223)	-	(561,223)	(41,092)
Inventory	(377,295)	9,344	(367,951)	-
Deferred outflows related to pension	(552,828)	-	(552,828)	-
Deferred outflows related to OPEB	(4,908)	-	(4,908)	-
Accounts payable	(1,248,911)	(31,263)	(1,280,174)	(10,636)
Claims liability	-	-	-	(112,796)
Due to other funds	557,572	-	557,572	41,092
Due to employees	(22,788)	(68)	(22,856)	-
Unearned revenue	(315,268)	-	(315,268)	-
Refundable deposits	(43,143)	-	(43,143)	-
Total OPEB liability	(148,337)	-	(148,337)	-
Net pension liability	974,950	-	974,950	-
Accrued compensated absences	31,984	14	31,998	-
Deferred inflows related to pension	(854,762)	-	(854,762)	-
Deferred inflows related to leases	(19,209)	-	(19,209)	-
Deferred inflows related to OPEB	80,635	-	80,635	-
<b>Net cash provided by operating activities</b>	<b>\$ 5,093,293</b>	<b>\$ 8,437</b>	<b>\$ 5,101,730</b>	<b>\$ 149,424</b>
<b>Noncash activities:</b>				
Assets contributed by governmental activities	\$ 727,652	\$ -	\$ 727,652	\$ -
	<b>\$ 727,652</b>	<b>\$ -</b>	<b>\$ 727,652</b>	<b>\$ -</b>

See accompanying notes to the basic financial statements.

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

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**Discretely Presented Component Units Combining Statement of Net Position - June 30, 2023**

	<u>MCFA</u>	<u>MDRA</u>	<u>MIDA</u>	<u>MIPFA</u>	<u>Total</u>
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 282,407	\$ 161,800	\$ 226,788	\$ 241,200	\$ 912,195
Investments	101,836	-	-	-	101,836
Receivables:					
Leases receivable	-	-	-	7,631	7,631
Other receivable	-	-	-	500	500
Total current assets	<u>384,243</u>	<u>161,800</u>	<u>226,788</u>	<u>249,331</u>	<u>1,022,162</u>
Non-current assets:					
Leases receivable	-	-	-	263,892	263,892
Capital assets:					
Land, construction in progress, and water rights	-	-	102,570	248,221	350,791
Other capital assets, net of accumulated depreciation	7,000,766	-	663,452	221,018	7,885,236
Total non-current assets	<u>7,000,766</u>	<u>-</u>	<u>766,022</u>	<u>733,131</u>	<u>8,499,919</u>
Total assets	<u>7,385,009</u>	<u>161,800</u>	<u>992,810</u>	<u>982,462</u>	<u>9,522,081</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued liabilities	1,893	13,692	-	1,500	17,085
Accrued compensated absences	-	3,440	-	-	3,440
Accrued interest on notes payable	-	-	442	-	442
Notes payable	-	-	144,007	-	144,007
Total liabilities	<u>1,893</u>	<u>17,132</u>	<u>144,449</u>	<u>1,500</u>	<u>164,974</u>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Deferred amounts related to leases	-	-	-	265,971	265,971
<b>NET POSITION</b>					
Net investment in capital assets	7,000,766	-	622,015	469,239	8,092,020
Unrestricted	382,350	144,668	226,346	245,752	999,116
Total net position	<u>\$ 7,383,116</u>	<u>\$ 144,668</u>	<u>\$ 848,361</u>	<u>\$ 714,991</u>	<u>\$ 9,091,136</u>

See accompanying notes to the basic financial statements.

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**Discretely Presented Component Units Combining Statement of Changes in Net Position - Year Ended June 30, 2023**

	<u>MCFA</u>	<u>MDRA</u>	<u>MIDA</u>	<u>MIPFA</u>	<u>Total</u>
<b>REVENUES</b>					
Charges for services	\$ 102,870	\$ 160,241	\$ 71,773	\$ 22,727	\$ 357,611
Miscellaneous	-	-	-	-	-
Total operating revenues	<u>102,870</u>	<u>160,241</u>	<u>71,773</u>	<u>22,727</u>	<u>357,611</u>
<b>OPERATING EXPENSES</b>					
Personal services	-	117,321	-	-	117,321
Materials and supplies	4,614	20,888	-	255	25,757
Other services and charges	60,032	145,435	11,750	3,638	220,855
Depreciation expense	238,433	-	20,727	28,713	287,873
Total operating expenses	<u>303,079</u>	<u>283,644</u>	<u>32,477</u>	<u>32,606</u>	<u>651,806</u>
Operating income (loss)	<u>(200,209)</u>	<u>(123,403)</u>	<u>39,296</u>	<u>(9,879)</u>	<u>(294,195)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment income	1,687	202	1	4,723	6,613
Miscellaneous income	-	132,231	-	-	132,231
Interest expense and fiscal charges	-	-	(6,413)	-	(6,413)
Total non-operating revenue (expenses)	<u>1,687</u>	<u>132,433</u>	<u>(6,412)</u>	<u>4,723</u>	<u>132,431</u>
Change in net position	(198,522)	9,030	32,884	(5,156)	(161,764)
Total net position - beginning	7,581,638	135,638	815,476	720,147	9,252,899
Total net position - ending	<u>\$ 7,383,116</u>	<u>\$ 144,668</u>	<u>\$ 848,361</u>	<u>\$ 714,991</u>	<u>\$ 9,091,136</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 ends July 31.

**Miami Education Facilities Authority (MEFA)** – public trust that promotes the development of educational facilities within the city. 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, and 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 funds report their activities on the modified accrual basis of accounting and current financial resources

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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.

**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, S&L Fiscal Recovery Fund, 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.
- Worker's 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 include 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, 2023, 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	\$ 23,833,050	N/A	\$ 23,833,050	\$ -
Time deposits	1,805,371	N/A	-	1,805,371
Money Market Funds	3,061,478	Not rated	-	3,061,478
Sub-Total	<u>\$ 28,699,899</u>		<u>\$ 23,833,050</u>	<u>\$ 4,866,849</u>

**Reconciliation to Financial Statements:**

Cash and cash equivalents	\$ 26,894,528
Investments	1,805,371
	<u>\$ 28,699,899</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, 2023:

- Money Market Mutual Funds of \$3,061,478 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, 2023, the City was not exposed to custodial credit risk.

*Component Unit:*

The bank deposits of the MDRA component unit of \$161,800 at June 30, 2023 were fully insured by the F.D.I.C.

The bank deposits of the MCFA component unit of \$384,243 at June 30, 2023 were fully insured.

The bank deposits of the MIPFA component unit of \$241,200 at June 30, 2023 were fully insured by the F.D.I.C.

The bank deposits of the MIDA component unit of \$226,788 at June 30, 2023 were fully insured by the F.D.I.C.

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

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- a. Obligations of the U. S. Government, its agencies and instrumentalities;
- b. Collateralized or insured non-negotiable certificates of deposit or other evidence 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, 2023, the investments held by the City mature between 2023 through 2024.

*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, 2023.

**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, 2023, are as follows:

Cash and cash equivalents:	
Cash Restricted for Refundable deposits	\$ 307,872
Money Markets Restricted for Debt Service	2,729,385
	\$ 3,037,257
Cash and cash equivalents, noncurrent:	
Cash Restricted for Refundable deposits	1,195
	\$ 1,195

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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	1,386,649	\$ -	\$ 1,386,649
Court fines	732,145	(581,969)	150,176
Grants receivable	203,359	-	203,359
Other	660,798	-	660,798
Total Governmental Activities	\$ 2,982,951	\$ (581,969)	\$ 2,400,982
Reconciliation to Statement of Net Position:			
Accounts receivable, net			\$ 472,392
Due from other governmental agencies			1,477,026
Other receivable			451,564
Total			\$ 2,400,982
Business-Type Activities:			
Utilities	\$ 6,438,401	\$ (2,415,151)	\$ 4,023,250

**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 \$19,209.

*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 \$9,499.

**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, 2023, capital assets balances changed as follows:

	Balance at July 1, 2022	Additions	Transfers/ Deductions	Balance at June 30, 2023
<b>PRIMARY GOVERNMENT:</b>				
<i>Governmental activities:</i>				
Capital assets not being depreciated:				
Land	\$ 4,601,374	\$ -	\$ -	\$ 4,601,374
Construction in progress	242,790	240,725	27,760	455,755
Total capital assets not being depreciated	<u>4,844,164</u>	<u>240,725</u>	<u>27,760</u>	<u>5,057,129</u>
Other capital assets:				
Buildings	23,180,501	-	-	23,180,501
Infrastructure	47,549,569	817,892	-	48,367,461
Machinery, furniture and equipment	12,986,479	1,735,688	-	14,722,167
Total other capital assets at historical cost	<u>83,716,549</u>	<u>2,553,580</u>	<u>-</u>	<u>86,270,129</u>
Less accumulated depreciation for:				
Buildings	17,136,077	339,520	-	17,475,597
Infrastructure	35,213,445	598,787	-	35,812,232
Machinery, furniture and equipment	10,157,272	1,204,851	-	11,362,123
Total accumulated depreciation	<u>62,506,794</u>	<u>2,143,158</u>	<u>-</u>	<u>64,649,952</u>
Other capital assets, net	21,209,755	410,422	-	21,620,177
Governmental activities capital assets, net	<u>\$ 26,053,919</u>	<u>\$ 651,147</u>	<u>\$ 27,760</u>	<u>\$ 26,677,306</u>

