

City of

MIAMI

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**ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT
AUDITOR'S REPORTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

THE CITY OF MIAMI, OKLAHOMA

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

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

**CITY OF MIAMI, OKLAHOMA
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As of and for the Year Ended June 30, 2024**

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Miami, Oklahoma

Report on the Audit of the Financial Statements

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 City of Miami, Oklahoma, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Miami, Oklahoma's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Miami, Oklahoma, as of June 30, 2024, 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 represents 14 percent, 9 percent, and 15 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for MIDA, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 of Miami, Oklahoma 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Miami, Oklahoma'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 and *Government Auditing*

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Miami, Oklahoma's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Miami, Oklahoma'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 schedules, on pages 9-19 and 73-78, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2025, on our consideration of the City of Miami, Oklahoma'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 the effectiveness of the City of Miami, Oklahoma's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Miami, Oklahoma's internal control over financial reporting and compliance.



Oklahoma City, Oklahoma
June 4, 2025

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MANAGEMENT DISCUSSION AND ANALYSIS

**CITY OF MIAMI, OKLAHOMA
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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, 2024. Please read it in conjunction with the City’s financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2024, the City’s total net position increased by \$1,768,541 or 3.3% from the prior year.
- During the year, the City’s expenses for governmental activities were \$16.4 million and were funded by program revenues of \$2.0 million and further funded with taxes and other general revenues and transfers that totaled \$12.6 million.
- In the City’s business-type activities, such as utilities, program revenues exceeded expenses by \$4.2 million.
- At June 30, 2024, the General Fund reported an unassigned fund balance of \$1,511,447.

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 12,969 located in northeastern Oklahoma. The City operates under a council-manager form of government with a charter that provides for three branches of government.

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

The City’s Financial Reporting Entity

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

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

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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.

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:

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- **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.
- **Business-type activities** -- The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City’s water, wastewater, electric, airport, and sanitation activities are reported here.
- **Discretely-presented component units** -- Accounts for various activities related to economic development, facility management, facility construction, and downtown development.

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Reporting the City's Most Significant Funds

Fund Financial Statements

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

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

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

A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$55,707,407 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.)
	2024	2023		2024	2023		2024	2023	
Current assets	\$ 11,440	\$ 14,156	-19%	\$ 24,523	\$ 23,343	5%	\$ 35,963	\$ 37,499	-4%
Capital assets, net	27,133	26,677	2%	34,948	33,954	3%	62,081	60,631	2%
Total assets	38,573	40,833	-6%	59,471	57,297	4%	98,044	98,130	0%
Deferred outflows	3,453	3,330	4%	1,081	1,311	-18%	4,534	4,641	-2%
Current liabilities	2,483	2,866	-13%	5,750	5,866	-2%	8,233	8,732	-6%
Non-current liabilities	24,328	24,311	0%	11,149	12,407	-10%	35,477	36,718	-3%
Total liabilities	26,811	27,177	-1%	16,899	18,273	-8%	43,710	45,450	-4%
Deferred inflows	1,886	1,900	-1%	1,275	1,483	-14%	3,161	3,383	-7%
Net position									
Net investment capital assets	17,745	17,690	0%	27,856	27,994	0%	45,601	45,684	0%
Restricted	2,682	4,389	-39%	2,759	805	243%	5,441	5,194	5%
Unrestricted (deficit)	(7,098)	(6,993)	2%	11,763	10,053	17%	4,665	3,060	52%
Total net position	\$ 13,329	\$ 15,086	-12%	\$ 42,378	\$ 38,852	9%	\$ 55,707	\$ 53,938	3%

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 2024, the net investment in capital assets amounted to \$45,601,515. 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, \$5,441,388 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 \$4,664,504.

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

Governmental Activities:

Current assets – decreased \$2.7 million (19%) mainly due to a reduction in cash from increased operating expenditures and reduced grant revenue.

Business-Type Activities:

Deferred outflows – decreased \$2.3 million (18%) mainly due to a decrease in deferred outflows related to pensions.

Non-current liabilities – decreased \$1.3 million (10%) mainly due to regular payments on long-term debt

Deferred inflows – decreased \$2.2 million (14%) mainly due to a decrease in deferred amounts related to pensions.

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Changes in Net Position

For the year ended June 30, 2024, 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.)
	2024	2023		2024	2023		2024	2023	
Revenues									
Charges for service	\$ 886	\$ 1,251	-29%	\$ 30,438	\$ 32,418	-6%	\$ 31,324	\$ 33,669	-7%
Operating grants and contributions	1,108	1,107	0%	306	315	-3%	1,414	1,422	-1%
Capital grants and contributions	42	1,325	-97%	177	-	100%	219	1,325	-83%
Taxes	10,384	10,351	0%	-	-	-	10,384	10,351	0%
Intergovernmental revenue	673	1,511	-55%	-	-	-	673	1,511	100%
Investment income	41	27	52%	209	79	165%	250	106	136%
Miscellaneous	577	304	90%	5	6	-17%	582	310	88%
Total revenues	13,711	15,876	-14%	31,135	32,818	-5%	44,846	48,694	-8%
Expenses									
General government	1,798	1,629	10%	-	-	-	1,798	1,629	10%
Public safety	7,381	6,672	11%	-	-	-	7,381	6,672	11%
Streets	3,709	3,369	10%	-	-	-	3,709	3,369	10%
Culture and recreation	2,423	1,805	34%	-	-	-	2,423	1,805	34%
Economic development	471	537	-12%	-	-	-	471	537	-12%
Interest on debt	619	608	2%	-	-	-	619	608	2%
Water	-	-	-	3,084	2,806	10%	3,084	2,806	10%
Wastewater	-	-	-	1,936	1,351	43%	1,936	1,351	43%
Sanitation	-	-	-	2,531	2,638	-4%	2,531	2,638	-4%
Electric	-	-	-	18,619	21,717	-14%	18,619	21,717	-14%
Airport	-	-	-	506	452	12%	506	452	12%
Total expenses	16,401	14,620	12%	26,676	28,964	-8%	43,077	43,584	-1%
Excess (deficiency) before transfers	(2,690)	1,256	-314%	4,459	3,854	16%	1,769	5,110	-65%
Transfers	932	1,447	-36%	(932)	(1,447)	-36%	-	-	-
Change in net position	\$ (1,758)	\$ 2,703	-165%	\$ 3,527	\$ 2,407	47%	\$ 1,769	\$ 5,110	-65%

Explanations of significant changes in Table 2 are as follows:

Governmental Activities:

General government- increase \$1.1 million (10%) due to an increase in operational expenses.

Capital grants and contributions – decrease of \$1.3 million (97%) due to a decrease in grant funding

Business-Type Activities:

Electric expenses – decrease of \$3.1 million (14%) due to a decrease in purchase energy expenses.

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Governmental Activities

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

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

	Total Expense		% Inc.	Net Revenue		% Inc.
	of Services			(Expense)		
	<u>2024</u>	<u>2023</u>	<u>(Dec.)</u>	<u>of Services</u>	<u>(Dec.)</u>	
General government	\$ 1,798	\$ 1,629	10%	\$ (1,572)	\$ (1,224)	28%
Public safety	7,381	6,672	11%	(6,267)	(5,454)	15%
Streets	3,710	3,369	10%	(3,451)	(1,849)	87%
Culture, parks and recreation	2,423	1,805	34%	(2,033)	(1,450)	40%
Economic development	471	537	-12%	(424)	(351)	21%
Interest on long-term debt	619	608	2%	(619)	(608)	2%
Total	\$ 16,401	\$ 14,620	12%	(\$14,365)	\$ (10,936)	31%

For the year ended June 30, 2024, total expenses for governmental activities amounted to approximately \$16.4 million which was an increase from the prior year of 12%. See Table 2 above for explanations of changes.

Business-type Activities

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

	Total Expense		% Inc.	Net Revenue		% Inc.
	of Services			(Expense)		
	<u>2024</u>	<u>2023</u>	<u>Dec.</u>	<u>of Services</u>	<u>Dec.</u>	
Water	\$ 3,084	\$ 2,806	10%	\$ 1,015	\$ 1,296	-22%
Wastewater	1,936	1,351	43%	712	1,242	-43%
Sanitation	2,531	2,638	-4%	304	233	30%
Electric	18,619	21,717	-14%	2,281	1,283	78%
Airport	506	452	12%	(68)	(284)	-76%
Total	\$ 26,676	\$ 28,964	-8%	\$ 4,244	\$ 3,770	13%

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

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

- Total business-type activities reported net revenues of \$4.2 million for the year ended June 30, 2024.

A FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2024 fiscal year, the governmental funds reported a combined fund balance of \$8.48 million or a 18.0% decrease of \$1,862,515. The enterprise funds reported combined net position of \$41.2 million or a 9.4% increase from 2023.

<u>Fund Balance/Net Position</u>			
Governmental Funds		Proprietary Funds	
Restricted	\$ 2,724,548	Net investment in capital assets	\$ 27,855,998
Committed	105,639	Restricted for debt service and other	2,758,868
Assigned	4,135,461	Unrestricted	10,538,510
Unassigned	<u>1,511,447</u>		
Total Fund Balance	<u>\$ 8,477,095</u>	Total Net Position	<u>\$ 41,153,376</u>

General Fund Budgetary Highlights

For budgetary reporting purposes, the General Fund reported revenues over estimates of \$378,784 or 4.1%, while expenditures were under the final appropriations by \$1,690,940 or 13.6%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2024, the City had \$62.1 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 \$1.5 million or 2.4% 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 4,671	\$ 4,601	\$ 1,452	\$ 1,133	6,123	\$ 5,734
Buildings	5,366	5,705	6,515	6,820	11,881	12,525
Machinery, furniture and equipment	4,046	3,360	7,461	6,586	11,507	9,946
Infrastructure	12,330	12,555	18,573	18,240	30,903	30,795
Construction in progress	<u>720</u>	<u>456</u>	<u>946</u>	<u>1,176</u>	<u>1,666</u>	<u>1,632</u>
Totals	<u>\$ 27,133</u>	<u>\$ 26,677</u>	<u>\$ 34,947</u>	<u>\$ 33,955</u>	<u>\$ 62,080</u>	<u>\$ 60,632</u>

**CITY OF MIAMI, OKLAHOMA
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This year’s more significant capital asset additions placed into service included:

Vehicles and other machinery	\$2,459,773
Street improvements	\$771,505

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 \$29.8 million in long-term debt outstanding which represents a \$1.0 million decrease, or 3%, from the prior year. The City’s changes in long-term debt by type of debt are as follows:

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

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Accrued absences	\$ 730	\$ 711	\$ 223	\$ 212	\$ 953	\$ 923
Revenue Bonds	16,045	16,530	5,755	6,240	21,800	22,770
Bond Premium	105	125	-	5	105	130
Notes Payable- Direct borrowing	1,436	867	5,542	6,114	6,978	6,981
Totals	\$ 18,316	\$ 18,233	\$ 11,520	\$ 12,571	\$ 29,836	\$ 30,804

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 2024-2025 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 The City expects to continue cutting costs necessary to improve its cash position.

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 its revenue base that will assist in completing major infrastructure and development projects.

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 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 April 2025, approximately 2 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

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

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
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Statement of Net Position– June 30, 2024

	Primary Government			Discretely Presented
	Governmental	Business-type	Total	Component Units
	Activities	Activities		
ASSETS				
Cash and equivalents	\$ 10,285,684	\$ 15,551,805	\$ 25,837,489	\$ 1,352,791
Investments	134,043	1,714,365	1,848,408	103,924
Accounts receivable, net	396,951	3,965,016	4,361,967	-
Due from other governments	1,276,713	177,182	1,453,895	-
Other receivables	450,503	436	450,939	12,000
Internal balances	(1,217,259)	1,217,259	-	-
Leases receivable	-	211,911	211,911	263,892
Inventory	-	1,685,349	1,685,349	-
Net pension asset	112,949	-	112,949	-
Capital Assets				
Land and construction in progress	5,391,294	2,397,836	7,789,130	637,364
Other capital assets, net of depreciation	21,741,771	32,550,055	54,291,826	7,637,309
Total assets	<u>38,572,649</u>	<u>59,471,214</u>	<u>98,043,863</u>	<u>10,007,280</u>
DEFERRED OUTFLOWS:				
Deferred amounts related to pensions	2,969,471	814,772	3,784,243	-
Deferred amounts related to OPEB	468,648	166,041	634,689	-
Deferred amount on refunding	14,794	-	14,794	-
Deferred amount related to GRDA settlement	-	99,788	99,788	-
Total deferred outflows of resources	<u>3,452,913</u>	<u>1,080,601</u>	<u>4,533,514</u>	<u>-</u>
LIABILITIES				
Accounts payable and accrued liabilities	399,407	2,132,492	2,531,899	226,631
Claims liability	771,511	-	771,511	-
Accrued interest payable	42,028	92,405	134,433	-
Unearned revenue	178,710	1,022,334	1,201,044	-
Long-term liabilities				
Due within one year	1,091,400	2,502,540	3,593,940	84,231
Due in more than one year	24,328,151	11,148,647	35,476,798	-
Total liabilities	<u>26,811,207</u>	<u>16,898,418</u>	<u>43,709,625</u>	<u>310,862</u>
DEFERRED INFLOWS:				
Deferred amounts related to leases	-	211,302	211,302	256,472
Deferred amounts related to pensions	820,703	270,120	1,090,823	-
Deferred amounts related to OPEB	1,064,929	793,291	1,858,220	-
Total deferred inflows of resources	<u>1,885,632</u>	<u>1,274,713</u>	<u>3,160,345</u>	<u>256,472</u>
NET POSITION:				
Net investment in capital assets	17,745,517	27,855,998	45,601,515	8,196,417
Restricted	2,682,520	2,758,868	5,441,388	-
Unrestricted (deficit)	(7,099,314)	11,763,818	4,664,504	1,243,529
Total net position	<u>\$ 13,328,723</u>	<u>\$ 42,378,684</u>	<u>\$ 55,707,407</u>	<u>\$ 9,439,946</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024