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	Balance at July 1, 2022	Additions	Transfers/ Deductions	Balance at June 30, 2023
<i>Business-type activities:</i>				
Capital assets not being depreciated:				
Land	\$ 790,800	\$ 342,251	\$ -	\$ 1,133,051
Construction in progress	2,497,276	2,099,360	3,421,081	1,175,555
Total capital assets not being depreciated	<u>3,288,076</u>	<u>2,441,611</u>	<u>3,421,081</u>	<u>2,308,606</u>
Other capital assets:				
Buildings and improvement	21,098,912	-	-	21,098,912
Machinery, furniture and equipment	20,742,096	2,345,845	-	23,087,941
Infrastructure	33,199,909	4,739,853	-	37,939,762
Total other capital assets at historical cost	<u>75,040,917</u>	<u>7,085,698</u>	<u>-</u>	<u>82,126,615</u>
Less accumulated depreciation for:				
Buildings and improvement	13,802,908	476,208	-	14,279,116
Machinery, furniture and equipment	15,648,333	853,445	-	16,501,778
Infrastructure	18,510,639	1,189,309	-	19,699,948
Total accumulated depreciation	<u>47,961,880</u>	<u>2,518,962</u>	<u>-</u>	<u>50,480,842</u>
Other capital assets, net	<u>27,079,037</u>	<u>4,566,736</u>	<u>-</u>	<u>31,645,773</u>
Business-type activities capital assets, net	<u>\$ 30,367,113</u>	<u>\$ 7,008,347</u>	<u>\$ 3,421,081</u>	<u>\$ 33,954,379</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	\$ 273,062
Public Safety	220,787
Streets	1,311,148
Culture and Recreation	338,161
Total	<u>\$ 2,143,158</u>

**Business-Type Activities:**

Airport	\$ 300,133
Electric	963,135
Water	565,166
Wastewater	419,768
Sanitation	270,760
Total	<u>\$ 2,518,962</u>

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Capital assets of the component units were:

	Balance at August 1, 2022	Additions	Deductions	Balance at July 31, 2023
<i>MIDA - Discreetly Presented Component unit</i>				
Capital assets not being depreciated:				
Land	\$ 102,570	\$ -	\$ -	\$ 102,570
Total capital assets not being depreciated	<u>102,571</u>	<u>-</u>	<u>-</u>	<u>102,570</u>
Other capital assets:				
Buildings and utility infrastructure	1,036,352	-	-	1,036,352
Less accumulated depreciation for:				
Buildings and utility infrastructure	352,173	20,727	-	372,900
Other capital assets, net	<u>704,906</u>	<u>(20,727)</u>	<u>-</u>	<u>663,452</u>
MIDA capital assets, net	<u>\$ 807,477</u>	<u>\$ (20,727)</u>	<u>\$ -</u>	<u>\$ 766,022</u>

MIPFA

	Balance at July 1, 2022	Additions	Deductions	Balance at June 30, 2023
<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	393,310	19,681	-	412,991
Machinery, furniture and equipment	113,467	9,033	-	122,500
Total accumulated depreciation	<u>506,777</u>	<u>28,714</u>	<u>-</u>	<u>535,491</u>
Other capital assets, net	<u>249,732</u>	<u>(28,714)</u>	<u>-</u>	<u>221,018</u>
MIPFA capital assets, net	<u>\$ 497,953</u>	<u>\$ (28,714)</u>	<u>\$ -</u>	<u>\$ 469,239</u>

MCFA

	Balance at July 1, 2022	Additions	Deductions	Balance at June 30, 2023
<i>MCFA - Discreetly Presented Component unit</i>				
Other capital assets:				
Buildings	\$ 8,851,208	\$ -	\$ -	\$ 8,851,208
Less accumulated depreciation for:				
Buildings	1,612,009	238,433	-	1,850,442
Other capital assets, net	<u>7,239,199</u>	<u>(238,433)</u>	<u>-</u>	<u>7,000,766</u>
MCFA capital assets, net	<u>\$ 7,239,199</u>	<u>\$ (238,433)</u>	<u>\$ -</u>	<u>\$ 7,000,766</u>

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**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.

<u>Receivable Fund</u>		<u>Payable Fund</u>		<u>Amount</u>	<u>Nature of Interfund Balance</u>
General Fund	*	Airport Fund	*	\$ 1,313	Payroll reimbursement
General Fund	*	MSUA	*	86,341	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	*	44,709	Posting correction
Airport Fund	*	General Fund	*	30,128	Posting correction
Workers Compensation Fund		Health Insurance Fund		499,540	deposit to the wrong fund
Total				<u>\$ 707,627</u>	

\* Denotes major fund.

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Net Internal Balances</u>
Reconciliation to Fund Financial Statements:			
Governmental Funds	\$ 132,715	\$ (119,898)	\$ 12,817
Proprietary Funds	75,372	(88,189)	(12,817)
Internal Service Funds	499,540	(499,540)	-
Total	<u>\$ 707,627</u>	<u>\$ (707,627)</u>	<u>\$ -</u>
Reconciliation to Statement of Net Position:			
Net Internal Balances	\$ (12,817)		
Internal Service Fund Activity reported in Business-type Activities	1,220,089		
Net Internal Balance	<u>\$ 1,207,272</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, 2023, 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	\$ 10,669,101	Operating subsidy/pledged sales tax
General Fund	Capital Improvement Fund	66,114 B	Operating subsidy
General Fund	* MSUA	50,000	Operating subsidy
Street and alley	* MSUA	500,000 A	Operating subsidy
Capital Improvement Fund	* General Fund	73,312 A	Operating subsidy
Capital Improvement Fund	General Fund	3,700 A	Capital project
MSUA	Capital Improvement Fund	374,028 B	Budgeted
MSUA	* General Fund	8,670,580	Operating subsidy/pledged sales tax
		<u>\$ 20,406,835</u>	

Denotes Major Fund	Subtotal non-major Governmental Funds transfers in	\$ 577,012 A
	Subtotal non-major Governmental Funds transfers out	\$ 440,142 B

	<u>Transfers to Other Funds</u>	<u>Transfers from Other Funds</u>	<u>Net Transfers</u>
<b>Reconciliation to fund financial statements:</b>			
Governmental Funds	\$ (9,187,734)	\$ 11,362,227	\$ 2,174,493
Enterprise Funds	(11,219,101)	9,044,608	(2,174,493)
Totals	<u>\$ (20,406,835)</u>	<u>\$ 20,406,835</u>	<u>\$ -</u>

<b>Reconciliation to Statement of Activities:</b>		
Net Transfers		\$ (2,174,493)
Transfer of assets from Governmental Activities to Business Type Activities		727,652
Transfers - Internal Activity		<u>\$ (1,446,841)</u>

## 9. Long-Term Obligations

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

For the year ended June 30, 2023, the City's long-term obligation balances changed as follows:

### Primary Government:

<u>Type of Debt</u>	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Revenue Bond Premium	\$ 145,312	\$ -	\$ 20,276	\$ 125,036	\$ -
Revenue Bonds	17,005,000	-	475,000	16,530,000	485,000
Notes Payable - direct borrowings	616,687	463,552	213,684	866,555	283,832
Accrued Compensated Absences	<u>627,442</u>	<u>83,474</u>	<u>-</u>	<u>710,916</u>	<u>71,092</u>
Total Governmental Activities	<u>\$ 18,394,441</u>	<u>\$ 547,026</u>	<u>\$ 708,960</u>	18,232,507	839,924
Plus: Total OPEB liability				1,174,184	-
Net pension liability				<u>5,744,219</u>	<u>-</u>
				<u>\$ 25,150,910</u>	<u>\$ 839,924</u>
<b>Reconciliation to Statement of Net Position:</b>					
Due within one year				\$ 839,924	
Due in more than one year				<u>24,310,986</u>	
				<u>\$ 25,150,910</u>	

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<u>Type of Debt</u>	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>	<u>Due Within One Year</u>
<b>Business-Type Activities:</b>					
Notes Payable - Direct borrowings	\$ 4,251,098	\$ 3,114,358	\$ 1,251,618	\$ 6,113,838	\$ 1,701,292
Unamortized Bond Premium (Discount)	36,215	-	31,042	5,173	-
Revenue Bonds	6,705,000	-	465,000	6,240,000	485,000
Accrued Compensated Absences	180,462	31,998	-	212,460	21,247
<b>Total Business-Type Activities</b>	<u>\$ 11,172,775</u>	<u>\$ 3,146,356</u>	<u>\$ 1,747,660</u>	12,571,471	2,207,539
Plus: Total OPEB liability				736,353	-
Net pension liability				1,029,637	-
Refundable deposits				307,872	30,787
				<u>\$ 14,645,333</u>	<u>\$ 2,238,326</u>
Reconciliation to Statement of Net Position:					
Due within one year				\$ 2,238,326	
Due in more than one year				12,407,007	
				<u>\$ 14,645,333</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.

\$16,530,000

Current portion  
Non-current portion

\$485,000

16,045,000

\$16,530,000

**Notes Payable – Direct Borrowings:**

\$304,491 note payable 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.

\$186,756

\$311,328 note payable for the purchase of fire pumper truck, matures August 2027

with a stated interest rate of 2.14%. If the City defaults, the collateralized equipment will be returned to the lender.

189,598

\$255,638 note payable 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.

103,081

\$65,495 note payable for the purchase of excavator, matures October 2027

with a stated interest rate of 3.91%. If the City defaults, the collateralized equipment will be returned to the lender.

58,403

\$31,776 note payable for the purchase of Ford Explorer, matures December 2025

with a stated interest rate of 3.81%. If the City defaults, the collateralized equipment will be returned to the lender.

25,873

\$55,427 note payable for the purchase of a Ford Interceptor, matures December 2025

with a stated interest rate of 4.30%. If the City defaults, the collateralized equipment will be returned to the lender.