Statement of Activities –Year Ended June 30, 2024

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position			Discretely Presented Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental Activities								
General Government	\$ 1,798,155	\$ 175,757	\$ 50,744	\$ -	\$ (1,571,654)	\$ -	\$ (1,571,654)	\$ -
Public Safety	7,381,173	363,310	708,792	41,999	(6,267,072)	-	(6,267,072)	-
Public Works and Streets	3,708,536	74,838	182,740	-	(3,450,958)	-	(3,450,958)	-
Culture and Recreation	2,422,595	224,547	165,237	-	(2,032,811)	-	(2,032,811)	-
Economic Development	470,931	47,111	-	-	(423,820)	-	(423,820)	-
Interest on long-term Debt	619,160	-	-	-	(619,160)	-	(619,160)	-
Total governmental activities	<u>16,400,550</u>	<u>885,563</u>	<u>1,107,513</u>	<u>41,999</u>	<u>(14,365,475)</u>	<u>-</u>	<u>(14,365,475)</u>	<u>-</u>
Business-type activities								
Water	3,084,335	3,794,017	305,716	-	-	1,015,398	1,015,398	-
Wastewater	1,935,643	2,647,940	-	-	-	712,297	712,297	-
Sanitation	2,531,863	2,836,130	-	-	-	304,267	304,267	-
Electric	18,619,254	20,899,819	-	-	-	2,280,565	2,280,565	-
Airport	505,705	260,077	-	177,182	-	(68,446)	(68,446)	-
Total business-type activities	<u>26,676,800</u>	<u>30,437,983</u>	<u>305,716</u>	<u>177,182</u>	<u>-</u>	<u>4,244,081</u>	<u>4,244,081</u>	<u>-</u>
Total primary government	<u>\$ 43,077,350</u>	<u>\$ 31,323,546</u>	<u>\$ 1,413,229</u>	<u>\$ 219,181</u>	<u>(14,365,475)</u>	<u>4,244,081</u>	<u>(10,121,394)</u>	<u>-</u>
Component Units								
Culture and Recreation	\$ 634,658	\$ 374,186	\$ 46,182	\$ -				(214,290)
Economic Development	71,542	93,948	-	-				22,406
Total component units	<u>\$ 706,200</u>	<u>\$ 468,134</u>	<u>\$ 46,182</u>	<u>\$ -</u>				<u>(191,884)</u>
General revenues:								
Taxes:								
Sales and use taxes					9,864,325	-	9,864,325	-
Property tax					8,673	-	8,673	-
Franchise and public service taxes					306,110	-	306,110	-
Hotel/motel taxes					205,077	-	205,077	-
Grants and contributions not restricted to specific programs					673,169	-	673,169	-
Investment income					41,184	209,106	250,290	7,475
Miscellaneous					577,196	5,095	582,291	-
Transfers - internal activity					931,737	(931,737)	-	-
Total general revenues and transfers					<u>12,607,471</u>	<u>(717,536)</u>	<u>11,889,935</u>	<u>7,475</u>
Change in net position					(1,758,004)	3,526,545	1,768,541	(184,409)
Net position - beginning					15,086,727	38,852,139	53,938,866	9,624,355
Net position - ending					<u>\$ 13,328,723</u>	<u>\$ 42,378,684</u>	<u>\$ 55,707,407</u>	<u>\$ 9,439,946</u>

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024**

BASIC FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
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Governmental Funds Balance Sheet - June 30, 2024

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 3,252,380	\$ 4,283,920	\$ 7,536,300
Receivables:			
Accounts receivable	301,723	97,298	399,021
Due from other funds	87,654	45,061	132,715
Due from other governments and entities	1,002,807	273,906	1,276,713
Other receivables	7,500	-	7,500
Total assets	\$ 4,652,064	\$ 4,700,185	\$ 9,352,249
 LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 145,055	\$ 92,264	\$ 237,319
Wages payable	159,287	1,781	161,068
Due to other funds	86,262	38,404	124,666
Total liabilities	390,604	132,449	523,053
 DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	117,981	234,120	352,101
Fund balances:			
Restricted	-	2,724,548	2,724,548
Committed	-	105,639	105,639
Assigned	2,632,032	1,503,429	4,135,461
Unassigned	1,511,447	-	1,511,447
Total fund balances	4,143,479	4,333,616	8,477,095
Total liabilities, deferred inflows and fund balances	\$ 4,652,064	\$ 4,700,185	\$ 9,352,249

See accompanying notes to the basic financial statements.

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024

Governmental Funds Statement of Changes in Fund Balances – Year Ended June 30, 2024

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
Taxes	\$ 7,758,373	\$ 2,465,949	\$ 10,224,322
Intergovernmental	904,840	1,029,262	1,934,102
Charges for services	209,890	124,278	334,168
Fines and forfeitures	177,695	-	177,695
Licenses and permits	146,058	-	146,058
Investment income	23,332	17,852	41,184
Miscellaneous	299,423	727,543	1,026,966
Total revenues	<u>9,519,611</u>	<u>4,364,884</u>	<u>13,884,495</u>
EXPENDITURES			
Current:			
General government	1,443,511	2,684	1,446,195
Public Safety	7,068,253	249,666	7,317,919
Public works and streets	1,612,893	1,241,395	2,854,288
Culture and recreation	1,498,100	636,942	2,135,042
Economic development	463,837	-	463,837
Capital Outlay	-	1,993,965	1,993,965
Debt Service:			
Principal	165,862	687,309	853,171
Interest and other charges	13,876	537,603	551,479
Total expenditures	<u>12,266,332</u>	<u>5,349,564</u>	<u>17,615,896</u>
Excess (deficiency) of revenues over expenditures	(2,746,721)	(984,680)	(3,731,401)
OTHER FINANCING SOURCES (USES)			
Debt proceeds	-	937,149	937,149
Transfers in	10,795,691	500,000	11,295,691
Transfers out	(8,745,567)	(1,618,387)	(10,363,954)
Total other financing sources and uses	<u>2,050,124</u>	<u>(181,238)</u>	<u>1,868,886</u>
Net change in fund balances	(696,597)	(1,165,918)	(1,862,515)
Fund balances - beginning	4,840,076	5,499,534	10,339,610
Fund balances - ending	<u>\$ 4,143,479</u>	<u>\$ 4,333,616</u>	<u>\$ 8,477,095</u>

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024**

Reconciliation of Governmental Funds and Government-Wide Financial Statements:

Total fund balance, governmental funds	\$	8,477,095
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		27,133,065
Certain long-term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds.		173,391
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		112,949
Pension related deferred outflows		2,969,471
OPEB related deferred outflows		468,648
Deferred amounts on refunding		14,794
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		(1,435,532)
Interest payable		(42,028)
Net pension liability		(5,676,498)
Pension related deferred inflows		(820,703)
Total OPEB liability		(1,427,455)
OPEB related deferred inflows		(1,064,929)
Accrued compensated absences		(730,306)
Unamortized debt premium		(104,760)
Revenue bond payable		(16,045,000)
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		1,326,521
Net Position of Governmental Activities in the Statement of Net Position	\$	13,328,723

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024**

Changes in Fund Balances – Changes in Net Position Reconciliation:

Net change in fund balances - total governmental funds: \$ (1,862,515)

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	2,739,675
Depreciation expense	(2,283,916)

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.

(233,121)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Change in unavailable revenue	(32,195)
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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:

Note payable proceeds	(937,149)
Note payable principal payments	368,171
Revenue bond principal payments	485,000

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:

Change in accrued interest payable	(808)
Change in accrued compensated absences	(19,391)
Change in total OPEB liability	78,252
Change in amortization of bond premium	20,276
Change in amortization of unamortized gain/loss	(88,767)

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:

Total change in net position for internal service funds	8,484
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Change in net position of governmental activities	\$ (1,758,004)
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See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024**

BASIC FINANCIAL STATEMENTS - PROPRIETARY FUNDS

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024

Proprietary Funds Statement of Net Position - June 30, 2024

	<u>Enterprise Funds</u>			
	<u>Miami Special Utility Authority</u>	<u>Airport Fund</u>	<u>Total</u>	<u>Internal Service Funds</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 12,875,405	\$ 131,471	\$ 13,006,876	\$ 2,749,384
Cash and cash equivalents, restricted	2,748,274	-	2,748,274	-
Investments	1,509,825	-	1,509,825	134,043
Accounts receivable, net	3,925,482	39,534	3,965,016	-
Leases receivables	18,694	-	18,694	-
Other receivable	436	177,182	177,618	440,933
Inventory	1,657,238	28,111	1,685,349	-
Due from other funds	50,012	30,128	80,140	499,540
Total current assets	<u>22,785,366</u>	<u>406,426</u>	<u>23,191,792</u>	<u>3,823,900</u>
Non-current assets:				
Cash and cash equivalents, restricted	1,195	-	1,195	-
Leases receivables	193,217	-	193,217	-
Capital assets:				
Land, construction in progress, and water rights	2,095,213	302,623	2,397,836	-
Other capital assets, net of accumulated depreciation	29,015,066	3,534,989	32,550,055	-
Total non-current assets	<u>31,304,691</u>	<u>3,837,612</u>	<u>35,142,303</u>	<u>-</u>
Total assets	<u>54,090,057</u>	<u>4,244,038</u>	<u>58,334,095</u>	<u>3,823,900</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred amounts related to pensions	814,772	-	814,772	-
Deferred amounts related to OPEB	166,041	-	166,041	-
Deferred amounts related to GRDA settlement	99,788	-	99,788	-
Total deferred outflow of resources	<u>1,080,601</u>	<u>-</u>	<u>1,080,601</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	2,043,790	16,603	2,060,393	1,020
Claims liability	-	-	-	771,511
Wages payable	71,524	575	72,099	-
Due to other funds	86,341	1,848	88,189	499,540
Accrued interest payable	92,405	-	92,405	-
Accrued compensated absences	22,241	83	22,324	-
Unearned revenue	1,022,334	-	1,022,334	-
Refundable deposits	29,148	-	29,148	-
Revenue bond payable	500,000	-	500,000	-
Notes payable	1,951,068	-	1,951,068	-
Total current liabilities	<u>5,818,851</u>	<u>19,109</u>	<u>5,837,960</u>	<u>1,272,071</u>
Non-current liabilities:				
Accrued compensated absences	200,164	749	200,913	-
Net pension liability	1,231,383	-	1,231,383	-
Total OPEB liability	607,820	-	607,820	-
Refundable deposits	262,335	-	262,335	-
Revenue bond payable	5,255,000	-	5,255,000	-
Notes payable, net	3,591,196	-	3,591,196	-
Total non-current liabilities	<u>11,147,898</u>	<u>749</u>	<u>11,148,647</u>	<u>-</u>
Total liabilities	<u>16,966,749</u>	<u>19,858</u>	<u>16,986,607</u>	<u>1,272,071</u>
DEFERRED INFLOW OF RESOURCES				
Deferred amounts related to leases	211,302	-	211,302	-
Deferred amounts related to pensions	270,120	-	270,120	-
Deferred amounts related to OPEB	793,291	-	793,291	-
Total deferred inflow of resources	<u>1,274,713</u>	<u>-</u>	<u>1,274,713</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	24,018,386	3,837,612	27,855,998	-
Restricted for debt service	549,919	-	549,919	-
Restricted for other purposes	2,208,949	-	2,208,949	-
Unrestricted	10,151,942	386,568	10,538,510	2,551,829
Total net position	<u>\$ 36,929,196</u>	<u>\$ 4,224,180</u>	<u>\$ 41,153,376</u>	<u>\$ 2,551,829</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

	1,225,308
Total net position per Government-Wide financial statements	\$ 42,378,684

See accompanying notes to the basic financial statements.

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
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Proprietary Funds Statement of Changes in Net Position - Year Ended June 30, 2024

	<u>Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>Miami Special Utility Authority</u>	<u>Airport Fund</u>	<u>Total</u>	
REVENUES				
Charges for services	\$ 29,119,685	\$ 265,189	\$ 29,384,874	\$ 2,168,173
Fees, licenses and permits	132,120	-	132,120	-
Miscellaneous	1,058,654	-	1,058,654	160,370
Total operating revenues	<u>30,310,459</u>	<u>265,189</u>	<u>30,575,648</u>	<u>2,328,543</u>
OPERATING EXPENSES				
Personal services	5,009,363	41,448	5,050,811	-
Materials and supplies	13,936,905	151,696	14,088,601	-
Other services and charges	4,329,091	22,800	4,351,891	619,059
Insurance claims and expense	-	-	-	1,696,304
Depreciation expense	2,611,614	289,761	2,901,375	-
Total operating expenses	<u>25,886,973</u>	<u>505,705</u>	<u>26,392,678</u>	<u>2,315,363</u>
Operating income (loss)	<u>4,423,486</u>	<u>(240,516)</u>	<u>4,182,970</u>	<u>13,180</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	209,106	-	209,106	523
Miscellaneous	212,097	-	212,097	-
Capital grant	-	177,182	177,182	-
Interest expense and fiscal charges	(328,292)	-	(328,292)	-
Total non-operating revenue (expenses)	<u>92,911</u>	<u>177,182</u>	<u>270,093</u>	<u>523</u>
Income (loss) before transfers	<u>4,516,397</u>	<u>(63,334)</u>	<u>4,453,063</u>	<u>13,703</u>
Transfers in	10,348,830	300,000	10,648,830	-
Transfers out	(11,580,567)	-	(11,580,567)	-
Change in net position	3,284,660	236,666	3,521,326	13,703
Total net position - beginning	33,644,536	3,987,514	37,632,050	2,538,126
Total net position - ending	<u>\$ 36,929,196</u>	<u>\$ 4,224,180</u>	<u>\$ 41,153,376</u>	<u>\$ 2,551,829</u>
Change in net position above			3,521,326	
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			5,219	
Change in Business-Type Activities in Net Position per Government-Wide Financial Statements			<u>\$ 3,526,545</u>	

See accompanying notes to the basic financial statements.

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Proprietary Funds Statement of Cash Flows - Year Ended June 30, 2024

	<u>Enterprise Funds</u>			<u>Internal Service Fund</u>
	<u>Miami Special Utility Authority</u>	<u>Airport Fund</u>	<u>Total</u>	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 30,298,427	260,418	\$ 30,558,845	\$ 2,328,049
Payments to suppliers	(18,775,379)	(167,899)	(18,943,278)	(627,196)
Payments to employees	(4,829,513)	(42,236)	(4,871,749)	-
Receipts from other funds	1,214,343	-	1,214,343	-
Payments to other funds	(703,744)	-	(703,744)	-
Receipts of customer meter deposits	115,936	-	115,936	-
Refunds of customer meter deposits	(132,325)	-	(132,325)	-
Claims and judgments paid	-	-	-	(1,487,353)
Net cash provided by operating activities	<u>7,187,745</u>	<u>50,283</u>	<u>7,238,028</u>	<u>213,500</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	10,348,830	300,000	10,648,830	-
Transfers to other funds	(11,580,567)	-	(11,580,567)	-
Net cash provided by (used in) noncapital financing activities	<u>(1,231,737)</u>	<u>300,000</u>	<u>(931,737)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets purchased	(2,260,692)	(289,762)	(2,550,454)	-
Principal paid on debt	(2,401,006)	-	(2,401,006)	-
Interest and fiscal agent fees paid on debt	(345,224)	-	(345,224)	-
Net cash provided by (used in) capital and related financing activities	<u>(5,006,922)</u>	<u>(289,762)</u>	<u>(5,296,684)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Sale (Purchase) of investments	-	-	-	(523)
Interest and dividends	171,664	-	171,664	523
Net cash provided by (used in) investing activities	<u>171,664</u>	<u>-</u>	<u>171,664</u>	<u>-</u>
Net increase in cash and cash equivalents	1,120,750	60,521	1,181,271	213,500
Balances - beginning of year	<u>14,504,124</u>	<u>70,950</u>	<u>14,575,074</u>	<u>2,535,884</u>
Balances - end of year	<u>\$ 15,624,874</u>	<u>\$ 131,471</u>	<u>\$ 15,756,345</u>	<u>\$ 2,749,384</u>
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 12,875,405	\$ 131,471	\$ 13,006,876	\$ 2,749,384
Restricted cash and cash equivalents - current	2,748,274	-	2,748,274	-
Restricted cash and cash equivalents - noncurrent	1,195	-	1,195	-
Total cash and cash equivalents, end of year	<u>\$ 15,624,874</u>	<u>\$ 131,471</u>	<u>\$ 15,756,345</u>	<u>\$ 2,749,384</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 4,423,486	\$ (240,516)	\$ 4,182,970	\$ 13,180
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	2,611,614	289,761	2,901,375	-
Other nonoperating revenue	212,097	-	212,097	-
Change in assets, liabilities and deferrals:				
Receivables, net	63,005	(4,771)	58,234	(494)
Leases receivable	18,582	-	18,582	-
Due from other funds	905,205	-	905,205	-
Inventory	152,847	(4,431)	148,416	-
Deferred outflows related to pension	208,081	-	208,081	-
Deferred outflows related to OPEB	22,478	-	22,478	-
Accounts payable	(604,770)	11,028	(593,742)	(8,713)
Claims liability	-	-	-	209,527
Due to other funds	(394,606)	-	(394,606)	-
Due to employees	15,108	(154)	14,954	-
Unearned revenue	(305,716)	-	(305,716)	-
Refundable deposits	(16,389)	-	(16,389)	-
Total OPEB liability	(128,533)	-	(128,533)	-
Net pension liability	201,746	-	201,746	-
Accrued compensated absences	11,411	(634)	10,777	-
Deferred inflows related to pension	(187,449)	-	(187,449)	-
Deferred inflows related to leases	(19,209)	-	(19,209)	-
Deferred inflows related to OPEB	(1,243)	-	(1,243)	-
Net cash provided by operating activities	<u>\$ 7,187,745</u>	<u>\$ 50,283</u>	<u>\$ 7,238,028</u>	<u>\$ 213,500</u>
Noncash activities:				
Assets acquired with debt	1,344,433	-	1,344,433	-
	<u>\$ 1,344,433</u>	<u>\$ -</u>	<u>\$ 1,344,433</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

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BASIC FINANCIAL STATEMENTS – DISCRETELY PRESENTED COMPONENT UNITS

**CITY OF MIAMI, OKLAHOMA
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Discretely Presented Component Units Combining Statement of Net Position - June 30, 2024

	<u>MCFA</u>	<u>MDRA</u>	<u>MIDA</u>	<u>MIPFA</u>	<u>Total</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 249,517	\$ 627,696	\$ 218,993	\$ 256,585	\$ 1,352,791
Investments	103,924	-	-	-	103,924
Receivables:					
Leases receivable	-	-	-	7,756	7,756
Other receivable	12,000	-	-	-	12,000
Total current assets	<u>365,441</u>	<u>627,696</u>	<u>218,993</u>	<u>264,341</u>	<u>1,476,471</u>
Non-current assets:					
Leases receivable	-	-	-	256,136	256,136
Capital assets:					
Land, construction in progress, and water rights	286,573	-	102,570	248,221	637,364
Other capital assets, net of accumulated depreciation	6,800,723	-	642,724	193,862	7,637,309
Total non-current assets	<u>7,087,296</u>	<u>-</u>	<u>745,294</u>	<u>698,219</u>	<u>8,530,809</u>
Total assets	<u>7,452,737</u>	<u>627,696</u>	<u>964,287</u>	<u>962,560</u>	<u>10,007,280</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	196,011	29,120	-	1,500	226,631
Accrued compensated absences	-	5,734	-	-	5,734
Accrued interest on notes payable	-	-	240	-	240
Notes payable	-	-	78,257	-	78,257
Total liabilities	<u>196,011</u>	<u>34,854</u>	<u>78,497</u>	<u>1,500</u>	<u>310,862</u>
DEFERRED INFLOW OF RESOURCES					
Deferred amounts related to leases	-	-	-	256,472	256,472
NET POSITION					
Net investment in capital assets	7,087,296	-	667,038	442,083	8,196,417
Unrestricted	169,430	592,842	218,752	262,505	1,243,529
Total net position	<u>\$ 7,256,726</u>	<u>\$ 592,842</u>	<u>\$ 885,790</u>	<u>\$ 704,588</u>	<u>\$ 9,439,946</u>

See accompanying notes to the basic financial statements.

CITY OF MIAMI, OKLAHOMA
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Discretely Presented Component Units Combining Statement of Changes in Net Position - Year Ended June 30, 2024

	<u>MCFA</u>	<u>MDRA</u>	<u>MIDA</u>	<u>MIPFA</u>	<u>Total</u>
REVENUES					
Charges for services	\$ 113,380	\$ 260,806	\$ 71,774	\$ 21,674	\$ 467,634
Miscellaneous	-	-	500	-	500
Total operating revenues	<u>113,380</u>	<u>260,806</u>	<u>72,274</u>	<u>21,674</u>	<u>468,134</u>
OPERATING EXPENSES					
Personal services	-	168,199	-	-	168,199
Materials and supplies	1,000	33,421	-	5,597	40,018
Other services and charges	58,091	133,493	10,180	3,944	205,708
Depreciation expense	240,454	-	20,727	27,156	288,337
Total operating expenses	<u>299,545</u>	<u>335,113</u>	<u>30,907</u>	<u>36,697</u>	<u>702,262</u>
Operating income (loss)	<u>(186,165)</u>	<u>(74,307)</u>	<u>41,367</u>	<u>(15,023)</u>	<u>(234,128)</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment income	2,088	766	1	4,620	7,475
Miscellaneous income	-	46,182	-	-	46,182
Interest expense and fiscal charges	-	-	(3,938)	-	(3,938)
Total non-operating revenue (expenses)	<u>2,088</u>	<u>46,948</u>	<u>(3,937)</u>	<u>4,620</u>	<u>49,719</u>
Income (loss) before transfers	(184,077)	(27,359)	37,430	(10,403)	(184,409)
Transfers in from primary government	57,687	487,228	-	-	544,915
Transfers out to primary government	-	(11,695)	-	-	(11,695)
Change in net position	(126,390)	448,174	37,430	(10,403)	348,811
Total net position - beginning	7,383,116	144,668	848,361	714,991	9,091,136
Total net position - ending	<u>\$ 7,256,726</u>	<u>\$ 592,842</u>	<u>\$ 885,790</u>	<u>\$ 704,588</u>	<u>\$ 9,439,946</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 12,969 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, 2024, 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	\$ 23,038,014	N/A	\$ 23,038,014	\$ -
Time deposits	1,848,408	N/A	-	1,848,408
Money Market Funds	2,799,475	Not rated	-	2,799,475
Sub-Total	<u>\$ 27,685,897</u>		<u>\$ 23,038,014</u>	<u>\$ 4,647,883</u>
Reconciliation to Financial Statements:				
Cash and cash equivalents	\$ 25,837,489			
Investments	1,848,408			
	<u>\$ 27,685,897</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, 2024:

- Money Market Mutual Funds of \$2,799,475 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, 2024, the City was not exposed to custodial credit risk.

Component Unit:

The bank deposits of the MDRA component unit of \$627,696 at June 30, 2024 were fully insured by the F.D.I.C.

The bank deposits of the MCFA component unit of \$365,441 at June 30, 2024 were fully insured.

The bank deposits of the MIPFA component unit of \$264,641 at June 30, 2024 were fully insured by the F.D.I.C.

The bank deposits of the MIDA component unit of \$218,993 at June 30, 2024 were fully insured by the F.D.I.C.

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

- a. Obligations of the U. S. Government, its agencies and instrumentalities;
- b. Collateralized or insured non-negotiable certificates of deposit or other 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, 2024, the investments held by the City mature between 2024 through 2025.

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, 2024.

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, 2024, are as follows:

Cash and cash equivalents:	
Cash Restricted for Refundable deposits	\$ 291,510
Money Markets Restricted for Debt Service	<u>2,456,764</u>
	<u>\$ 2,748,274</u>
Cash and cash equivalents, noncurrent:	
Cash Restricted for Refundable deposits	<u>1,195</u>
	<u>\$ 1,195</u>

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4. Receivables

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

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

	Accounts Receivable	Less: Allowance for Uncollectible Accounts	Net Accounts Receivable
Governmental Activities:			
Taxes	1,360,941	\$ -	\$ 1,360,941
Court fines	698,701	(566,124)	132,577
Grants receivable	10,000	-	10,000
Other	620,649	-	620,649
Total Governmental Activities	\$ 2,690,291	\$ (566,124)	\$ 2,124,167
Reconciliation to Statement of Net Position:			
Accounts receivable, net			\$ 396,951
Due from other governmental agencies			1,276,713
Other receivable			450,503
Total			\$ 2,124,167
Business-Type Activities:			
Utilities	\$ 6,498,873	\$ (2,533,857)	\$ 3,965,016

5. Leases Receivable

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 \$20,952.

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 \$13,868.