46,668

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\$55,427 note payable for the purchase of a Ford Interceptor, matures December 2025 with a stated interest rate of 4.30%. If the City defaults, the collateralized equipment will be returned to the lender. 46,668

\$55,427 note payable for the purchase of a Ford Interceptor, matures December 2025 with a stated interest rate of 4.30%. If the City defaults, the collateralized equipment will be returned to the lender. 46,668

\$200,000 note payable for the purchase of a wheel loader, matures November 2025 with a stated interest rate of 3.8%. If the City defaults, the collateralized equipment will be returned to the lender. 162,840

Total notes payable \$866,555

Current portion \$283,832

Non-current portion 582,723

\$866,555

*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. \$6,240,000

Total Revenue Bonds Payable \$6,240,000

Current portion \$485,000

Non-current portion 5,755,000

\$6,240,000

**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. \$44,000

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. 79,777

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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. 229,320

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. 59,472

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. 465,000

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. 2,346,844

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 enforce action in action of parties under provisions of the indenture, security agreement or lease agreement. 1,325,095

\$286,418 note payable for the purchase of a digger derrick, matures April 2026, with a stated interest rate of 4.84%. If the Authority defaults, the collateralized equipment will be returned to the lender. 264,094

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\$174,200 note payable for the purchase of a telescopic ariel device, matures April 2026 with a stated interest rate of 4.84%. If the Authority defaults, the collateralized equipment will be returned to the lender.	160,622
\$346,196 note payable for the purchase of a freightliner with digger, matures April 2026 with a stated interest rate of 4.84%. If the Authority defaults, the collateralized equipment will be returned to the lender.	319,213
\$424,300 note payable for the purchase of a vacuum truck, matures April 2026 with a stated interest rate of 4.84%. If the Authority defaults, the collateralized equipment will be returned to the lender.	391,229
\$314,092 note payable for the purchase of a cat wheel loader, matures December 2029 with a stated interest rate of 4.01%. If the Authority defaults, the collateralized equipment will be returned to the lender.	287,757
\$129,393 note payable for the purchase of a backhoe, matures November 2027 with a stated interest rate of 3.91%. If the Authority defaults, the collateralized equipment will be returned to the lender.	115,542
\$31,776 note payable for the purchase of a Ford explorer, matures December 2025 with a stated interest rate of 3.81%. If the Authority defaults, the collateralized equipment will be returned to the lender.	<u>25,873</u>
Total Notes Payable – Direct Borrowings	<u>\$6,113,838</u>
Current portion	\$1,701,292
Non-current portion	<u>4,412,544</u>
	<u>\$6,113,838</u>

**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
2024	\$ 485,000	\$ 509,188	\$ 283,832	\$ 63,952
2025	495,000	499,388	291,410	56,103
2026	505,000	489,388	168,932	48,904
2027	515,000	479,188	107,368	48,073
2028	525,000	468,394	15,013	79
2029-2033	1,085,000	2,213,863	-	-
2034-2038	4,435,000	1,992,150	-	-
2039-2043	3,925,000	1,242,375	-	-
2044-2047	4,560,000	641,250	-	-
Total	\$ 16,530,000	\$ 8,535,184	\$ 866,555	\$ 217,111

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**Business-Type Activities**

Year Ending June 30,	Notes Payable-Direct Borrowings		Revenue Bonds Payable	
	Principal	Interest	Principal	Interest
2024	\$ 1,701,292	\$ 186,262	\$ 485,000	\$ 202,725
2025	1,515,099	141,774	500,000	188,175
2026	744,992	105,071	515,000	173,175
2027	376,841	90,979	530,000	157,725
2028	365,806	83,282	545,000	141,825
2029-2033	1,652,403	321,251	3,000,000	435,575
20234-2038	1,686,250	183,984	665,000	23,275
2039-2042	1,294,000	45,765	-	-
Amount to be drawn	(3,222,845)	-	-	-
<b>Total</b>	<b>\$ 6,113,838</b>	<b>\$ 1,158,368</b>	<b>\$ 6,240,000</b>	<b>\$ 1,322,475</b>

MDRA Debt:

Type of Debt	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023	Due Within One Year
<b>Component Unit:</b>					
Accrued Compensated Absences	\$ 3,208	\$ 232	\$ -	\$ 3,440	\$ 344
Total MDRA	\$ 3,208	\$ 232	\$ -	\$ 3,440	\$ 344

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% due on demand \$79,706

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%, due on demand 49,199

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%, due on demand 15,102

Total debt outstanding – MIDA \$144,007

Type of Debt	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023	Due Within One Year
<b>Component Unit:</b>					
MIDA Note payable (direct borrowings)	\$ 207,447	\$ -	\$ 63,441	\$ 144,006	\$ -

**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

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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 \$8,801,104. The 2019 note refinanced the 2003B and 2004 B notes. Net utility revenues received in the current year were \$6,092,530. Debt service payments of \$1,037,107 for the current fiscal year were 17% of pledged net utility revenues.

*Pledged Sales Tax* – The City has pledged 3.65 cents (or 100%) of future sales tax revenues to repay \$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 2016 bonds refinanced the 2010 bonds that were originally for street purposes and the 2013 bond anticipation note for the stadium construction. The 2018 bonds were for capital improvements. 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 2046 and 2033, respectively. The total principal and interest payable for the remainder of the life of these bonds is \$32,297,406. Pledged sales taxes received in the current year were \$8,669,101. Net revenues and sales tax pledged during the year was \$14,761,631. Debt service payments of \$1,680,113 for the current fiscal year were 11.3% 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.
- 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, 2023 net position restricted by enabling legislation totaled \$224,822.

### *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.

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- 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:

	<b>General Fund</b>	<b>Other Governmental Fund</b>	<b>Total</b>
Fund Balance:			
Restricted For:			
Police operations - grants	\$ -	\$ 137,182	\$ 137,182
General obligation debt service	-	198,369	198,369
Capital improvements	-	196,998	196,998
Street improvements	-	1,623,275	1,623,275
Culture and rec programs	-	310,214	310,214
Economic development	-	91,716	91,716
Grant fund	-	1,797,939	1,797,939
Police - drug programs	-	75,766	75,766
Sub-total restricted	-	4,431,459	4,431,459
Committed for:			
Street operations	-	217,492	217,492
Assigned for:			
Capital improvements	-	850,583	850,583
Demolition	241,448	-	241,448
Culture and rec programs	-	-	-
Supplement next year's budget	3,550,779	-	3,550,779
Sub-total assigned	3,792,227	850,583	4,642,810
Unassigned:	1,047,849	-	1,047,849
<b>TOTAL FUND BALANCE</b>	<b>\$ 4,840,076</b>	<b>\$ 5,499,534</b>	<b>\$ 10,339,610</b>

## **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 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, 2023, 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

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occurrence with the exceptions of classifications of electric, fire, and police who have a \$750,000 specific retention

- 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 specific deductible stop-loss policy which covers individual claims in excess of \$75,000. Aggregate excess loss insurance of \$75,000.
- Unemployment – the City is self-insured.

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

	Worker's Compensation	Health Care	Unemployment Fund	Total
Claim liability, June 30, 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	(908,090)	(2,506,367)	(8,507)	(3,422,964)
Claim liability, June 30, 2022	\$ 534,581	\$ 140,755	\$ -	\$ 675,336
Claims and changes in estimates	25,779	1,453,373	9,181	1,488,333
Claims payments	(73,252)	(1,519,252)	(8,605)	(1,601,109)
Claim liability, June 30, 2023	<u>\$ 487,108</u>	<u>\$ 74,876</u>	<u>\$ 576</u>	<u>\$ 562,560</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, 2023:

	Governmental	Business Type	Total
<b>Deferred Outflows:</b>			
Police Pension	\$ 654,004	\$ -	\$ 654,004
Fire Pension	1,386,361	-	1,386,361
OkMRF	972,125	1,022,853	1,994,978
Total	<u>\$ 3,012,490</u>	<u>\$ 1,022,853</u>	<u>\$ 4,035,343</u>
<b>Deferred Inflows:</b>			
Police Pension	\$ 39,894	\$ -	\$ 39,894
Fire Pension	303,978	-	303,978
OkMRF	414,009	457,569	871,578
Total	<u>\$ 757,881</u>	<u>\$ 457,569</u>	<u>\$ 1,215,450</u>
<b>Net Pension Liability:</b>			
Fire Pension	\$ 4,777,127	\$ -	\$ 4,777,127
OkMRF	967,092	1,029,637	1,996,729
Total	<u>\$ 5,744,219</u>	<u>\$ 1,029,637</u>	<u>\$ 6,773,856</u>
<b>Net Pension Asset:</b>			
Police Pension	\$ 309,568	\$ -	\$ 309,568
Total	<u>\$ 309,568</u>	<u>\$ -</u>	<u>\$ 309,568</u>

**Summary of Significant Accounting Policies**

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

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

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

**A. Plan Description**

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

**B. Eligibility Factors and Benefit Provisions**

<u>Provision</u>	<u>As of 07/01/22 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

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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	119
Deferred Vested Former Employees	18
Retirees or Retiree Beneficiaries	<u>85</u>
Total	<u><u>222</u></u>

**Contribution Requirements**

The City Council has the authority to set and amend contribution rates by ordinance for the OkMRF defined benefit plan in accordance with O.S. Title 11, Section 48-102. The contribution rates for the current fiscal year have been made in accordance with an actuarially determined rate. The actuarially determined rate is 9.45% of covered payroll as of July 1, 2022. For the year ended June 30, 2023, the City recognized \$797,256 of employer contributions to the plan which is in excess of the actuarially determined amount by \$166,506 based on covered payroll of \$6,012,867. Employees contribute 3.75% to the plan in accordance with the plan provisions adopted by the City Council. Employee contributions for fiscal 2023 were \$248,250.

**Actuarial Assumptions**

Date of Last Actuarial Valuation	July 1, 2022
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

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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

**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, 2022 are summarized in the following table:

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

**E. Changes in Net Pension Liability** – The total pension liability was determined based on an actuarial valuation performed as of July 1, 2022 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, 2022 and the City's report ending date of June 30, 2023, that would have had a significant impact on the net pension liability. The following table reports the components of changes in net pension liability:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Net Position (b)</u>	<u>Net Pension Liability (a) - (b)</u>
<b>Balances Beginning of Year</b>	<u>\$ 14,793,665</u>	<u>\$ 14,689,248</u>	<u>\$ 104,417</u>
<b>Changes for the Year:</b>			
Service cost	389,967	-	389,967
Interest expense	1,071,795	-	1,071,795
Experience losses (gains) - (amortized over avg remain svc period of actives & inactive)	(165,221)	-	(165,221)
Changes of assumptions	(350,120)	-	(350,120)
Contributions--City	-	703,506	(703,506)
Contributions--members	-	198,934	(198,934)
Net investment income	-	(1,823,111)	1,823,111
Benefits paid	(1,024,666)	(1,024,666)	-
Plan administrative expenses	-	(25,220)	25,220
Benefit changes due to plan amendments	-	-	-
Change in deferred contributions made subsequent to the measurement date	-	-	-
<b>Net Changes</b>	<u>(78,245)</u>	<u>(1,970,557)</u>	<u>1,892,312</u>
<b>Balances End of Year</b>	<u>\$ 14,715,420</u>	<u>\$ 12,718,691</u>	<u>\$ 1,996,729</u>

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 3,741,327	\$ 1,996,729	\$ 551,345

The City reported \$1,996,729 in pension expense for the year ended June 30, 2023. At June 30, 2023, 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	\$ -	\$ 545,482
Net difference between projected and actual earnings	-	247,023
Changes in assumptions	1,099,412	-
Changes in proportion and differences between City contributions and proportionate share of contributions	68,855	68,866
City contributions during measurement date	29,455	10,207
City contributions subsequent to the measurement date	797,256	-
Total	\$ 1,994,978	\$ 871,578

The \$797,256 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, 2024. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Year ended June 30:**

2024	\$	(118,061)
2025		(98,363)
2026		(24,732)
2027		567,300
2028		-
	\$	326,144

**Oklahoma Firefighter’s Pension – Statewide Cost Sharing Plan**

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

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

Normal Retirement:

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

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

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

**Contributions** - The contributions requirements of the Plan are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 9% percent of their annual pay. Participating cities are required to contribute 14% of the employees' annual pay. Contributions to the pension plan from the City were \$177,580. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$417,506 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 \$374,220. 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, 2023, the City reported a liability of \$4,777,127 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022,

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and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. 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, 2022. Based upon this information, the City's proportion was .3653%.