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, 2024, capital assets balances changed as follows:

	Balance at July 1, 2023	Additions	Transfers/ Deductions	Balance at June 30, 2024
PRIMARY GOVERNMENT:				
<i>Governmental activities:</i>				
Capital assets not being depreciated:				
Land	\$ 4,601,374	\$ 69,600	\$ -	\$ 4,670,974
Construction in progress	455,755	507,023	242,458	720,320
Total capital assets not being depreciated	<u>5,057,129</u>	<u>576,623</u>	<u>242,458</u>	<u>5,391,294</u>
Other capital assets:				
Buildings	23,180,501	-	-	23,180,501
Infrastructure	48,367,461	1,064,453	-	49,431,914
Machinery, furniture and equipment	14,722,167	1,341,057	31,480	16,031,744
Total other capital assets at historical cost	<u>86,270,129</u>	<u>2,405,510</u>	<u>31,480</u>	<u>88,644,159</u>
Less accumulated depreciation for:				
Buildings	17,475,597	338,666	-	17,814,263
Infrastructure	35,812,232	1,289,797	-	37,102,029
Machinery, furniture and equipment	11,362,123	655,453	31,480	11,986,096
Total accumulated depreciation	<u>64,649,952</u>	<u>2,283,916</u>	<u>31,480</u>	<u>66,902,388</u>
Other capital assets, net	<u>21,620,177</u>	<u>121,594</u>	<u>-</u>	<u>21,741,771</u>
Governmental activities capital assets, net	<u>\$ 26,677,306</u>	<u>\$ 698,217</u>	<u>\$ 242,458</u>	<u>\$ 27,133,065</u>

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	Balance at July 1, 2023	Additions	Transfers/ Deductions	Balance at June 30, 2024
<i>Business-type activities:</i>				
Capital assets not being depreciated:				
Land	\$ 1,133,051	\$ 318,870	\$ -	\$ 1,451,921
Construction in progress	1,175,555	720,612	950,252	945,915
Total capital assets not being depreciated	<u>2,308,606</u>	<u>1,039,482</u>	<u>950,252</u>	<u>2,397,836</u>
Other capital assets:				
Buildings and improvement	21,098,912	155,350	-	21,254,262
Machinery, furniture and equipment	23,087,941	1,997,855	-	25,085,796
Infrastructure	37,939,762	1,652,452	-	39,592,214
Total other capital assets at historical cost	<u>82,126,615</u>	<u>3,805,657</u>	<u>-</u>	<u>85,932,272</u>
Less accumulated depreciation for:				
Buildings and improvement	14,279,116	460,570	-	14,739,686
Machinery, furniture and equipment	16,501,778	1,122,883	-	17,624,661
Infrastructure	19,699,948	1,317,922	-	21,017,870
Total accumulated depreciation	<u>50,480,842</u>	<u>2,901,375</u>	<u>-</u>	<u>53,382,217</u>
Other capital assets, net	<u>31,645,773</u>	<u>904,282</u>	<u>-</u>	<u>32,550,055</u>
Business-type activities capital assets, net	<u>\$ 33,954,379</u>	<u>\$ 1,943,764</u>	<u>\$ 950,252</u>	<u>\$ 34,947,891</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	\$ 251,673
Public Safety	251,133
Streets	1,424,079
Culture and Recreation	357,031
Total	<u>\$ 2,283,916</u>

Business-Type Activities:

Airport	\$ 289,761
Electric	1,137,351
Water	588,969
Wastewater	538,664
Sanitation	346,630
Total	<u>\$ 2,901,375</u>

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Capital assets of the component units were:

MIDA	Balance at August 1, 2023	Additions	Deductions	Balance at July 31, 2024
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	372,901	20,727	-	393,628
Other capital assets, net	<u>704,906</u>	<u>(20,727)</u>	<u>-</u>	<u>642,724</u>
MIDA capital assets, net	<u>\$ 807,477</u>	<u>\$ (20,727)</u>	<u>\$ -</u>	<u>\$ 745,294</u>

MIPFA

	Balance at July 1, 2023	Additions	Deductions	Balance at June 30, 2024
<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	412,993	19,683	-	432,676
Machinery, furniture and equipment	122,496	7,475	-	129,971
Total accumulated depreciation	<u>535,489</u>	<u>27,158</u>	<u>-</u>	<u>562,647</u>
Other capital assets, net	<u>221,020</u>	<u>(27,158)</u>	<u>-</u>	<u>193,862</u>
MIPFA capital assets, net	<u>\$ 469,241</u>	<u>\$ (27,158)</u>	<u>\$ -</u>	<u>\$ 442,083</u>

MCFA

	Balance at July 1, 2023	Additions	Deductions	Balance at June 30, 2024
<i>MCFA - Discreetly Presented Component unit</i>				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 286,573	\$ -	\$ 286,573
Total capital assets not being depreciated	<u>-</u>	<u>286,573</u>	<u>-</u>	<u>286,573</u>
Other capital assets:				
Buildings	\$ 8,851,208	\$ -	\$ -	\$ 8,851,208
Machinery, furniture and equipment	-	40,411	-	40,411
Total other capital assets at historical cost	<u>8,851,208</u>	<u>40,411</u>	<u>-</u>	<u>8,891,619</u>
Less accumulated depreciation for:				
Buildings	1,850,442	238,433	-	2,088,875
Machinery, furniture and equipment	-	2,021	-	2,021
Total accumulated depreciation	<u>1,850,442</u>	<u>240,454</u>	<u>-</u>	<u>2,090,896</u>
Other capital assets, net	<u>7,000,766</u>	<u>(200,043)</u>	<u>-</u>	<u>6,800,723</u>
MCFA capital assets, net	<u>\$ 7,000,766</u>	<u>\$ 86,530</u>	<u>\$ -</u>	<u>\$ 7,087,296</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.

Receivable Fund	Payable Fund	Amount	Nature of Interfund Balance
General Fund	* Airport Fund	\$ 1,313	Payroll reimbursement
General Fund	* MSUA	86,341	Payroll reimbursement
Street and Alley	Capital Improvement Fund	38,404	Expense reimbursement
Capital Improvement Fund	General Fund	6,657	Reclassification
MSUA	* Airport Fund	535	Expense reimbursement
MSUA	* General Fund	49,477	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>\$ 712,395</u>	

* Denotes major fund.

	Due From Other Funds	Due To Other Funds	Net Internal Balances
Reconciliation to Fund Financial Statements:			
Governmental Funds	\$ 132,715	\$ (124,666)	\$ 8,049
Proprietary Funds	80,140	(88,189)	(8,049)
Internal Service Funds	499,540	(499,540)	-
Total	<u>\$ 712,395</u>	<u>\$ (712,395)</u>	<u>\$ -</u>

Reconciliation to Statement of Net Position:	
Net Internal Balances	\$ (8,049)
Internal Service Fund Activity reported in Business-type Activities	1,225,308
Net Internal Balance	<u>\$ 1,217,259</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, 2024, were as follows:

Transfer In	Transfer Out	Amount	Nature of Interfund Transfer
General Fund	* MSUA	\$ 10,730,567	Operating subsidy/pledged sales tax
General Fund	* MSUA	50,000	Operating subsidy
Street and alley	* MSUA	500,000	Operating subsidy
Grants and Donations- Governmental	* MSUA	1,603,263	Grant and donation funds
Grants and Donations- Governmental	* General Fund	15,124	Revenue transfer
Airport Fund	* MSUA	300,000	Operating subsidy
MSUA	* General Fund	8,745,567	Operating subsidy/pledged sales tax
		<u>\$ 21,944,521</u>	

	Transfers to Other Funds	Transfers from Other Funds	Net Transfers
Reconciliation to fund financial statements:			
Governmental Funds	\$ (10,363,954)	\$ 11,295,691	\$ 931,737
Enterprise Funds	(11,580,567)	10,648,830	(931,737)
Totals	<u>\$ (21,944,521)</u>	<u>\$ 21,944,521</u>	<u>\$ -</u>

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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, 2024, the City's long-term obligation balances changed as follows:

Primary Government:

<u>Type of Debt</u>	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2024</u>	<u>Due Within One Year</u>
Governmental Activities:					
Revenue Bond Premium	\$ 125,036	\$ -	\$ 20,276	\$ 104,760	\$ -
Revenue Bonds	16,530,000	-	485,000	16,045,000	495,000
Notes Payable - direct borrowings	866,555	937,149	368,172	1,435,532	523,369
Accrued Compensated Absences	<u>710,916</u>	<u>19,390</u>	<u>-</u>	<u>730,306</u>	<u>73,031</u>
Total Governmental Activities	<u>\$ 18,232,507</u>	<u>\$ 956,539</u>	<u>\$ 873,448</u>	18,315,598	1,091,400
Plus: Total OPEB liability				1,427,455	-
Net pension liability				<u>5,676,498</u>	<u>-</u>
				<u>\$ 25,419,551</u>	<u>\$ 1,091,400</u>
Reconciliation to Statement of Net Position:					
Due within one year				\$ 1,091,400	
Due in more than one year				<u>24,328,151</u>	
				<u>\$ 25,419,551</u>	
<u>Type of Debt</u>	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2024</u>	<u>Due Within One Year</u>
Business-Type Activities:					
Notes Payable - Direct borrowings	\$ 6,113,838	\$ 1,344,433	\$ 1,916,007	\$ 5,542,264	\$ 1,951,068
Unamortized Bond Premium	5,173	-	5,173	-	-
Revenue Bonds	6,240,000	-	485,000	5,755,000	500,000
Accrued Compensated Absences	<u>212,460</u>	<u>10,777</u>	<u>-</u>	<u>223,237</u>	<u>22,324</u>
Total Business-Type Activities	<u>\$ 12,571,471</u>	<u>\$ 1,355,210</u>	<u>\$ 2,406,180</u>	11,520,501	2,473,392
Plus: Total OPEB liability				607,820	-
Net pension liability				1,231,383	-
Refundable deposits				<u>291,483</u>	<u>29,148</u>
				<u>\$ 13,651,187</u>	<u>\$ 2,502,540</u>
Reconciliation to Statement of Net Position:					
Due within one year				\$ 2,502,540	
Due in more than one year				<u>11,148,647</u>	
				<u>\$ 13,651,187</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.

\$16,045,000

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Current portion	\$495,000
Non-current portion	<u>\$15,550,000</u>
	<u>\$16,045,000</u>

Notes Payable – Direct Borrowings:

<p>\$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.</p>	\$143,452
<p>\$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.</p>	143,992
<p>\$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.</p>	51,967
<p>\$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.</p>	46,136
<p>\$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.</p>	15,462
<p>\$67,714 note payable for the purchase of 2024 Ford F250, matures May 2027 with a stated interest rate of 4.94%. If the City defaults, the collateralized equipment will be returned to the lender.</p>	62,065
<p>\$65,813 note payable for the purchase of 2023 Ford Explorer, matures March 2027 with a stated interest rate of 5.15%. If the City defaults, the collateralized equipment will be returned to the lender.</p>	60,712
<p>\$65,813 note payable for the purchase of 2023 Ford Explorer, matures March 2027 with a stated interest rate of 5.15%. If the City defaults, the collateralized equipment will be returned to the lender.</p>	60,712
<p>\$65,813 note payable for the purchase of 2023 Ford Explorer, matures March 2027 with a stated interest rate of 5.15%. If the City defaults, the collateralized equipment will be returned to the lender.</p>	60,712
<p>\$54,060 note payable for the purchase of 2023 Dodge Ram, matures July 2026 with a stated interest rate of 4.76%. If the City defaults, the collateralized equipment will be returned to the lender.</p>	38,352
<p>\$178,025 note payable for the purchase of John Deere Cab Tractor, matures September 2028 with a stated interest rate of 4.85%. If the City defaults, the collateralized equipment will be returned to the lender.</p>	151,772
<p>\$63,051 note payable for the purchase of 2024 Ford F250, matures February 2027 with a stated interest rate of 4.74%. If the City defaults, the collateralized equipment will be returned to the lender.</p>	56,479

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\$51,761 note payable for the purchase of Ford F350, matures February 2027 with a stated interest rate of 4.74%. If the City defaults, the collateralized equipment will be returned to the lender.	46,366
\$329,100 note payable for the purchase of 2024 Freightliner M2 106 and Tyco Model 600 Street Sweeper, matures March 2029 with a stated interest rate of 4.61%. If the City defaults, the collateralized equipment will be returned to the lender.	314,432
\$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.	28,576
\$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.	28,576
\$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.	28,576
\$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.	<u>97,193</u>
Total notes payable	<u>\$1,435,532</u>
Current portion	\$523,369
Non-current portion	<u>912,163</u>
	<u>\$1,435,532</u>

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

Revenue Bond Payable –

2018 Utility System Revenue Bond for \$8,000,000 with interest from 3.5% to 4.0% Debt service payments are due semi-annually through August 2033. Bonds are secured with net revenues of the Special Utility Authority and a pledged sales tax.	<u>\$5,755,000</u>
Current portion	\$500,000
Non-current portion	<u>5,255,000</u>
Total Revenue Bonds Payable	<u>\$5,755,000</u>

Notes Payable – Direct Borrowings:

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.	137,922
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<p>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.</p>	20,999
<p>CWSRF Note payable to Oklahoma Water Resources Board, dated September 1, 2019, original amount \$4,450,000 with interest rate of 1.24% and 0.5% annual administrative fee due in semi-annual installments, secured by and payable from utility revenues for water, sewer, and garbage collection and disposal system, with final payment due March 15, 2041. Proceeds used for capital improvements related to improvements to the wastewater system. The MUSA has drawn \$1,144,862 of the note as of June 30. In the event of default on the OWRB loans, the lender may: 1) file suit for specific performance of covenants contained in the agreement; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enjoin action in action of parties under provisions of the indenture, security agreement or lease agreement.</p>	1,969,844
<p>DWSRF Note payable to Oklahoma Water Resources Board, dated May 1, 2020, original amount \$2,785,000 with interest rate of 1.51% and 0.5% administrative fee due in semi-annual installments, secured by and payable from utility revenues for water, sewer, and garbage collection and disposal system, with final payment due March 15, 2042. Proceeds used for improvements for the drinking water treatment system drinking water project. The MUSA has drawn \$1,559,345 of the note as of June 30. In the event of default on the OWRB loans, the lender may: 1) file suit for specific performance of covenants contained in the agreement; 2) accelerate maturity; 3) gain control of operations through temporary trustees; or 4) file suit to enforce or enforce action in action of parties under provisions of the indenture, security agreement or lease agreement.</p>	1,190,845
<p>\$407,674 note payable for the purchase of a 2023 Crane, matures February 2027, with a stated interest rate of 4.85%. If the Authority defaults, the collateralized equipment will be returned to the lender.</p>	364,388
<p>\$303,168 note payable for the purchase of a 2023 Freightliner, matures August 2026, with a stated interest rate of 4.85%. If the Authority defaults, the collateralized equipment will be returned to the lender.</p>	223,342
<p>\$77,623 note payable for the purchase of a 2023 Hyundai Excavator R60CR-9A, matures May 2026, with a stated interest rate of 4.85%. If the Authority defaults, the collateralized equipment will be returned to the lender.</p>	57,177
<p>\$198,160 note payable for the purchase of a 2022 Brooks Brothers Trailer, matures August 2026, with a stated interest rate of 4.85%. If the Authority defaults, the collateralized equipment will be returned to the lender.</p>	145,697
<p>\$255,466 note payable for the purchase of a 2023 Altec Bucket Truck, matures January 2027, with a stated interest rate of 4.97%. If the Authority defaults, the collateralized equipment will be returned to the lender.</p>	222,242
<p>\$102,342 note payable for the purchase of a Caterpillar Mini Excavator, matures January 2027, with a stated interest rate of 4.97%. If the Authority defaults, the collateralized equipment will be returned to the lender.</p>	89,032

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\$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.	179,395
\$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.	109,126
\$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.	217,198
\$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.	261,632
\$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.	246,911
\$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.	91,051
\$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>15,462</u>
Total Notes Payable – Direct Borrowings	<u>\$5,542,264</u>
Current portion	\$1,951,068
Non-current portion	<u>3,591,195</u>
	<u>\$5,542,264</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
2025	\$ 495,000	\$ 499,388	\$ 523,369	\$ 63,952
2026	505,000	489,388	412,555	56,103
2027	515,000	479,188	311,471	48,904
2028	525,000	468,394	123,874	48,073
2029	535,000	456,731	64,263	79
2030-2034	550,000	2,194,781	-	-
2035-2039	4,435,000	1,744,750	-	-
2040-2044	3,925,000	1,006,875	-	-
2045-2049	4,560,000	356,250	-	-
Total	<u>\$ 16,045,000</u>	<u>\$ 7,695,745</u>	<u>\$ 1,435,532</u>	<u>\$ 217,111</u>

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Business-Type Activities

<u>Year Ending June 30,</u>	<u>Notes Payable-Direct Borrowings</u>		<u>Revenue Bonds Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 1,951,068	\$ 188,162	500,000	\$ 188,175
2026	1,239,370	128,630	515,000	173,175
2027	580,848	94,175	530,000	157,725
2028	365,805	83,282	545,000	141,825
2029	359,146	76,004	560,000	125,475
2030-2034	1,622,461	293,143	3,105,000	333,375
2035-2039	1,706,250	155,854	-	-
2040-2041	944,750	25,999	-	-
Amount to be drawn	<u>(3,227,435)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 5,542,264</u>	<u>\$ 1,045,249</u>	<u>\$ 5,755,000</u>	<u>\$ 1,119,750</u>

MDRA Debt:

<u>Type of Debt</u>	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2024</u>	<u>Due Within One Year</u>
Component Unit:					
Accrued Compensated Absences	\$ 3,440	\$ 2,294	\$ -	\$ 5,734	\$ 573
Total MDRA	<u>\$ 3,440</u>	<u>\$ 2,294</u>	<u>\$ -</u>	<u>\$ 5,734</u>	<u>\$ 573</u>

MIDA Debt (direct borrowings):

The MIDA issued the 2005 note payable to the Miami Area Economic Development Services, Inc, payable in monthly Installments of \$3,300 with interest at 5.00% due on demand \$43,279

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 26,665

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 8,313

Total debt outstanding – MIDA \$78,257

<u>Type of Debt</u>	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2024</u>	<u>Due Within One Year</u>
Component Unit:					
MIDA Note payable (direct borrowings)	\$ 144,006	\$ -	\$ 65,749	\$ 78,257	\$ -

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, 2019, 2014 CWSRF, and 2019 DWSRF promissory notes payable. Proceeds from the notes provided financing for capital assets. The notes are payable from net utility revenues and are payable through 2042. The total principal and interest payable for the remainder of the life of these notes is \$7,446,867. Net utility revenues received in the current year were \$8,977,495. Debt service payments of \$1,308,157 for the current fiscal year were 14.6% 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 \$31,609,681. Pledged sales taxes received in the current year were \$8,745,567. Net revenues and sales tax pledged during the year was \$17,723,062. Debt service payments of \$2,080,603 for the current fiscal year were 11.7% 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, 2024 net position restricted by enabling legislation totaled \$257,058.

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Fund Balance:

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

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

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

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

	General Fund	Other Governmental Funds	Total
Fund Balance:			
Restricted For:			
Police operations - grants	\$ -	\$ 79,845	\$ 79,845
General obligation debt service	-	207,042	207,042
Capital improvements	-	246,266	246,266
Street improvements	-	1,498,317	1,498,317
Culture and rec programs	-	335,250	335,250
Economic development	-	91,716	91,716
Grant fund	-	189,029	189,029
Police - drug programs	-	77,083	77,083
Sub-total restricted	-	2,724,548	2,724,548
Committed for:			
Street operations	-	105,639	105,639
Assigned for:			
Capital improvements	-	1,503,429	1,503,429
Demolition	299,236	-	299,236
Supplement next year's budget	2,332,796	-	2,332,796
Sub-total assigned	2,632,032	1,503,429	4,135,461
Unassigned	1,511,447	-	1,511,447
TOTAL FUND BALANCE	\$ 4,143,479	\$ 4,333,616	\$ 8,477,095

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, 2024, 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 <u>Compensation</u>	Health <u>Care</u>	Unemployment <u>Fund</u>	<u>Total</u>
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	<u>(73,252)</u>	<u>(1,519,252)</u>	<u>(8,605)</u>	<u>(1,601,109)</u>
Claim liability, June 30, 2023	\$ 487,108	\$ 74,876	\$ 576	\$ 562,560
Claims and changes in estimates	198,091	1,490,891	7,322	1,696,304
Claims payments	<u>(112,507)</u>	<u>(1,367,894)</u>	<u>(6,952)</u>	<u>(1,487,353)</u>
Claim liability, June 30, 2024	<u>\$ 572,692</u>	<u>\$ 197,873</u>	<u>\$ 946</u>	<u>\$ 771,511</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, 2024:

	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>
Deferred Outflows:					
Police Pension	\$ 1,070,430	\$	-	\$	1,070,430
Fire Pension	1,019,683		-		1,019,683
OkMRF	879,358		814,772		1,694,130
Total	<u>\$ 2,969,471</u>	<u>\$</u>	<u>814,772</u>	<u>\$</u>	<u>3,784,243</u>
Deferred Inflows:					
Police Pension	\$ 233,251	\$	-	\$	233,251
Fire Pension	340,867		-		340,867
OkMRF	246,585		270,120		516,705
Total	<u>\$ 820,703</u>	<u>\$</u>	<u>270,120</u>	<u>\$</u>	<u>1,090,823</u>
Net Pension Liability:					
Fire Pension	\$ 4,383,865	\$	-	\$	4,383,865
OkMRF	1,292,633		1,231,383		2,524,016
Total	<u>\$ 5,676,498</u>	<u>\$</u>	<u>1,231,383</u>	<u>\$</u>	<u>6,907,881</u>
Net Pension Asset:					
Police Pension	\$ 112,949	\$	-	\$	112,949
Total	<u>\$ 112,949</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>112,949</u>

Summary of Significant Accounting Policies

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

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

Oklahoma Municipal Retirement Plan (OkMRF) – Defined Benefit Plan

A. Plan Description

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

B. Eligibility Factors and Benefit Provisions

<u>Provision</u>	<u>As of 07/01/23 OkMRF Plan</u>
a. Eligible to participate	Full-time employees except police, firefighters and other employees who are covered under an approved system.
b. Period Required to Vest	7 years of credited service beginning September 1, 2019
c. Eligibility for Distribution	-Normal retirement at age 65 with 7 years of service -Early retirement at age 55 with 7 years of service -Disability retirement upon disability with 7 years of vesting (20 years of service) -Death benefit with 10 years of service for married employees
d. Benefit Determination Base	Final average salary - the average of the five highest consecutive annual salaries out of the last 10 calendar years of service

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

C. Employees Covered by Benefit Terms

Active Employees	129
Deferred Vested Former Employees	21
Retirees or Retiree Beneficiaries	<u>85</u>
Total	<u>235</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, 2023. For the year ended June 30, 2024, the City recognized \$869,627 of employer contributions to the plan which is in excess of the actuarially determined amount by \$181,664 based on covered payroll of \$6,558,265. Employees contribute 4.50% to the plan in accordance with the plan provisions adopted by the City Council. Employee contributions for fiscal 2024 were \$295,094.

Actuarial Assumptions

Date of Last Actuarial Valuation	July 1, 2023
a. Actuarial cost method	Entry age normal
b. Rate of Return on Investments and Discount Rate	7.50%
c. Projected Salary Increase	Varies between 7.42% and 4% based on age
d. Post Retirement cost-of-Living Increase	None

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e. Inflation Rate	2.75%
f. Mortality Table	UP 1994, with projected mortality improvement
g. Percent of married employees	100%
h. Spouse age difference	3 years (female spouses younger)
i. Turnover	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, 2023 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%	4.55%	1.14%
Small/mid cap stocks Russell 2500	10%	5.00%	0.50%
Long/short equity MSCI ACWI	5%	6.05%	0.30%
International stocks MSCI EAFE	25%	6.20%	1.24%
Fixed income bonds Barclay's Capital Aggregate	20%	2.55%	0.51%
Real estate NCREIF	15%	4.95%	0.74%
Cash equivalents 3 month Treasury	0%	15.00%	0.00%
TOTAL	<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, 2023 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, 2023 and the City's report ending date of June 30, 2024, 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>		
	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (a) - (b)
Balances Beginning of Year	<u>\$ 14,715,420</u>	<u>\$ 12,718,692</u>	<u>\$ 1,996,728</u>
Changes for the Year:			
Service cost	391,099	-	391,099
Interest expense	1,065,973	-	1,065,973
Experience losses (gains) - (amortized over avg remain svc period of actives & inactive)	40,086	-	40,086
Changes of assumptions	-	-	-
Contributions--City	-	795,247	(795,247)
Contributions--members	-	247,681	(247,681)
Net investment income	-	1,164,089	(1,164,089)
Benefits paid	(1,023,383)	(1,023,383)	-
Plan administrative expenses	-	(28,327)	28,327
Benefit changes due to plan amendments	1,208,820	-	1,208,820
Change in deferred contributions made subsequent to the measurement date	-	-	-
Net Changes	<u>1,682,595</u>	<u>1,155,307</u>	<u>527,288</u>
Balances End of Year	<u>\$ 16,398,015</u>	<u>\$ 13,873,999</u>	<u>\$ 2,524,016</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	\$ 4,543,479	\$ 2,524,016	\$ 854,477

The City reported \$1,336,524 in pension expense for the year ended June 30, 2024. At June 30, 2024, 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	\$ -	\$ 250,784
Net difference between projected and actual earnings	-	180,980
Changes in assumptions	724,682	-
Changes in proportion and differences between City contributions and proportionate share of contributions	65,057	65,079
City contributions during measurement date	34,764	19,862
City contributions subsequent to the measurement date	869,627	-
Total	\$ 1,694,130	\$ 516,705

The \$869,627 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, 2025. 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:	
2025	(130,370)
2026	(56,739)
2027	535,293
2028	(40,386)
2029	-
	\$ 307,798

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

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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 \$187,949. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$694,233 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 \$388,326. These on-behalf payments did not meet the criteria of a special funding situation.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2024, the City reported a liability of \$4,383,865 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. 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, 2023. Based upon this information, the City's proportion was .3398%.

For the year ended June 30, 2024, the City recognized pension expense of \$586,173. At June 30, 2024, 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	\$ 521,363	\$ 5,566
Changes of assumptions	-	7,029
Net difference between projected and actual earnings on pension plan investments	289,199	-
Changes in proportion	16,672	325,345
Contributions during the measurement date	4,500	2,927
Contributions subsequent to the measurement date	187,949	-
Total	\$ 1,019,683	\$ 340,867

In the year ending June 30, 2024, \$187,949 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:

2025	\$	121,609
2026		(2,278)
2027		414,141
2028		(42,605)
2029		-
Total	\$	490,867

Actuarial Assumptions- The total pension liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions, applied to all prior periods included in the measurement:

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

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

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013, to June 30, 2018.

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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, 2023, 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%	5.80%
Domestic equity	47%	9.49%
International equity	15%	11.55%
Real estate	10%	8.48%
Other assets	8%	6.47%

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	\$ 5,712,365	\$ 4,383,865	\$ 3,272,887

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

Oklahoma Police Pension – Statewide Cost Sharing Plan

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

Benefits provided - OPPRS provides retirement, disability, and death benefits to members of the plan. The normal retirement date under the Plan is the date upon which the participant completes 20 years of credited service, regardless of age. Participants become vested upon completing 10 years of credited service as a contributing participant of the Plan. No vesting occurs prior to completing 10 years of credited service.

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Participants' contributions are refundable, without interest, upon termination prior to normal retirement. Participants who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the participant is entitled to a monthly retirement benefit commencing on the date the participant reaches 50 years of age or the date the participant would have had 20 years of credited service had employment continued uninterrupted, whichever is later. Monthly retirement benefits are calculated at 2.5% of the final average salary (defined as the average paid base salary of the officer over the highest 30 consecutive months of the last 60 months of credited service) multiplied by the years of credited service, with a maximum of 30 years of credited service considered.