For the year ended June 30, 2023, the City recognized pension expense of \$565,164. At June 30, 2023, 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	\$ 613,254	\$ 24,116
Changes of assumptions	-	30,458
Net difference between projected and actual earnings on pension plan investments	555,153	-
Changes in proportion	34,059	248,724
Contributions during the measurement date	6,315	680
Contributions subsequent to the measurement date	177,580	-
Total	\$ 1,386,361	\$ 303,978

In the year ending June 30, 2023, \$177,580 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:

2024	\$	192,576
2025		178,959
2026		42,949
2027		490,319
2028		-
Total	\$	904,803

**Actuarial Assumptions-** The total pension liability was determined by an actuarial valuation as of July 1, 2022, 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.

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The actuarial assumptions used in the July 1, 2022, 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, 2022, 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%	3.62%
Domestic equity	47%	5.66%
International equity	15%	8.34%
Real estate	10%	7.64%
Other assets	8%	5.08%

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

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

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Employers' net pension liability	\$ 6,155,713	\$ 4,777,127	\$ 3,624,031

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

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

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

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

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

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

**Contributions** - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were \$180,888. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$171,616 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 \$153,826. 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, 2023, the City reported an asset of \$309,568 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2022. 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, 2022. Based upon this information, the City's proportion was .3860%.

For the year ended June 30, 2023, the City recognized pension expense of \$72,910. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 151,847	\$ 33,720
Changes of assumptions	12,301	-
Net difference between projected and actual earnings on pension plan investments	302,075	-
Changes in proportion	5,099	4,677
Contributions during measurement date	1,794	1,497
Contributions subsequent to the measurement date	180,888	-
Total	\$ 654,004	\$ 39,894

In the year ending June 30, 2023, \$180,888 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:

2024	\$	98,126
2025		26,553
2026		(82,379)
2027		370,454
2028		20,468
Total	\$	433,222

**Actuarial Assumptions**-The total pension asset was determined by an actuarial valuation as of July 1, 2022, 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.

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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, 2022, 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, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	3.34%
Domestic equity	4.69%
International equity	8.34%
Real estate	7.64%
Private Equity	9.66%
Commodities	0.00%

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

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

**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:

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	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	\$ 896,909	\$ (309,568)	\$ (1,329,336)

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

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

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

**Funding Policy** – DC Plan participants may contribute up to \$15,000 of eligible compensation per year. During the year ended June 30, 2023, employees contributed \$109,287 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, 2023. 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

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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, 2023, were \$79,782.

*Employees Covered by Benefit Terms*

Active Employees	173
Inactive or beneficiaries receiving benefits	<u>5</u>
Total	<u>178</u>

*Total OPEB Liability* – The total OPEB liability was determined based on an alternative measurement method valuation performed as of June 30, 2022, which is also the measurement date.

*Actuarial Assumptions*- The total OPEB liability in the June 30, 2022, valuation, was determined using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age
- Discount Rate – 4.09% 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	5.01%
2035	4.97%
2040	4.81%
2045	4.70%
2050	4.64%
2060	4.54%

*Changes in Total OPEB Liability -*

	<b>Total OPEB Liability</b>
<b>Balances at Beginning of Year</b>	<u>\$ 2,392,401</u>
<b>Changes for the Year:</b>	
Service cost	177,611
Interest expense	51,676
Change of benefit terms	-
Change in assumptions	(182,051)
Difference between expected and actual experience	(449,318)
Benefits paid	<u>(79,782)</u>
<b>Net Changes</b>	<u>(481,864)</u>
<b>Balances End of Year</b>	<u>\$ 1,910,537</u>

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*OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB* – For the year ended June 30, 2023, the City recognized OPEB expense of \$82,341. At June 30, 2023, 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	\$ -	\$ 729,130
Changes of assumptions	-	847,592
Changes in proportion	353,145	350,550
City Contributions during measurement date	9,242	9,319
Benefits paid subsequent to the measurement date	40,387	-
Total	<u>\$ 402,774</u>	<u>\$ 1,936,591</u>

In the year ending June 30, 2023, \$40,387 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:**

2023	\$ (337,663)
2024	(324,061)
2025	(283,041)
2026	(237,263)
2027	(173,489)
Thereafter	(218,687)
	<u>\$ (1,574,204)</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:

	Current Discount Rate		
	1% Decrease ( 3.09%)	(4.09%)	1% Increase (5.09%)
Employers' total OPEB liability	\$ 2,126,293	\$ 1,910,537	\$ 1,719,862

*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 (4.94% decreasing to 2.94%)	(5.94% decreasing to 3.94%)	1% Increase (6.94% decreasing to 4.94%)
Employers' total OPEB liability	\$ 1,697,017	\$ 1,910,537	\$ 2,162,612

## **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 2023, 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 2023. 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, 2023, since the specific legally required costs of retirement have not yet been identified. The City anticipates identifying those specific legally required costs and obtaining an estimate of those costs in a subsequent fiscal year.

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**REQUIRED SUPPLEMENTARY INFORMATION**

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**Budgetary Comparison Schedules (Budgetary Basis) – Year Ended June 30, 2023**

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budget basis)	Positive (Negative)
<b>Beginning Budgetary Fund Balance:</b>	\$ 3,422,700	\$ 3,448,492	\$ 4,250,699	\$ 802,207
<b>Resources (Inflows):</b>				
Taxes	7,837,400	7,837,400	9,240,746	1,403,346
Intergovernmental	220,000	222,727	229,485	6,758
Licenses and permits	43,700	43,700	137,212	93,512
Charges for services	219,255	222,355	198,694	(23,661)
Fines and forfeitures	248,500	248,500	298,614	50,114
Investment income	8,700	8,700	17,808	9,108
Miscellaneous	18,500	131,487	182,478	50,991
<b>Total Resources (Inflows)</b>	<u>8,596,055</u>	<u>8,714,869</u>	<u>10,305,037</u>	<u>1,590,168</u>
<b>Amounts available for appropriation</b>	<u>12,018,755</u>	<u>12,163,361</u>	<u>14,555,736</u>	<u>2,392,375</u>
<b>Charges to Appropriations (Outflows):</b>				
General Government				
Municipal Court	161,785	183,229	179,085	4,144
General Government	820,297	817,078	530,313	286,765
Human Resources	338,625	380,904	318,525	62,379
Legal	121,196	101,722	81,336	20,386
Public Safety				
Police	2,590,339	2,647,974	2,541,484	106,490
Fire	2,293,418	2,349,980	2,083,040	266,940
Emergency Management	51,537	92,776	76,755	16,021
Police Communications	704,718	660,045	602,075	57,970
Code Compliance	245,703	205,778	159,518	46,260
Risk Management	897,500	889,625	867,624	22,001
Public Works and Streets				
Streets	822,117	829,117	805,170	23,947
Cemetery	312,356	321,456	290,291	31,165
Facilities	315,140	331,553	302,950	28,603
Animal Control	239,817	243,817	171,132	72,685
Culture and Recreation				
Sports	275,025	259,558	220,814	38,744
Parks	588,910	579,403	502,945	76,458
Swimming Pool	215,705	239,505	180,026	59,479
Library	575,839	600,839	531,260	69,579
<b>Total Charges to Appropriations</b>	<u>11,570,027</u>	<u>11,734,359</u>	<u>10,444,343</u>	<u>1,290,016</u>
<b>Other financing sources (uses)</b>				
Transfers from other funds	8,082,192	8,148,306	9,183,656	1,035,350
Transfers to other funds	(8,494,295)	(8,572,487)	(8,958,683)	(386,196)
<b>Total other financing sources (uses)</b>	<u>(412,103)</u>	<u>(424,181)</u>	<u>224,973</u>	<u>649,154</u>
<b>Ending Budgetary Fund Balance</b>	<u>\$ 36,625</u>	<u>\$ 4,821</u>	<u>\$ 4,336,366</u>	<u>\$ 4,331,545</u>

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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:

	<b>Fund Balance June 30, 2022</b>	<b>Net Change in Fund Balance</b>	<b>Fund Balance June 30, 2023</b>
Budget to GAAP Reconciliation:			
Fund Balance - GAAP Basis	\$4,663,990	\$176,086	\$4,840,076
Increases (Decreases):			
Revenues:			
Receivable from other governments and entities	(940,806)	(40,369)	(981,175)
Accounts receivable	(184,664)	(72,064)	(256,728)
State on behalf pension payments	(529,958)	(59,164)	(589,122)
Combining accounts	(413,291)	(53,534)	(466,825)
Expenditures:			
Accrued payroll	128,799	(6,590)	122,209
Other expenditures	649,941	428,868	1,078,809
State on behalf pension payments	529,958	59,164	589,122
Fund Balance - Budgetary Basis	\$3,529,969	\$432,397	\$4,336,366

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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>	<u>2023</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%	0.365300%
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	\$4,777,127
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	\$1,255,355
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%	381%
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%	69.40%

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

**Notes to Schedule:**

Only the previous nine 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>	<u>2023</u>
Statutorially required contribution	\$ 160,255	\$ 162,264	\$ 165,905	\$ 169,204	\$ 170,934	\$ 168,865	\$ 173,054	\$ 175,750	\$ 177,580
Contributions in relation to the statutorially required contribution	160,255	162,264	165,905	169,204	170,934	168,865	173,054	175,750	177,580
Contribution deficiency (excess)	<u>\$ -</u>	<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	\$ 1,303,779
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