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

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

Contributions - The contributions requirements of the Plan are at an established rate determine by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 8% percent of their annual pay. Participating cities are required to contribute 13% of the employees' annual pay. Contributions to the pension plan from the City were \$171,951. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$180,713 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 \$164,416. 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, 2024, the City reported an asset of \$112,949 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2023. 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, 2023. Based upon this information, the City's proportion was .3698%.

For the year ended June 30, 2024, the City recognized pension expense of \$308,394. At June 30, 2024, 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	\$ 309,199	\$ 17,419
Changes of assumptions	-	210,832
Net difference between projected and actual earnings on pension plan investments	559,618	-
Changes in proportion	28,312	3,610
Contributions during measurement date	1,350	1,390
Contributions subsequent to the measurement date	171,951	-
Total	<u>\$ 1,070,430</u>	<u>\$ 233,251</u>

In the year ending June 30, 2024, \$171,951 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, or addition to, the net pension liability (asset) 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:		
	2025	\$ 111,581
	2026	7,169
	2027	440,988
	2028	104,232
	2029	1,258
	Total	<u>\$ 665,228</u>

Actuarial Assumptions-The total pension asset was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions, applied to all prior periods included in the measurement:

- Inflation: 2.75%
- Salary increases: 3.5% to 12% average, including inflation
- Investment rate of return: 7.5% net of pension plan investment expense
- Cost-of-living adjustments: Police officers eligible to receive increased benefits according to repealed Section 50-120 of Title 11 of the Oklahoma Statutes pursuant to a court order receive an adjustment of 1/3 to 1/2 of the increase or decrease of any adjustment to the base salary of a regular police officer, based on an increase in base salary of 3.5% (wage inflation).
- Mortality rates:
 - Active employees (pre-retirement) RP-2000 Blue Collar Healthy Combined table with age set back 4 years with fully generational improvement using Scale AA.
 - Active employees (post-retirement) and nondisabled pensioners: RP-2000 Blue Collar Healthy Combined table with fully generational improvement using scale AA.
 - Disabled pensioners: RP-2000 Blue Collar Healthy Combined table with age set forward 4 years.

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The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2017, to June 30, 2022.

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, 2023, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income	5.78%
Domestic equity	7.73%
International equity	11.55%
Real estate	7.66%
Private Equity	11.64%
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:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	\$ 1,066,427	\$ (112,949)	\$ (1,111,511)

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

City of Miami 457 Deferred Compensation Plan (DC Plan)

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

Funding Policy – DC Plan participants may contribute up to \$15,000 of eligible compensation per year. During the year ended June 30, 2024, employees contributed \$115,345 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, 2024. Separate audited financial statements are not available.

15. Postemployment Healthcare Plan

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

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

The amount of benefit payments during fiscal year June 30, 2024, were \$40,387.

Employees Covered by Benefit Terms

Active Employees	182
Inactive or beneficiaries receiving benefits	<u>5</u>
Total	<u>187</u>

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Total OPEB Liability – The total OPEB liability was determined based on an alternative measurement method valuation performed as of June 30, 2023, which is also the measurement date.

Actuarial Assumptions- The total OPEB liability in the June 30, 2023, valuation, was determined using the following actuarial assumptions:

- Actuarial Cost Method - Entry Age
- Discount Rate – 4.13% 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%
2065	4.50%
2070	4.20%
2075	3.94%

Changes in Total OPEB Liability -

	Total OPEB Liability
Balances at Beginning of Year	\$ 1,910,537
Changes for the Year:	
Service cost	131,374
Interest expense	78,141
Change in assumptions	49,839
Difference between expected and actual experience	(94,229)
Benefits paid	(40,387)
Net Changes	124,738
Balances End of Year	\$ 2,035,275

OPEB Liabilities, OPEB Expense (benefit), and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2024, the City recognized OPEB expense (benefit) of \$(133,577). At June 30, 2024, 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	\$ 43,743.00	\$ 587,537
Changes of assumptions	-	734,731
Changes in proportion	529,112	525,998
City Contributions during measurement date	9,862	9,954
Benefits paid subsequent to the measurement date	51,972	-
Total	\$ 634,689	\$ 1,858,220

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In the year ending June 30, 2024, \$51,972 reported as deferred outflows of resources 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 (benefit) as follows:

Year Ended June 30:	
2025	\$ (329,490)
2026	(288,470)
2027	(242,692)
2028	(178,918)
2029	(121,486)
Thereafter	(114,447)
	<u>\$ (1,275,503)</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 (3.13 percent) or 1- percentage-point higher (5.13 percent) than the current discount rate:

	Current Discount Rate		
	1% Decrease (3.13%)	(4.13%)	1% Increase (5.13%)
Employers' total OPEB liability	\$ 2,266,790	\$ 2,035,275	\$ 1,831,273

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 (4.94 percent decreasing to 2.94 percent) or 1- percentage point higher (6.94 percent decreasing to 4.94 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	\$ 1,804,874	\$ 2,035,275	\$ 2,308,882

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. 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.

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, 2024, since the specific legally required costs of retirement have not yet been identified. The City anticipates identifying those specific legally required costs, if any, 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, 2024

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budget basis)	Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 3,658,854	\$ 3,661,854	\$ 4,336,366	\$ 674,512
Resources (Inflows):				
Taxes	8,445,900	8,456,861	7,758,373	(698,488)
Intergovernmental	228,032	228,032	904,840	676,808
Licenses and permits	60,335	60,335	146,058	85,723
Charges for services	220,705	220,705	209,890	(10,815)
Fines and forfeitures	115,600	115,600	177,695	62,095
Investment income	10,800	10,800	23,332	12,532
Miscellaneous	44,200	48,494	299,423	250,929
Total Resources (Inflows)	<u>9,125,572</u>	<u>9,140,827</u>	<u>9,519,611</u>	<u>378,784</u>
Amounts available for appropriation	<u>12,784,426</u>	<u>12,802,681</u>	<u>13,855,977</u>	<u>1,053,296</u>
Charges to Appropriations (Outflows):				
General Government				
Municipal Court	185,213	190,688	188,346	2,342
General Government	871,988	834,413	620,492	213,921
Human Resources	351,700	351,781	315,124	36,657
Legal	129,830	129,830	105,902	23,928
Public Safety				
Police	2,856,153	2,819,451	2,566,955	252,496
Fire	2,334,708	2,319,408	2,030,633	288,775
Emergency Management	53,438	70,136	70,064	72
Police Communications	764,177	762,777	706,810	55,967
Code Compliance	217,539	199,535	152,463	47,072
Risk Management	1,040,199	1,040,199	902,149	138,050
Public Works and Streets				
Streets	902,706	902,706	772,493	130,213
Cemetery	378,228	378,235	323,098	55,137
Facilities	339,867	340,537	304,576	35,961
Animal Control	257,705	262,209	207,858	54,351
Culture and Recreation				
Sports	334,437	334,437	248,825	85,612
Parks	709,427	698,927	548,954	149,973
Swimming Pool	197,908	211,408	140,210	71,198
Library	601,995	602,470	553,255	49,215
Total Charges to Appropriations	<u>12,527,218</u>	<u>12,449,147</u>	<u>10,758,207</u>	<u>1,690,940</u>
Other financing sources (uses)				
Transfers from other funds	8,575,342	8,605,715	9,238,261	632,546
Transfers to other funds	(8,724,475)	(8,852,049)	(8,745,567)	106,482
Total other financing sources (uses)	<u>(149,133)</u>	<u>(246,334)</u>	<u>492,694</u>	<u>739,028</u>
Ending Budgetary Fund Balance	<u>\$ 108,075</u>	<u>\$ 107,200</u>	<u>\$ 3,590,464</u>	<u>\$ 3,483,264</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:

	<u>Fund Balance June 30, 2023</u>	<u>Net Change in Fund Balance</u>	<u>Fund Balance June 30, 2024</u>
Budget to GAAP Reconciliation:			
Fund Balance - GAAP Basis	4,840,076	(\$696,597)	\$4,143,479
Increases (Decreases):			
Revenues:			
Receivable from other governments and entities	(981,175)	3,628	(977,547)
Accounts receivable	(256,728)	(19,122)	(275,850)
State on behalf pension payments	(589,122)	(105,111)	(694,233)
Combining accounts	(466,825)	(10,259)	(477,084)
Expenditures:			
Accrued payroll	122,209	32,688	154,897
Other expenditures	1,078,809	(56,240)	1,022,569
State on behalf pension payments	589,122	105,111	694,233
Fund Balance - Budgetary Basis	<u>\$4,336,366</u>	<u>(\$745,902)</u>	<u>\$3,590,464</u>

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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**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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%	0.339800%
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	\$ 4,383,865
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	\$ 1,303,779
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%	336%
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%	70.90%

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

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statutorily required contribution	\$ 160,255	\$ 162,264	\$ 165,905	\$ 169,204	\$ 170,934	\$ 168,865	\$ 173,054	\$ 175,750	\$ 177,580	\$ 187,949
Contributions in relation to the statutorily required contribution	160,255	162,264	165,905	169,204	170,934	168,865	173,054	175,750	177,580	187,949
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ 1,289,196
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%	14.58%

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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	2024
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%	0.3698%
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)	\$ (112,949)
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	\$ 1,339,404
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%	8.43%
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%	101.02%

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

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statutorily required contribution	\$ 145,903	\$ 156,178	\$ 152,094	\$ 162,102	\$ 166,813	\$ 167,131	\$ 171,661	\$ 179,197	\$ 180,888	\$ 171,951
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	171,951
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	\$ 1,322,694
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%	13.00%

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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	2024
Total pension liability										
Service cost	\$ 276,403	\$ 308,701	\$ 344,545	\$ 330,866	\$ 283,926	\$ 346,075	\$ 345,024	\$ 390,061	\$ 389,967	\$ 391,099
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	1,065,973
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)	40,086
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)	(1,023,384)
Benefit changes due to plan amendments	-	-	-	-	-	35,013	-	-	-	1,208,820
Net change in total pension liability	314,028	441,796	250,721	111,440	(272,102)	369,697	195,858	(182,423)	(78,245)	1,682,594
Total pension liability - beginning	13,564,650	13,878,678	14,320,474	14,571,195	14,682,635	14,410,533	14,780,230	14,976,088	14,793,665	14,715,420
Total pension liability - ending (a)	\$ 13,878,678	\$ 14,320,474	\$ 14,571,195	\$ 14,682,635	\$ 14,410,533	\$ 14,780,230	\$ 14,976,088	\$ 14,793,665	\$ 14,715,420	\$ 16,398,014
Plan fiduciary net position										
Contributions - employer	\$ 569,542	\$ 618,748	\$ 640,172	\$ 650,799	\$ 635,453	\$ 646,533	\$ 657,276	\$ 697,806	\$ 703,506	\$ 795,247
Contributions - member	166,578	175,420	181,046	183,989	179,680	182,834	185,855	197,343	198,934	247,681
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)	1,164,089
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)	(1,023,383)
Administrative expense	(20,151)	(19,533)	(18,698)	(20,154)	(21,162)	(22,670)	(23,361)	(23,726)	(25,220)	(28,327)
Net change in plan fiduciary net position	1,081,902	30,117	(78,876)	871,926	473,880	550,354	262,965	3,059,623	(1,970,557)	1,155,307
Plan fiduciary net position - beginning	8,437,357	9,519,259	9,549,376	9,470,500	10,342,425	10,816,305	11,366,659	11,629,624	14,689,248	12,718,691
Plan fiduciary net position - ending (b)	\$ 9,519,259	\$ 9,549,376	\$ 9,470,500	\$ 10,342,426	\$ 10,816,305	\$ 11,366,659	\$ 11,629,624	\$ 14,689,247	\$ 12,718,691	\$ 13,873,998
Net pension liability - ending (a) - (b)	\$ 4,359,419	\$ 4,771,098	\$ 5,100,695	\$ 4,340,209	\$ 3,594,228	\$ 3,413,571	\$ 3,346,464	\$ 104,418	\$ 1,996,729	\$ 2,524,016
Plan fiduciary net position as a percentage of the total pension liability	68.59%	66.68%	64.99%	70.44%	75.06%	76.90%	77.65%	99.29%	86.43%	84.61%
Covered employee payroll	\$ 4,356,987	\$ 4,742,831	\$ 4,657,554	\$ 4,735,571	\$ 4,920,014	\$ 4,576,812	\$ 5,258,704	\$ 5,505,289	\$ 5,284,267	\$ 6,012,867
Net pension liability as a percentage of covered-employee payroll	100.06%	100.60%	109.51%	91.65%	73.05%	74.58%	63.64%	1.90%	37.79%	41.98%

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

**Required Supplementary Information
Oklahoma Municipal Retirement Fund**

Schedule of Employer Contributions

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contribution	\$ 616,160	\$ 643,059	\$ 592,589	\$ 590,967	\$ 512,617	\$ 518,316	\$ 551,638	\$ 577,505	\$ 630,750	\$ 687,962
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	869,627
Contribution deficiency (excess)	\$ -	\$ -	\$ (31,044)	\$ (44,586)	\$ (134,745)	\$ (136,866)	\$ (145,666)	\$ (152,497)	\$ (166,506)	\$ (181,665)
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	\$ 6,558,265
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%	13.26%

Notes to Schedule:

1. Latest Valuation Date: July 1, 2023
2. Actuarially determined contribution rate is calculated as of July 1, 2023
July 2023 through June 2024 contributions were at a rate of 9.45%.
3. Methods and assumptions used to determine contribution rates:
Actuarial cost method - Entry age normal
Amortization method - Level percent of payroll, closed
Remaining amortization period - 29 years
Asset valuation method - Actuarial:
Smoothing period - 4 years
Recognition method - Non-asymptotic
Corridor - 70% - 130%
Salary increases - 4.00% to 7.42% (varies by attained age)
Investment rate of return - 7.50%

CITY OF MIAMI, OKLAHOMA
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Required Supplementary Information – OPEB

Schedule of Changes in Total OPEB Liability and Related Ratios

Postemployment Health Insurance Implicit Rate Subsidy Plan

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total OPEB Liability							
Service cost	\$ 233,167	\$ 206,592	\$ 180,562	\$ 182,138	\$ 182,230	\$ 177,611	\$ 131,374
Interest	91,262	125,031	120,692	96,946	54,855	51,676	78,141
Change of benefit terms	-	-	-	-	107,385	-	-
Changes in assumptions	(280,566)	(378,465)	(162,177)	(237,748)	(42,145)	(182,051)	49,839
Differences between expected and actual experience	(78,120)	(103,265)	(99,477)	(91,824)	(90,502)	(79,782)	(40,387)
Benefit payments	(34,257)	(167,222)	(348,793)	(287,786)	(89,704)	(481,864)	124,738
Net change in total OPEB liability	<u>(34,257)</u>	<u>(167,222)</u>	<u>(348,793)</u>	<u>(287,786)</u>	<u>(89,704)</u>	<u>(481,864)</u>	<u>124,738</u>
Balances at Beginning of Year	<u>3,320,163</u>	<u>3,285,906</u>	<u>3,118,684</u>	<u>2,769,891</u>	<u>2,482,105</u>	<u>2,392,401</u>	<u>1,910,537</u>
Balances End of Year	<u>\$ 3,285,906</u>	<u>\$ 3,118,684</u>	<u>\$ 2,769,891</u>	<u>\$ 2,482,105</u>	<u>\$ 2,392,401</u>	<u>\$ 1,910,537</u>	<u>\$ 2,035,275</u>
Covered employee payroll	\$ 7,400,000	\$ 7,310,000	\$ 7,011,000	\$ 7,564,000	\$ 7,458,000	\$ 7,735,000	\$ 7,903,000
Total OPEB liability as a percentage of covered-employee payroll	44.40%	42.66%	39.51%	32.81%	32.08%	24.70%	25.75%

Notes to Schedule:

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

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OTHER SUPPLEMENTARY INFORMATION

CITY OF MIAMI, OKLAHOMA
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Combining Balance Sheet – General Fund Accounts - June 30, 2024

	<u>General Fund</u>	<u>Municipal Court Account</u>	<u>Travel Information Center Account</u>	<u>MCVB & Tourism Account</u>	<u>Demolition Account</u>	<u>Total General Fund</u>
ASSETS						
Cash and cash equivalents	\$ 2,805,062	\$ 20,046	\$ -	\$ 154,511	\$ 272,761	\$ 3,252,380
Investments	-	-	-	-	-	-
Receivables:						
Accounts receivable	275,850	-	-	4,475	21,398	301,723
Due from other funds	87,654	-	-	-	-	87,654
Due from other accounts	11,466	-	-	-	-	11,466
Receivable from other governments	977,547	-	-	20,183	5,077	1,002,807
Other receivables	-	-	7,500	-	-	7,500
Total assets	<u>\$ 4,157,579</u>	<u>\$ 20,046</u>	<u>\$ 7,500</u>	<u>\$ 179,169</u>	<u>\$ 299,236</u>	<u>\$ 4,663,530</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 132,044	\$ 8,385	\$ (410)	\$ 5,036	\$ -	\$ 145,055
Wages payable	154,897	-	-	4,390	-	159,287
Due to other funds	86,262	-	-	-	-	86,262
Due to other accounts	-	11,466	-	-	-	11,466
Total liabilities	<u>373,203</u>	<u>19,851</u>	<u>(410)</u>	<u>9,426</u>	<u>-</u>	<u>402,070</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	117,981	-	-	-	-	117,981
Fund balances:						
Assigned	2,332,796	-	-	-	299,236	2,632,032
Unassigned	1,333,599	195	7,910	169,743	-	1,511,447
Total fund balances	<u>3,666,395</u>	<u>195</u>	<u>7,910</u>	<u>169,743</u>	<u>299,236</u>	<u>4,143,479</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,157,579</u>	<u>\$ 20,046</u>	<u>\$ 7,500</u>	<u>\$ 179,169</u>	<u>\$ 299,236</u>	<u>\$ 4,663,530</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, 2024

	<u>General Fund</u>	<u>Municipal Court Account</u>	<u>Travel Information Center Account</u>	<u>MCVB & Tourism Account</u>	<u>Demolition Account</u>	<u>Total General Fund</u>
REVENUES						
Taxes	\$ 7,553,296	\$ -	\$ -	\$ 205,077	\$ -	\$ 7,758,373
Intergovernmental	904,840	-	-	-	-	904,840
Charges for services	193,671	-	-	16,219	-	209,890
Fines and forfeitures	150,136	-	-	-	27,559	177,695
Licenses and permits	160,570	-	-	-	(14,512)	146,058
Investment income	23,332	-	-	-	-	23,332
Miscellaneous	267,157	-	-	32,266	-	299,423
Total revenues	<u>9,253,002</u>	<u>-</u>	<u>-</u>	<u>253,562</u>	<u>13,047</u>	<u>9,519,611</u>
EXPENDITURES						
Current:						
General government	1,438,252	-	-	-	5,259	1,443,511
Public safety	7,068,253	-	-	-	-	7,068,253
Public works and streets	1,612,893	-	-	-	-	1,612,893
Culture and recreation	1,498,100	-	-	-	-	1,498,100
Economic development	-	-	-	463,837	-	463,837
Debt Service:						
Principal	165,862	-	-	-	-	165,862
Interest and fiscal charges	13,876	-	-	-	-	13,876
Total expenditures	<u>11,797,236</u>	<u>-</u>	<u>-</u>	<u>463,837</u>	<u>5,259</u>	<u>12,266,332</u>
Excess (deficiency) of revenues over expenditures	<u>(2,544,234)</u>	<u>-</u>	<u>-</u>	<u>(210,275)</u>	<u>7,788</u>	<u>(2,746,721)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in - interaccount	-	-	-	162,746	-	162,746
Transfers out - interaccount	(162,746)	-	-	-	-	(162,746)
Transfers in	10,745,691	-	-	-	50,000	10,795,691
Transfers out	(8,745,567)	-	-	-	-	(8,745,567)
Total other financing sources and uses	<u>1,837,378</u>	<u>-</u>	<u>-</u>	<u>162,746</u>	<u>50,000</u>	<u>2,050,124</u>
Net change in fund balances	(706,856)	-	-	(47,529)	57,788	(696,597)
Fund balances - beginning	4,373,251	195	7,910	217,272	241,448	4,840,076
Fund balances - ending	<u>\$ 3,666,395</u>	<u>\$ 195</u>	<u>\$ 7,910</u>	<u>\$ 169,743</u>	<u>\$ 299,236</u>	<u>\$ 4,143,479</u>

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Combining Balance Sheet - Non-Major Governmental Funds - June 30, 2024

	SPECIAL REVENUE FUNDS						
	FISHING LICENSE FUND	STREET AND ALLEY	DRUG FORFEITURE FUND	PARKS AND RECREATION PROGRAM	GRANT AND DONATION FUND	MDA-HOUSING CONSTRUCTION FUND	POLICE GRANTS
ASSETS							
Cash and cash equivalents	\$ 77,192	\$ 112,759	\$ 77,083	\$ 261,435	\$ 247,945	\$ 91,716	\$ 79,845
Accounts receivable	1,000	-	-	-	2,070	-	-
Due from other governments	-	11,145	-	-	10,000	-	-
Due from other funds	-	38,404	-	-	-	-	-
Total assets	<u>\$ 78,192</u>	<u>\$ 162,308</u>	<u>\$ 77,083</u>	<u>\$ 261,435</u>	<u>\$ 260,015</u>	<u>\$ 91,716</u>	<u>\$ 79,845</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ -	\$ 56,669	\$ -	\$ 2,596	\$ 5,204	\$ -	\$ -
Wages payable	-	-	-	1,781	-	-	-
Total liabilities	<u>-</u>	<u>56,669</u>	<u>-</u>	<u>4,377</u>	<u>5,204</u>	<u>-</u>	<u>-</u>
Deferred Inflows:							
Unavailable revenue	-	-	-	-	65,782	-	-
Fund balances:							
Restricted	78,192	-	77,083	257,058	189,029	91,716	79,845
Committed	-	105,639	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Total fund balances	<u>78,192</u>	<u>105,639</u>	<u>77,083</u>	<u>257,058</u>	<u>189,029</u>	<u>91,716</u>	<u>79,845</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 78,192</u>	<u>\$ 162,308</u>	<u>\$ 77,083</u>	<u>\$ 261,435</u>	<u>\$ 260,015</u>	<u>\$ 91,716</u>	<u>\$ 79,845</u>

(continued)

CITY OF MIAMI, OKLAHOMA
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Combining Balance Sheet - Non-Major Governmental Funds - June 30, 2024, 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	
ASSETS								
Cash and cash equivalents	\$ 134,013	\$ 207,043	\$ 92,839	\$ 1,447,541	\$ 1,301,082	\$ 111,386	\$ 42,041	\$ 4,283,920
Accounts receivable	-	-	-	94,228	-	-	-	97,298
Due from other governments	-	55,409	-	-	197,352	-	-	273,906
Due from other funds	-	-	-	6,657	-	-	-	45,061
Total assets	<u>\$ 134,013</u>	<u>\$ 262,452</u>	<u>\$ 92,839</u>	<u>\$ 1,548,426</u>	<u>\$ 1,498,434</u>	<u>\$ 111,386</u>	<u>\$ 42,041</u>	<u>\$ 4,700,185</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 21,085	\$ -	\$ -	\$ 6,593	\$ 117	\$ -	\$ -	\$ 92,264
Wages payable	-	-	-	-	-	-	-	1,781
Total liabilities	<u>21,085</u>	<u>-</u>	<u>-</u>	<u>44,997</u>	<u>117</u>	<u>-</u>	<u>-</u>	<u>132,449</u>
Deferred Inflows:								
Unavailable revenue	<u>112,928</u>	<u>55,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>234,120</u>
Fund balances:								
Restricted	-	207,042	92,839	-	1,498,317	111,386	42,041	2,724,548
Committed	-	-	-	-	-	-	-	105,639
Assigned	-	-	-	1,503,429	-	-	-	1,503,429
Total fund balances	<u>-</u>	<u>207,042</u>	<u>92,839</u>	<u>1,503,429</u>	<u>1,498,317</u>	<u>111,386</u>	<u>42,041</u>	<u>4,333,616</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 134,013</u>	<u>\$ 262,452</u>	<u>\$ 92,839</u>	<u>\$ 1,548,426</u>	<u>\$ 1,498,434</u>	<u>\$ 111,386</u>	<u>\$ 42,041</u>	<u>\$ 4,700,185</u>

CITY OF MIAMI, OKLAHOMA
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As of and for the Year Ended June 30, 2024

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – Year Ended June 30, 2024

	SPECIAL REVENUE FUNDS						
	FISHING LICENSE FUND	STREET AND ALLEY	DRUG FORFEITURE FUND	PARKS AND RECREATION PROGRAM	GRANT AND DONATION FUND	MDA-HOUSING CONSTRUCTION FUND	POLICE GRANTS
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,000	107,505	48,267	-	199,321	-	-
Charges for services	-	-	-	54,143	-	-	-
Investment income	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	188,933	-	1,550
Total revenues	<u>1,000</u>	<u>107,505</u>	<u>48,267</u>	<u>54,143</u>	<u>388,254</u>	<u>-</u>	<u>1,550</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	2,684	-	-
Public safety	-	-	4,199	-	186,580	-	58,887
Public works	-	595,823	-	-	3,545	-	-
Culture and recreation	8,200	-	-	21,907	185,968	-	-
Capital Outlay	-	-	42,751	-	-	-	-
Debt Service							
Principal retirement	-	116,762	-	-	-	-	-
Interest and fiscal charges	-	6,773	-	-	-	-	-
Total Expenditures	<u>8,200</u>	<u>719,358</u>	<u>46,950</u>	<u>21,907</u>	<u>378,777</u>	<u>-</u>	<u>58,887</u>
Revenues over (under) expenditures	(7,200)	(611,853)	1,317	32,236	9,477	-	(57,337)
OTHER FINANCING SOURCES (USES)							
Debt proceeds	-	-	-	-	-	-	-
Transfers in	-	500,000	-	-	-	-	-
Transfers out	-	-	-	-	(1,618,387)	-	-
Total other financing sources (uses)	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>(1,618,387)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(7,200)	(111,853)	1,317	32,236	(1,608,910)	-	(57,337)
Fund balances - beginning	85,392	217,492	75,766	224,822	1,797,939	91,716	137,182
Fund balances - ending	<u>\$ 78,192</u>	<u>\$ 105,639</u>	<u>\$ 77,083</u>	<u>\$ 257,058</u>	<u>\$ 189,029</u>	<u>\$ 91,716</u>	<u>\$ 79,845</u>