**Notes to Schedule:**

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

**CITY OF MIAMI, OKLAHOMA  
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**Schedules of Required Supplementary Information  
SCHEDULE OF THE CITY OF MIAMI PORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM  
Last 10 Fiscal Years\***

	2015	2016	2017	2018	2019	2020	2021	2022	2023
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%	0.3860%
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)	\$ (309,568)
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	\$ 1,320,463	\$ 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%	138.63%	22.46%
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%	102.74%

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

**Notes to Schedule:**

Only the previous nine 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**

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Statutorily required contribution	\$ 145,903	\$ 156,178	\$ 152,094	\$ 162,102	\$ 166,813	\$ 167,131	\$ 171,661	\$ 179,197	\$ 180,888
Contributions in relation to the statutorily required contribution	145,903	156,178	152,094	162,102	166,813	167,131	171,661	179,746	180,888
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (549)	\$ -
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	\$ 1,339,404
Contributions as a percentage of covered-employee payroll	12.89%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

**Notes to Schedule:**

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

**CITY OF MIAMI, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
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**Oklahoma Municipal Retirement Fund**

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Total pension liability</b>									
Service cost	\$ 276,403	\$ 308,701	\$ 344,545	\$ 330,866	\$ 283,926	\$ 346,075	\$ 345,024	\$ 390,061	\$ 389,967
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	1,071,795
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	102,207	(202,315)	(535,480)	(541,596)	(272,005)	(198,240)	(643,221)	(165,221)
Changes of assumptions	-	-	-	321,010	-	208,546	-	-	(350,120)
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)	(1,024,666)
<b>Net change in total pension liability</b>	<b>314,028</b>	<b>441,796</b>	<b>250,721</b>	<b>111,440</b>	<b>(272,102)</b>	<b>369,697</b>	<b>195,858</b>	<b>(182,423)</b>	<b>(78,245)</b>
<b>Total pension liability - beginning</b>	<b>13,564,650</b>	<b>13,878,678</b>	<b>14,320,474</b>	<b>14,571,195</b>	<b>14,682,635</b>	<b>14,410,533</b>	<b>14,780,230</b>	<b>14,976,088</b>	<b>14,793,665</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 13,878,678</b>	<b>\$ 14,320,474</b>	<b>\$ 14,571,195</b>	<b>\$ 14,682,635</b>	<b>\$ 14,410,533</b>	<b>\$ 14,780,230</b>	<b>\$ 14,976,088</b>	<b>\$ 14,793,665</b>	<b>\$ 14,715,420</b>
<b>Plan fiduciary net position</b>									
Contributions - employer	\$ 569,542	\$ 618,748	\$ 640,172	\$ 650,799	\$ 635,453	\$ 646,533	\$ 657,276	\$ 697,806	\$ 703,506
Contributions - member	166,578	175,420	181,046	183,989	179,680	182,834	185,855	197,343	198,934
Net investment income	1,363,071	261,920	83,267	1,149,965	755,918	735,845	465,013	3,203,292	(1,823,111)
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)	(1,024,666)
Administrative expense	(20,151)	(19,533)	(18,698)	(20,154)	(21,162)	(22,670)	(23,361)	(23,726)	(25,220)
Other	-	-	-	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>1,081,902</b>	<b>30,117</b>	<b>(78,876)</b>	<b>871,926</b>	<b>473,880</b>	<b>350,354</b>	<b>262,965</b>	<b>3,059,623</b>	<b>(1,970,557)</b>
<b>Plan fiduciary net position - beginning</b>	<b>8,437,357</b>	<b>9,519,259</b>	<b>9,549,376</b>	<b>9,470,500</b>	<b>10,342,425</b>	<b>10,816,305</b>	<b>11,366,659</b>	<b>11,629,624</b>	<b>14,689,248</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 9,519,259</b>	<b>\$ 9,549,376</b>	<b>\$ 9,470,500</b>	<b>\$ 10,342,426</b>	<b>\$ 10,816,305</b>	<b>\$ 11,366,659</b>	<b>\$ 11,629,624</b>	<b>\$ 14,689,247</b>	<b>\$ 12,718,691</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 4,359,419</b>	<b>\$ 4,771,098</b>	<b>\$ 5,100,695</b>	<b>\$ 4,340,209</b>	<b>\$ 3,594,228</b>	<b>\$ 3,413,571</b>	<b>\$ 3,346,464</b>	<b>\$ 104,418</b>	<b>\$ 1,996,729</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	68.59%	66.68%	64.99%	70.44%	75.06%	76.90%	77.65%	99.29%	86.43%
<b>Covered employee payroll</b>	\$ 4,356,987	\$ 4,742,831	\$ 4,657,554	\$ 4,735,571	\$ 4,920,014	\$ 4,576,812	\$ 5,258,704	\$ 5,505,289	\$ 5,284,267
<b>Net pension liability as a percentage of covered-employee payroll</b>	100.06%	100.60%	109.51%	91.65%	73.05%	74.58%	63.64%	1.90%	37.79%

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

**Notes to Schedule:**

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

**Required Supplementary Information**  
**Oklahoma Municipal Retirement Fund**

**Schedule of Employer Contributions**

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 616,160	\$ 643,059	\$ 592,589	\$ 590,967	\$ 512,617	\$ 518,316	\$ 551,638	\$ 577,505	\$ 630,750
Contributions in relation to the actuarially determined contribution	616,160	643,059	623,633	635,553	647,362	655,182	697,304	730,002	797,256
Contribution deficiency (excess)	\$ -	\$ -	\$ (31,044)	\$ (44,586)	\$ (134,745)	\$ (136,866)	\$ (145,666)	\$ (152,497)	\$ (166,506)
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	\$ 6,012,867
Contributions as a percentage of covered-employee payroll	13.22%	13.26%	13.26%	13.26%	13.26%	13.26%	13.26%	13.26%	13.26%

**Notes to Schedule:**

- Only the previous nine fiscal years are presented because 10-year data is not yet available.
- Latest Valuation Date: July 1, 2022
- Actuarially determined contribution rate is calculated as of July 1, 2022  
July 2022 through June 2023 contributions were at a rate of 9.45%.
- 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%

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***Required Supplementary Information – OPEB***

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

Postemployment Health Insurance Implicit Rate Subsidy Plan

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total OPEB Liability						
Service cost	\$ 233,167	\$ 206,592	\$ 180,562	\$ 182,138	\$ 182,230	\$ 177,611
Interest	91,262	125,031	120,692	96,946	54,855	51,676
Change of benefit terms	-	-	-	-	107,385	-
Changes in assumptions	(280,566)	(378,465)	(162,177)	(237,748)	(42,145)	(182,051)
Differences between expected and actual experience		(17,115)	(388,393)	(237,298)	(301,527)	(449,318)
Benefit payments	(78,120)	(103,265)	(99,477)	(91,824)	(90,502)	(79,782)
<b>Net change in total OPEB liability</b>	<u>(34,257)</u>	<u>(167,222)</u>	<u>(348,793)</u>	<u>(287,786)</u>	<u>(89,704)</u>	<u>(481,864)</u>
<b>Balances at Beginning of Year</b>	<u>3,320,163</u>	<u>3,285,906</u>	<u>3,118,684</u>	<u>2,769,891</u>	<u>2,482,105</u>	<u>2,392,401</u>
<b>Balances End of Year</b>	<u>\$ 3,285,906</u>	<u>\$ 3,118,684</u>	<u>\$ 2,769,891</u>	<u>\$ 2,482,105</u>	<u>\$ 2,392,401</u>	<u>\$ 1,910,537</u>
Covered employee payroll	\$ 7,400,000	\$ 7,310,000	\$ 7,011,000	\$ 7,564,000	\$ 7,458,000	\$ 7,735,000
Total OPEB liability as a percentage of covered- employee payroll	44.40%	42.66%	39.51%	32.81%	32.08%	24.70%

**Notes to Schedule:**

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

**CITY OF MIAMI, OKLAHOMA  
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**OTHER SUPPLEMENTARY INFORMATION**

**CITY OF MIAMI, OKLAHOMA**  
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**Combining Balance Sheet – General Fund Accounts - June 30, 2023**

	<u>General Fund</u>	<u>Municipal Court Account</u>	<u>Travel Information Center Account</u>	<u>MCVB &amp; Tourism Account</u>	<u>Demolition Account</u>	<u>Total General Fund</u>
<b>ASSETS</b>						
Cash and cash equivalents	\$ 3,550,476	\$ 24,179	\$ -	\$ 149,323	\$ (3,574)	\$ 3,720,404
Investments	-	-	-	-	-	-
Receivables:						
Accounts receivable	256,728	-	-	66,725	35,957	359,410
Due from other funds	87,654	-	-	-	-	87,654
Due from other accounts	15,599	-	-	-	-	15,599
Receivable from other governments	981,175	-	-	21,864	209,065	1,212,104
Other receivables	-	-	7,500	-	-	7,500
Total assets	<u>\$ 4,891,632</u>	<u>\$ 24,179</u>	<u>\$ 7,500</u>	<u>\$ 237,912</u>	<u>\$ 241,448</u>	<u>\$ 5,402,671</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>						
Liabilities:						
Accounts payable and accrued liabilities	\$ 164,502	\$ 8,385	\$ (410)	\$ 17,898	\$ -	\$ 190,375
Wages payable	122,209	-	-	2,742	-	124,951
Due to other funds	81,494	-	-	-	-	81,494
Due to other accounts	-	15,599	-	-	-	15,599
Total liabilities	<u>368,205</u>	<u>23,984</u>	<u>(410)</u>	<u>20,640</u>	<u>-</u>	<u>412,419</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	150,176	-	-	-	-	150,176
Fund balances:						
Assigned	3,550,779	-	-	-	241,448	3,792,227
Unassigned (deficit)	822,472	195	7,910	217,272	-	1,047,849
Total fund balances	<u>4,373,251</u>	<u>195</u>	<u>7,910</u>	<u>217,272</u>	<u>241,448</u>	<u>4,840,076</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,891,632</u>	<u>\$ 24,179</u>	<u>\$ 7,500</u>	<u>\$ 237,912</u>	<u>\$ 241,448</u>	<u>\$ 5,402,671</u>

**CITY OF MIAMI, OKLAHOMA  
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**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund  
Accounts – Year Ended June 30, 2023**

	<u>General Fund</u>	<u>Municipal Court Account</u>	<u>Travel Information Center Account</u>	<u>MCVB &amp; Tourism Account</u>	<u>Demolition Account</u>	<u>Total General Fund</u>
<b>REVENUES</b>						
Taxes	\$ 7,527,073	\$ -	\$ -	\$ 218,827	\$ -	\$ 7,745,900
Intergovernmental	801,384	-	-	25,000	-	826,384
Charges for services	209,903	-	-	18,020	199,428	427,351
Fines and forfeitures	293,547	-	-	-	33,369	326,916
Licenses and permits	153,383	-	-	-	(16,033)	137,350
Investment income	17,807	-	-	-	-	17,807
Miscellaneous	374,804	-	-	171,478	-	546,282
Total revenues	<u>9,377,901</u>	<u>-</u>	<u>-</u>	<u>433,325</u>	<u>216,764</u>	<u>10,027,990</u>
<b>EXPENDITURES</b>						
Current:						
General government	1,109,018	-	-	-	311,198	1,420,216
Public safety	6,820,018	-	-	-	-	6,820,018
Public works and streets	1,565,931	-	-	-	-	1,565,931
Culture and recreation	1,432,962	-	-	-	-	1,432,962
Economic development	9,146	-	-	546,448	-	555,594
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal	86,979	-	-	-	-	86,979
Interest and fiscal charges	7,827	-	-	-	-	7,827
Total expenditures	<u>11,031,881</u>	<u>-</u>	<u>-</u>	<u>546,448</u>	<u>311,198</u>	<u>11,889,527</u>
Excess (deficiency) of revenues over expenditures	<u>(1,653,980)</u>	<u>-</u>	<u>-</u>	<u>(113,123)</u>	<u>(94,434)</u>	<u>(1,861,537)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in - interaccount	-	-	-	214,791	-	214,791
Transfers out - interaccount	(214,791)	-	-	-	-	(214,791)
Transfers in	10,735,215	-	-	-	50,000	10,785,215
Transfers out	(8,743,892)	-	-	(3,700)	-	(8,747,592)
Total other financing sources and uses	<u>1,776,532</u>	<u>-</u>	<u>-</u>	<u>211,091</u>	<u>50,000</u>	<u>2,037,623</u>
Net change in fund balances	122,552	-	-	97,968	(44,434)	176,086
Fund balances - beginning	4,250,699	195	7,910	119,304	285,882	4,663,990
Fund balances - ending	<u>\$ 4,373,251</u>	<u>\$ 195</u>	<u>\$ 7,910</u>	<u>\$ 217,272</u>	<u>\$ 241,448</u>	<u>\$ 4,840,076</u>

**CITY OF MIAMI, OKLAHOMA  
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**Combining Balance Sheet - Non-Major Governmental Funds - June 30, 2023**

	SPECIAL REVENUE FUNDS						
	FISHING LICENSE FUND	STREET AND ALLEY	DRUG FORFEITURE FUND	PARKS AND RECREATION PROGRAM	GRANT AND DONATION FUND	MDA-HOUSING CONSTRUCTION FUND	POLICE GRANTS
<b>ASSETS</b>							
Cash and cash equivalents	\$ 85,392	\$ 360,174	\$ 75,766	\$ 235,023	\$ 1,802,403	\$ 91,716	\$ 137,182
Accounts receivable	-	-	-	-	3,625	-	-
Due from other governments	-	11,867	-	-	-	-	-
Due from other funds	-	38,404	-	-	-	-	-
Total assets	<u>\$ 85,392</u>	<u>\$ 410,445</u>	<u>\$ 75,766</u>	<u>\$ 235,023</u>	<u>\$ 1,806,028</u>	<u>\$ 91,716</u>	<u>\$ 137,182</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and accrued liabilities	\$ -	\$ 192,953	\$ -	\$ 8,850	\$ 8,089	\$ -	\$ -
Wages payable	-	-	-	1,351	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>192,953</u>	<u>-</u>	<u>10,201</u>	<u>8,089</u>	<u>-</u>	<u>-</u>
Deferred Inflows:							
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:							
Restricted	85,392	-	75,766	224,822	1,797,939	91,716	137,182
Committed	-	217,492	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Total fund balances	<u>85,392</u>	<u>217,492</u>	<u>75,766</u>	<u>224,822</u>	<u>1,797,939</u>	<u>91,716</u>	<u>137,182</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 85,392</u>	<u>\$ 410,445</u>	<u>\$ 75,766</u>	<u>\$ 235,023</u>	<u>\$ 1,806,028</u>	<u>\$ 91,716</u>	<u>\$ 137,182</u>

(continued)

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**Combining Balance Sheet - Non-Major Governmental Funds - June 30, 2023, Continued**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	CAPITAL PROJECT FUNDS					TOTALS
	S&L RECOVERY FUND	G.O. BOND SINKING FUND	CEMETERY CARE	CAPITAL IMPROVEMENT FUND	STREET AND STADIUM PROJECT FUND	POOL IMPROVEMENT FUND	PARK DEPARTMENT PROJECTS	
<b>ASSETS</b>								
Cash and cash equivalents	\$ 786,097	\$ 198,370	\$ 83,756	\$ 861,009	\$ 1,432,504	\$ 71,201	\$ 42,041	\$ 6,262,634
Accounts receivable	-	-	-	112,982	-	-	-	116,607
Due from other governments	-	55,409	-	-	197,646	-	-	264,922
Due from other funds	-	-	-	6,657	-	-	-	45,061
Total assets	<u>\$ 786,097</u>	<u>\$ 253,779</u>	<u>\$ 83,756</u>	<u>\$ 980,648</u>	<u>\$ 1,630,150</u>	<u>\$ 71,201</u>	<u>\$ 42,041</u>	<u>\$ 6,689,224</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 91,661	\$ 6,875	\$ -	\$ -	\$ 308,428
Wages payable	-	-	-	-	-	-	-	1,351
Due to other funds	-	-	-	38,404	-	-	-	38,404
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,065</u>	<u>6,875</u>	<u>-</u>	<u>-</u>	<u>348,183</u>
<b>Deferred Inflows:</b>								
Unavailable revenue	786,097	55,410	-	-	-	-	-	841,507
<b>Fund balances:</b>								
Restricted	-	198,369	83,756	-	1,623,275	71,201	42,041	4,431,459
Committed	-	-	-	-	-	-	-	217,492
Assigned	-	-	-	850,583	-	-	-	850,583
Total fund balances	<u>-</u>	<u>198,369</u>	<u>83,756</u>	<u>850,583</u>	<u>1,623,275</u>	<u>71,201</u>	<u>42,041</u>	<u>5,499,534</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 786,097</u>	<u>\$ 253,779</u>	<u>\$ 83,756</u>	<u>\$ 980,648</u>	<u>\$ 1,630,150</u>	<u>\$ 71,201</u>	<u>\$ 42,041</u>	<u>\$ 6,689,224</u>

**CITY OF MIAMI, OKLAHOMA**  
**ANNUAL FINANCIAL REPORT**  
As of and for the Year Ended June 30, 2023

**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
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	5,000	127,050	44,711	-	1,400,634	-	1,843
Charges for services	-	-	-	54,296	-	-	-
Investment income	-	-	-	-	-	-	-
Miscellaneous	-	-	5,575	-	17,065	-	5,000
Total revenues	5,000	127,050	50,286	54,296	1,417,699	-	6,843
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	-	15,613	-	-
Public safety	-	-	-	-	97,158	-	5,757
Public works	-	626,317	-	-	1,116	-	-
Culture and recreation	1,400	-	-	49,749	50,390	-	-
Capital Outlay	-	-	-	65,800	545,033	-	-
Debt Service							
Principal retirement	-	50,274	-	-	-	-	-
Interest and fiscal charges	-	4,203	-	-	-	-	-
Total Expenditures	1,400	680,794	-	115,549	709,310	-	5,757
Revenues over (under) expenditures	3,600	(553,744)	50,286	(61,253)	708,389	-	1,086
<b>OTHER FINANCING SOURCES (USES)</b>							
Debt proceeds	-	-	-	-	-	-	-
Transfers in	-	500,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	500,000	-	-	-	-	-
Net change in fund balances	3,600	(53,744)	50,286	(61,253)	708,389	-	1,086
Fund balances - beginning	81,792	271,236	25,480	286,075	1,089,550	91,716	136,096
Fund balances - ending	\$ 85,392	\$ 217,492	\$ 75,766	\$ 224,822	\$ 1,797,939	\$ 91,716	\$ 137,182

(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, 2023,**  
**Continued**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	CAPITAL PROJECT FUNDS				TOTALS	
	S&L RECOVERY FUND	G.O. BOND SINKING FUND	CEMETERY CARE	CAPITAL IMPROVEMENT FUND	STREET AND STADIUM PROJECT FUND	POOL IMPROVEMENT FUND		PARK DEPARTMENT PROJECTS
<b>REVENUES</b>								
Taxes	\$ -	\$ 9,314	\$ -	\$ 847,164	\$ 1,561,051	\$ -	\$ -	\$ 2,417,529
Intergovernmental	1,510,627	-	-	-	-	-	-	3,089,865
Charges for services	-	-	9,431	-	-	61,228	-	124,955
Investment earnings	-	-	-	836	8,791	-	-	9,627
Miscellaneous	-	-	-	159,715	-	-	-	187,355
Total revenues	<u>1,510,627</u>	<u>9,314</u>	<u>9,431</u>	<u>1,007,715</u>	<u>1,569,842</u>	<u>61,228</u>	<u>-</u>	<u>5,829,331</u>
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	-	15,613
Public safety	-	-	-	-	-	-	-	102,915
Public works	-	-	-	-	371,895	-	-	999,328
Culture and recreation	-	-	-	-	-	-	-	101,539
Capital Outlay	1,510,627	-	-	984,839	-	-	-	3,106,299
Debt Service								
Principal retirement	-	-	-	76,433	475,000	-	-	601,707
Interest and fiscal charges	-	-	-	9,417	521,038	-	-	534,658
Total Expenditures	<u>1,510,627</u>	<u>-</u>	<u>-</u>	<u>1,070,689</u>	<u>1,367,933</u>	<u>-</u>	<u>-</u>	<u>5,462,059</u>
Excess (deficiency) of revenues over expenditures	-	9,314	9,431	(62,974)	201,909	61,228	-	367,272
<b>OTHER FINANCING SOURCES (USES)</b>								
Debt proceeds	-	-	-	463,552	-	-	-	463,552
Transfers in	-	-	-	77,012	-	-	-	577,012
Transfers out	-	-	-	(440,142)	-	-	-	(440,142)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>600,422</u>
Net change in fund balances	-	9,314	9,431	37,448	201,909	61,228	-	967,694
Fund balances - beginning	-	189,055	74,325	813,135	1,421,366	9,973	42,041	4,531,840
Fund balances - ending	<u>\$ -</u>	<u>\$ 198,369</u>	<u>\$ 83,756</u>	<u>\$ 850,583</u>	<u>\$ 1,623,275</u>	<u>\$ 71,201</u>	<u>\$ 42,041</u>	<u>\$ 5,499,534</u>

**CITY OF MIAMI, OKLAHOMA  
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**Combining Schedule of Net Position – Special Utility Authority Accounts – June 30, 2023**

<b>Miami Special Utility Authority Accounts</b>					
	<b>Public Utilities</b>	<b>Utility Improvement Account</b>	<b>Stormwater Account</b>	<b>Rainy Day Account</b>	<b>Total</b>
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 6,416,175	\$ 419,047	\$ 593,599	\$ 4,036,851	\$ 11,465,672
Cash and cash equivalents, restricted	918,619	2,118,638	-	-	3,037,257
Investments	-	-	-	1,472,383	1,472,383
Accounts receivable, net	3,988,487	-	-	-	3,988,487
Leases receivables	18,582	-	-	-	18,582
Other receivable	436	-	-	-	436
Inventory	1,810,085	-	-	-	1,810,085
Due from other accounts	826,697	-	-	-	826,697
Due from other funds	45,244	-	-	-	45,244
<b>Total current assets</b>	<b>14,024,325</b>	<b>2,537,685</b>	<b>593,599</b>	<b>5,509,234</b>	<b>22,664,843</b>
Non-current assets:					
Cash and cash equivalents, restricted	1,195	-	-	-	1,195
Leases receivables	211,911	-	-	-	211,911
Capital assets:					
Land, construction in progress, and water rights	2,295,745	-	-	-	2,295,745
Other capital assets, net of accumulated depreciation	27,821,023	-	-	-	27,821,023
<b>Total non-current assets</b>	<b>30,329,874</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,329,874</b>
<b>Total assets</b>	<b>44,354,199</b>	<b>2,537,685</b>	<b>593,599</b>	<b>5,509,234</b>	<b>52,994,717</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>					
Deferred amounts related to pension	1,022,853	-	-	-	1,022,853
Deferred amounts related to OPEB	188,519	-	-	-	188,519
Deferred amounts related to GRDA settlement	99,788	-	-	-	99,788
<b>Total deferred outflow of resources</b>	<b>1,311,160</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,311,160</b>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable and accrued liabilities	2,133,193	-	-	-	2,133,193
Wages payable	56,416	-	-	-	56,416
Due to other accounts	-	515,367	311,330	-	826,697
Due to other funds	86,341	-	-	-	86,341
Accrued interest payable	19,695	84,468	-	-	104,163
Accrued compensated absences	21,072	-	28	-	21,100
Unearned revenue	1,328,050	-	-	-	1,328,050
Refundable deposits	30,787	-	-	-	30,787
Revenue bond payable	-	485,000	-	-	485,000
Notes payable	1,701,292	-	-	-	1,701,292
<b>Total current liabilities</b>	<b>5,376,846</b>	<b>1,084,835</b>	<b>311,358</b>	<b>-</b>	<b>6,773,039</b>
Non-current liabilities:					
Accrued compensated absences	189,646	-	248	-	189,894
Net pension liability	1,029,637	-	-	-	1,029,637
Total OPEB liability	736,353	-	-	-	736,353
Refundable deposits	277,085	-	-	-	277,085
Revenue bond payable	-	5,755,000	-	-	5,755,000
Notes payable, net	4,417,719	-	-	-	4,417,719
<b>Total non-current liabilities</b>	<b>6,650,440</b>	<b>5,755,000</b>	<b>248</b>	<b>-</b>	<b>12,405,688</b>
<b>Total liabilities</b>	<b>12,027,286</b>	<b>6,839,835</b>	<b>311,606</b>	<b>-</b>	<b>19,178,727</b>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Deferred amounts related to leases	230,511	-	-	-	230,511
Deferred amounts related to pensions	457,569	-	-	-	457,569
Deferred amounts related to OPEB	794,534	-	-	-	794,534
<b>Total deferred inflow of resources</b>	<b>1,482,614</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,482,614</b>
<b>NET POSITION</b>					
Net investment in capital assets	28,807,062	(4,651,129)	-	-	24,155,933
Restricted for debt service	352,074	452,620	-	-	804,694
Unrestricted (deficit)	2,996,323	(103,641)	281,993	5,509,234	8,683,909
<b>Total net position</b>	<b>\$ 32,155,459</b>	<b>\$ (4,302,150)</b>	<b>\$ 281,993</b>	<b>\$ 5,509,234</b>	<b>\$ 33,644,536</b>

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**Combining Schedule of Revenues, Expenses and Changes in Net Position – Special Utility Authority  
Accounts - Year Ended June 30, 2023**

	<b>Miami Special Utility Authority Accounts</b>				<b>Total</b>
	<b>Public Utilities</b>	<b>Utility Improvement Account</b>	<b>Stormwater Account</b>	<b>Rainy Day Account</b>	
<b>REVENUES</b>					
Charges for services	\$ 31,232,838	\$ -	\$ -	\$ -	\$ 31,232,838
Fees, licenses and permits	-	-	132,968	-	132,968
Miscellaneous	923,410	-	-	-	923,410
Total operating revenues	<u>32,156,248</u>	<u>-</u>	<u>132,968</u>	<u>-</u>	<u>32,289,216</u>
<b>OPERATING EXPENSES</b>					
Personal services	3,885,994	-	43,803	-	3,929,797
Materials and supplies	17,430,824	-	26,366	-	17,457,190
Other services and charges	4,608,833	57,835	4,756	-	4,671,424
Depreciation expense	2,218,829	-	-	-	2,218,829
Total operating expenses	<u>28,144,480</u>	<u>57,835</u>	<u>74,925</u>	<u>-</u>	<u>28,277,240</u>
Operating income (loss)	<u>4,011,768</u>	<u>(57,835)</u>	<u>58,043</u>	<u>-</u>	<u>4,011,976</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment income	12,748	59,698	-	6,385	78,831
Miscellaneous	275,814	-	-	11,696	287,510
Interest expense and fiscal charges	(83,261)	(206,025)	-	-	(289,286)
Total non-operating revenue (expenses)	<u>205,301</u>	<u>(146,327)</u>	<u>-</u>	<u>18,081</u>	<u>77,055</u>
Income (loss) before contributions and transfers	<u>4,217,069</u>	<u>(204,162)</u>	<u>58,043</u>	<u>18,081</u>	<u>4,089,031</u>
Contributed assets- governmental activities	727,652	-	-	-	727,652
Transfers in, interaccount	-	691,609	-	372,232	1,063,841
Transfers out, interaccount	(1,063,841)	-	-	-	(1,063,841)
Transfers in	9,043,128	-	-	-	9,043,128
Transfers out	(11,219,101)	-	-	-	(11,219,101)
Change in net position	1,704,907	487,447	58,043	390,313	2,640,710
Total net position - beginning	30,450,552	(4,789,597)	223,950	5,118,921	31,003,826
Total net position - ending	<u>\$ 32,155,459</u>	<u>\$ (4,302,150)</u>	<u>\$ 281,993</u>	<u>\$ 5,509,234</u>	<u>\$ 33,644,536</u>

**CITY OF MIAMI, OKLAHOMA  
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**Combining Schedule of Cash Flows – Special Utility Authority Accounts - Year Ended June 30, 2023**

	Miami Special Utility Authority Accounts				
	Public Utilities	Utility Improvement Account	Stormwater Account	Rainy Day Account	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 33,195,303	\$ -	\$ 132,968	\$ 11,696	\$ 33,339,967
Payments to suppliers	(23,652,794)	(70,904)	(31,122)	-	(23,754,820)
Payments to employees	(4,394,926)	-	(50,134)	-	(4,445,060)
Receipts from other funds	-	-	42,205	-	42,205
Payments to other funds	(561,223)	515,367	-	-	(45,856)
Receipts of customer meter deposits	128,511	-	-	-	128,511
Refunds of customer meter deposits	(171,654)	-	-	-	(171,654)
<b>Net cash provided by operating activities</b>	<b>4,543,217</b>	<b>444,463</b>	<b>93,917</b>	<b>11,696</b>	<b>5,093,293</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers from other funds	9,043,128	-	-	-	9,043,128
Transfers to other funds	(11,219,101)	-	-	-	(11,219,101)
Interaccount transfer in	-	691,609	-	372,232	1,063,841
Interaccount transfer out	(1,063,841)	-	-	-	(1,063,841)
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(3,239,814)</b>	<b>691,609</b>	<b>-</b>	<b>372,232</b>	<b>(2,175,973)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital assets purchased	(5,378,577)	-	-	-	(5,378,577)
Principal paid on debt	(1,251,618)	(465,000)	-	-	(1,716,618)
Note proceeds	3,114,358	-	-	-	3,114,358
Interest and fiscal agent fees paid on debt	(115,653)	(213,775)	-	-	(329,428)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(3,631,490)</b>	<b>(678,775)</b>	<b>-</b>	<b>-</b>	<b>(4,310,265)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest and dividends	12,748	59,698	-	267	72,713
<b>Net cash provided by investing activities</b>	<b>12,748</b>	<b>59,698</b>	<b>-</b>	<b>267</b>	<b>72,713</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,315,339)</b>	<b>516,995</b>	<b>93,917</b>	<b>384,195</b>	<b>(1,320,232)</b>
<b>Balances - beginning of year</b>	<b>9,651,328</b>	<b>2,020,690</b>	<b>499,682</b>	<b>3,652,656</b>	<b>15,824,356</b>
<b>Balances - end of year</b>	<b>\$ 7,335,989</b>	<b>\$ 2,537,685</b>	<b>\$ 593,599</b>	<b>\$ 4,036,851</b>	<b>\$ 14,504,124</b>
<b>Reconciliation to Statement of Net Position:</b>					
Cash and cash equivalents	\$ 6,416,175	\$ 419,047	\$ 593,599	\$ 4,036,851	\$ 11,465,672
Restricted cash and cash equivalents - current	918,619	2,118,638	-	-	3,037,257
Restricted cash and cash equivalents - noncurrent	1,195	-	-	-	1,195
<b>Total cash and cash equivalents, end of year</b>	<b>\$ 7,335,989</b>	<b>\$ 2,537,685</b>	<b>\$ 593,599</b>	<b>\$ 4,036,851</b>	<b>\$ 14,504,124</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ 4,011,768	\$ (57,835)	\$ 58,043	\$ -	\$ 4,011,976
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation expense	2,218,829	-	-	-	2,218,829
Other nonoperating revenue	275,814	-	-	11,696	287,510
Change in assets, liabilities and deferrals:					
Receivables, net	1,060,038	-	-	-	1,060,038
Leases receivable	18,471	-	-	-	18,471
Due from other funds	(561,223)	-	-	-	(561,223)
Inventory	(377,295)	-	-	-	(377,295)
Deferred outflows related to pension	(552,828)	-	-	-	(552,828)
Deferred outflows related to OPEB	(4,908)	-	-	-	(4,908)
Accounts payable	(1,235,842)	(13,069)	-	-	(1,248,911)
Due to other funds	-	515,367	42,205	-	557,572
Due to employees	(22,788)	-	-	-	(22,788)
Unamed revenue	(315,268)	-	-	-	(315,268)
Refundable deposits	(43,143)	-	-	-	(43,143)
Total OPEB liability	(148,337)	-	-	-	(148,337)
Net pension obligation	974,950	-	-	-	974,950
Accrued compensated absences	38,315	-	(6,331)	-	31,984
Deferred inflows related to OPEB	80,635	-	-	-	80,635
Deferred inflows related to leases	(19,209)	-	-	-	(19,209)
Deferred inflows related to pension	(854,762)	-	-	-	(854,762)
<b>Net cash provided by operating activities</b>	<b>\$ 4,543,217</b>	<b>\$ 444,463</b>	<b>\$ 93,917</b>	<b>\$ 11,696</b>	<b>\$ 5,093,293</b>
<b>Noncash activities:</b>					
Assets contributed by governmental activities	\$ 727,652	\$ -	\$ -	\$ -	\$ 727,652
	\$ 727,652	\$ -	\$ -	\$ -	\$ 727,652

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**Combining Statement of Net Position – Internal Service Funds – June 30, 2023**

	<u>Internal Service Funds</u>			<u>Total</u>
	<u>Worker's Compensation Fund</u>	<u>Unemployment Fund</u>	<u>Health Insurance Fund</u>	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 1,738,200	\$ 229,998	\$ 567,686	\$ 2,535,884
Investments	133,520	-	-	133,520
Other receivable	440,179	-	260	440,439
Due from other funds	499,540	-	-	499,540
Total current assets	<u>2,811,439</u>	<u>229,998</u>	<u>567,946</u>	<u>3,609,383</u>
Total assets	<u>2,811,439</u>	<u>229,998</u>	<u>567,946</u>	<u>3,609,383</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	3,440	-	5,717	9,157
Claims liability	487,108	576	74,876	562,560
Due to other funds	-	-	499,540	499,540
Total current liabilities	<u>490,548</u>	<u>576</u>	<u>580,133</u>	<u>1,071,257</u>
Total liabilities	<u>490,548</u>	<u>576</u>	<u>580,133</u>	<u>1,071,257</u>
<b>NET POSITION</b>				
Unrestricted (deficit)	2,320,891	229,422	(12,187)	2,538,126
Total net position	<u>\$ 2,320,891</u>	<u>\$ 229,422</u>	<u>\$ (12,187)</u>	<u>\$ 2,538,126</u>

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**Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds -  
Year Ended June 30, 2023**

	<b>Internal Service Funds</b>			<b>Total</b>
	<b>Worker's Compensation Fund</b>	<b>Unemployment Fund</b>	<b>Health Insurance Fund</b>	
<b>REVENUES</b>				
Charges for services	\$ 300,289	\$ 22,967	\$ 1,590,256	\$ 1,913,512
Miscellaneous	16,754	-	178,151	194,905
Total operating revenues	<u>317,043</u>	<u>22,967</u>	<u>1,768,407</u>	<u>2,108,417</u>
<b>OPERATING EXPENSES</b>				
Other services and charges	21,639	-	445,264	466,903
Insurance claims and expense	25,779	9,181	1,453,353	1,488,313
Total operating expenses	<u>47,418</u>	<u>9,181</u>	<u>1,898,617</u>	<u>1,955,216</u>
Operating income (loss)	<u>269,625</u>	<u>13,786</u>	<u>(130,210)</u>	<u>153,201</u>
<b>NON-OPERATING REVENUES</b>				
Investment income	1,551	-	-	1,551
Total non-operating revenue	<u>1,551</u>	<u>-</u>	<u>-</u>	<u>1,551</u>
Income (loss) before transfers	<u>271,176</u>	<u>13,786</u>	<u>(130,210)</u>	<u>154,752</u>
Transfers out	-	-	-	-
Change in net position	271,176	13,786	(130,210)	154,752
Total net position - beginning	2,049,715	215,636	118,023	2,383,374
Total net position - ending	<u>\$ 2,320,891</u>	<u>\$ 229,422</u>	<u>\$ (12,187)</u>	<u>\$ 2,538,126</u>

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**Combining Statement of Cash Flows – Internal Service Funds - Year Ended June 30, 2023**

	<b>WORKER'S COMPENSATION FUND</b>	<b>UNEMPLOYMENT FUND</b>	<b>HEALTH INSURANCE FUND</b>	<b>TOTALS</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 363,336	\$ 22,967	\$ 1,841,769	\$ 2,228,072
Payments to suppliers	(30,072)	-	(447,467)	(477,539)
Payments to other funds	-	-	41,092	41,092
Payments from other funds	(41,092)	-	-	(41,092)
Claims and benefits paid	(73,252)	(8,605)	(1,519,252)	(1,601,109)
Net Cash Provided by (Used in) Operating Activities	<u>218,920</u>	<u>14,362</u>	<u>(83,858)</u>	<u>149,424</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest and dividends	1,551	-	-	1,551
Sale (purchase) of investments	(1,552)	-	-	(1,552)
Net Cash Provided by (Used in) Investing Activities	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	218,919	14,362	(83,858)	149,423
<b>Balances - beginning of the year</b>	<u>1,519,281</u>	<u>215,636</u>	<u>651,544</u>	<u>2,386,461</u>
<b>Balances - end of the year</b>	<u>\$ 1,738,200</u>	<u>\$ 229,998</u>	<u>\$ 567,686</u>	<u>\$ 2,535,884</u>
<b>Reconciliation to Statement of Net Position:</b>				
Cash and cash equivalents	\$ 1,738,200	\$ 229,998	\$ 567,686	\$ 2,535,884
Total cash and cash equivalents	<u>\$ 1,738,200</u>	<u>\$ 229,998</u>	<u>\$ 567,686</u>	<u>\$ 2,535,884</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 269,625	\$ 13,786	\$ (130,210)	\$ 153,201
Change in assets and liabilities:				
Receivables, net	46,293	-	73,362	119,655
Due from other fund	(41,092)	-	-	(41,092)
Accounts payable	(8,433)	-	(2,203)	(10,636)
Due to other funds	-	-	41,092	41,092
Claims liability	(47,473)	576	(65,899)	(112,796)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 218,920</u>	<u>\$ 14,362</u>	<u>\$ (83,858)</u>	<u>\$ 149,424</u>

**CITY OF MIAMI, OKLAHOMA  
ANNUAL FINANCIAL REPORT  
As of and for the Year Ended June 30, 2023**

**Combining Schedule of Cash Flows – Discretely Presented Component Units - Year Ended June 30, 2023**

	<u>MCFA</u>	<u>MDRA</u>	<u>MIPFA</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 102,870	\$ 292,472	\$ 29,835	\$ 425,177
Payments to suppliers	(62,753)	(162,455)	(13,599)	(238,807)
Payments to employees	-	(117,089)	-	(117,089)
Net Cash Provided by Operating Activities	<u>40,117</u>	<u>12,928</u>	<u>16,236</u>	<u>69,281</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of investments	(101,836)	-	-	(101,836)
Interest and dividends	1,687	202	4,723	6,612
Net Cash Provided by (Used in) Investing Activities	<u>(100,149)</u>	<u>202</u>	<u>4,723</u>	<u>(95,224)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(60,032)	13,130	20,959	(25,943)
<b>Balances - beginning of the year</b>	<u>342,439</u>	<u>148,670</u>	<u>220,241</u>	<u>711,350</u>
<b>Balances - end of the year</b>	<u>\$ 282,407</u>	<u>\$ 161,800</u>	<u>\$ 241,200</u>	<u>\$ 685,407</u>
<b>Reconciliation to Statement of Net Position:</b>				
Cash and cash equivalents	\$ 282,407	\$ 161,800	\$ 241,200	\$ 685,407
Total cash and cash equivalents	<u>\$ 282,407</u>	<u>\$ 161,800</u>	<u>\$ 241,200</u>	<u>\$ 685,407</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (200,209)	\$ (123,403)	\$ (9,879)	\$ (333,491)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	238,433	-	28,713	267,146
Other nonoperating revenue	-	132,231	-	132,231
Change in assets, liabilities and deferrals:				
Other receivable	-	-	(400)	(400)
Leases receivable	-	-	7,508	7,508
Accounts payables	1,893	3,868	(207)	5,554
Deferred inflows related to leases	-	-	(9,499)	(9,499)
Accrued compensated absences	-	232	-	232
Net Cash Provided by Operating Activities	<u>\$ 40,117</u>	<u>\$ 12,928</u>	<u>\$ 16,236</u>	<u>\$ 69,281</u>

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