(continued)

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – Year Ended June 30, 2024,
Continued

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	CAPITAL PROJECT FUNDS					
	S&L RECOVERY FUND	G.O. BOND SINKING FUND	CEMETERY CARE	CAPITAL IMPROVEMENT FUND	STREET AND STADIUM PROJECT FUND	POOL IMPROVEMENT FUND		
REVENUES								
Taxes	\$ -	\$ 8,673	\$ -	\$ 900,140	\$ 1,557,136	\$ -	\$ -	\$ 2,465,949
Intergovernmental	673,169	-	-	-	-	-	-	1,029,262
Charges for services	-	-	9,083	-	-	61,052	-	124,278
Investment earnings	-	-	-	1,545	16,307	-	-	17,852
Miscellaneous	-	-	-	537,060	-	-	-	727,543
Total revenues	<u>673,169</u>	<u>8,673</u>	<u>9,083</u>	<u>1,438,745</u>	<u>1,573,443</u>	<u>61,052</u>	<u>-</u>	<u>4,364,884</u>
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	2,684
Public safety	-	-	-	-	-	-	-	249,666
Public works	-	-	-	-	642,027	-	-	1,241,395
Culture and recreation	-	-	-	400,000	-	20,867	-	636,942
Capital Outlay	673,169	-	-	1,220,358	57,687	-	-	1,993,965
Debt Service								
Principal retirement	-	-	-	85,547	485,000	-	-	687,309
Interest and fiscal charges	-	-	-	17,143	513,687	-	-	537,603
Total Expenditures	<u>673,169</u>	<u>-</u>	<u>-</u>	<u>1,723,048</u>	<u>1,698,401</u>	<u>20,867</u>	<u>-</u>	<u>5,349,564</u>
Excess (deficiency) of revenues over expenditures	-	8,673	9,083	(284,303)	(124,958)	40,185	-	(984,680)
OTHER FINANCING SOURCES (USES)								
Debt proceeds	-	-	-	937,149	-	-	-	937,149
Transfers in	-	-	-	-	-	-	-	500,000
Transfers out	-	-	-	-	-	-	-	(1,618,387)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>937,149</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(181,238)</u>
Net change in fund balances	-	8,673	9,083	652,846	(124,958)	40,185	-	(1,165,918)
Fund balances - beginning	-	198,369	83,756	850,583	1,623,275	71,201	42,041	5,499,534
Fund balances - ending	<u>\$ -</u>	<u>\$ 207,042</u>	<u>\$ 92,839</u>	<u>\$ 1,503,429</u>	<u>\$ 1,498,317</u>	<u>\$ 111,386</u>	<u>\$ 42,041</u>	<u>\$ 4,333,616</u>

CITY OF MIAMI, OKLAHOMA
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Combining Schedule of Net Position – Special Utility Authority Accounts – June 30, 2024

Miami Special Utility Authority Accounts						
	Public Utilities	Utility Improvement Account	Stormwater Account	Rainy Day Account	Grant & Donations Account	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 6,336,613	\$ 1,110,755	\$ 650,745	\$ 4,177,292	\$ 600,000	\$ 12,875,405
Cash and cash equivalents, restricted	556,565	2,191,709	-	-	-	2,748,274
Investments	-	-	-	1,509,825	-	1,509,825
Accounts receivable, net	3,925,348	-	134	-	-	3,925,482
Leases receivables	18,694	-	-	-	-	18,694
Other receivable	436	-	-	-	-	436
Inventory	1,657,238	-	-	-	-	1,657,238
Due from other accounts	1,525,673	-	-	-	1,608,949	3,134,622
Due from other funds	50,012	-	-	-	-	50,012
Total current assets	<u>14,070,579</u>	<u>3,302,464</u>	<u>650,879</u>	<u>5,687,117</u>	<u>2,208,949</u>	<u>25,919,988</u>
Non-current assets:						
Cash and cash equivalents, restricted	1,195	-	-	-	-	1,195
Leases receivables	193,217	-	-	-	-	193,217
Capital assets:						
Land, construction in progress, and water rights	2,095,213	-	-	-	-	2,095,213
Other capital assets, net of accumulated depreciation	29,015,066	-	-	-	-	29,015,066
Total non-current assets	<u>31,304,691</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,304,691</u>
Total assets	<u>45,375,270</u>	<u>3,302,464</u>	<u>650,879</u>	<u>5,687,117</u>	<u>2,208,949</u>	<u>57,224,679</u>
DEFERRED OUTFLOW OF RESOURCES						
Deferred amounts related to pension	814,772	-	-	-	-	814,772
Deferred amounts related to OPEB	166,041	-	-	-	-	166,041
Deferred amounts related to GRDA settlement	99,788	-	-	-	-	99,788
Total deferred outflow of resources	<u>1,080,601</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,080,601</u>
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	2,043,790	-	-	-	-	2,043,790
Wages payable	71,524	-	-	-	-	71,524
Due to other accounts	1,608,949	1,197,259	328,414	-	-	3,134,622
Due to other funds	86,341	-	-	-	-	86,341
Accrued interest payable	13,999	78,406	-	-	-	92,405
Accrued compensated absences	22,149	-	92	-	-	22,241
Unearned revenue	1,022,334	-	-	-	-	1,022,334
Refundable deposits	29,148	-	-	-	-	29,148
Revenue bond payable	-	500,000	-	-	-	500,000
Notes payable	1,951,068	-	-	-	-	1,951,068
Total current liabilities	<u>6,849,302</u>	<u>1,775,665</u>	<u>328,506</u>	<u>-</u>	<u>-</u>	<u>8,953,473</u>
Non-current liabilities:						
Accrued compensated absences	199,338	-	826	-	-	200,164
Net pension liability	1,231,383	-	-	-	-	1,231,383
Total OPEB liability	607,820	-	-	-	-	607,820
Refundable deposits	262,335	-	-	-	-	262,335
Revenue bond payable	-	5,255,000	-	-	-	5,255,000
Notes payable, net	3,591,196	-	-	-	-	3,591,196
Total non-current liabilities	<u>5,892,072</u>	<u>5,255,000</u>	<u>826</u>	<u>-</u>	<u>-</u>	<u>11,147,898</u>
Total liabilities	<u>12,741,374</u>	<u>7,030,665</u>	<u>329,332</u>	<u>-</u>	<u>-</u>	<u>20,101,371</u>
DEFERRED INFLOW OF RESOURCES						
Deferred amounts related to leases	211,302	-	-	-	-	211,302
Deferred amounts related to pensions	270,120	-	-	-	-	270,120
Deferred amounts related to OPEB	793,291	-	-	-	-	793,291
Total deferred inflow of resources	<u>1,274,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,274,713</u>
NET POSITION						
Net investment in capital assets	28,131,570	(4,113,184)	-	-	-	24,018,386
Restricted for debt service	53	549,866	-	-	-	549,919
Restricted for other purposes	-	-	-	-	2,208,949	2,208,949
Unrestricted (deficit)	4,308,161	(164,883)	321,547	5,687,117	-	10,151,942
Total net position	<u>\$ 32,439,784</u>	<u>\$ (3,728,201)</u>	<u>\$ 321,547</u>	<u>\$ 5,687,117</u>	<u>\$ 2,208,949</u>	<u>\$ 36,929,196</u>

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
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Combining Schedule of Revenues, Expenses and Changes in Net Position – Special Utility Authority
Accounts - Year Ended June 30, 2024

	Miami Special Utility Authority Accounts				Grant & Donations Account	Total
	Public Utilities	Utility Improvement Account	Stormwater Account	Rainy Day Account		
REVENUES						
Charges for services	\$ 29,119,685	\$ -	\$ -	\$ -	\$ -	\$ 29,119,685
Fees, licenses and permits	-	-	132,120	-	-	132,120
Miscellaneous	1,031,398	-	-	-	27,256	1,058,654
Total operating revenues	<u>30,151,083</u>	<u>-</u>	<u>132,120</u>	<u>-</u>	<u>27,256</u>	<u>30,310,459</u>
OPERATING EXPENSES						
Personal services	4,876,289	-	75,614	-	57,460	5,009,363
Materials and supplies	13,934,950	-	1,955	-	-	13,936,905
Other services and charges	4,314,094	-	14,997	-	-	4,329,091
Depreciation expense	2,611,614	-	-	-	-	2,611,614
Total operating expenses	<u>25,736,947</u>	<u>-</u>	<u>92,566</u>	<u>-</u>	<u>57,460</u>	<u>25,886,973</u>
Operating income (loss)	<u>4,414,136</u>	<u>-</u>	<u>39,554</u>	<u>-</u>	<u>(30,204)</u>	<u>4,423,486</u>
NON-OPERATING REVENUES (EXPENSES)						
Investment income	17,349	97,801	-	93,956	-	209,106
Miscellaneous	200,402	-	-	11,695	-	212,097
Interest expense and fiscal charges	(135,404)	(192,888)	-	-	-	(328,292)
Total non-operating revenue (expenses)	<u>82,347</u>	<u>(95,087)</u>	<u>-</u>	<u>105,651</u>	<u>-</u>	<u>92,911</u>
Income (loss) before and transfers	<u>4,496,483</u>	<u>(95,087)</u>	<u>39,554</u>	<u>105,651</u>	<u>(30,204)</u>	<u>4,516,397</u>
Transfers in, interaccount	-	691,708	-	372,232	635,890	1,699,830
Transfers out, interaccount	(1,677,158)	(22,672)	-	-	-	(1,699,830)
Transfers in	8,745,567	-	-	-	1,603,263	10,348,830
Transfers out	(11,280,567)	-	-	(300,000)	-	(11,580,567)
Change in net position	<u>284,325</u>	<u>573,949</u>	<u>39,554</u>	<u>177,883</u>	<u>2,208,949</u>	<u>3,284,660</u>
Total net position - beginning	<u>32,155,459</u>	<u>(4,302,150)</u>	<u>281,993</u>	<u>5,509,234</u>	<u>-</u>	<u>33,644,536</u>
Total net position - ending	<u>\$ 32,439,784</u>	<u>\$ (3,728,201)</u>	<u>\$ 321,547</u>	<u>\$ 5,687,117</u>	<u>\$ 2,208,949</u>	<u>\$ 36,929,196</u>

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024**

Combining Schedule of Cash Flows – Special Utility Authority Accounts - Year Ended June 30, 2024

	Miami Special Utility Authority Accounts				Grant & Donations Account	Total
	Public Utilities	Utility Improvement Account	Stormwater Account	Rainy Day Account		
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 30,127,490	\$ -	\$ 131,986	\$ 11,695	\$ 27,256	\$ 30,298,427
Payments to suppliers	(18,185,600)	(515,367)	(16,952)	-	(57,460)	(18,775,379)
Payments to employees	(4,754,541)	-	(74,972)	-	-	(4,829,513)
Receipts from other funds and accounts	-	1,197,259	17,084	-	-	1,214,343
Payments to other funds and accounts	905,205	-	-	-	(1,608,949)	(703,744)
Receipts of customer meter deposits	115,936	-	-	-	-	115,936
Refunds of customer meter deposits	(132,325)	-	-	-	-	(132,325)
Net cash provided by (used in) operating activities	8,076,165	681,892	57,146	11,695	(1,639,153)	7,187,745
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers from other funds	8,745,567	-	-	-	1,603,263	10,348,830
Transfers to other funds	(11,280,567)	-	-	(300,000)	-	(11,580,567)
Interaccount transfer in	-	691,708	-	372,232	635,890	1,699,830
Interaccount transfer out	(1,677,158)	(22,672)	-	-	-	(1,699,830)
Net cash provided by (used in) noncapital financing activities	(4,212,158)	669,036	-	72,232	2,239,153	(1,231,737)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital assets purchased	(2,260,692)	-	-	-	-	(2,260,692)
Principal paid on debt	(1,916,006)	(485,000)	-	-	-	(2,401,006)
Interest and fiscal agent fees paid on debt	(146,274)	(198,950)	-	-	-	(345,224)
Net cash provided by (used in) capital and related financing activities	(4,322,972)	(683,950)	-	-	-	(5,006,922)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends	17,349	97,801	-	56,514	-	171,664
Net cash provided by investing activities	17,349	97,801	-	56,514	-	171,664
Net increase (decrease) in cash and cash equivalents	(441,616)	764,779	57,146	140,441	600,000	1,120,750
Balances - beginning of year	7,335,989	2,537,685	593,599	4,036,851	-	14,504,124
Balances - end of year	\$ 6,894,373	\$ 3,302,464	\$ 650,745	\$ 4,177,292	\$ 600,000	\$ 15,624,874
Reconciliation to Statement of Net Position:						
Cash and cash equivalents	\$ 6,336,613	\$ 1,110,755	\$ 650,745	\$ 4,177,292	\$ 600,000	\$ 12,875,405
Restricted cash and cash equivalents - current	556,565	2,191,709	-	-	-	2,748,274
Restricted cash and cash equivalents - noncurrent	1,195	-	-	-	-	1,195
Total cash and cash equivalents, end of year	\$ 6,894,373	\$ 3,302,464	\$ 650,745	\$ 4,177,292	\$ 600,000	\$ 15,624,874
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 4,414,136	\$ -	\$ 39,554	\$ -	\$ (30,204)	\$ 4,423,486
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation expense	2,611,614	-	-	-	-	2,611,614
Other nonoperating revenue	200,402	-	-	11,695	-	212,097
Change in assets, liabilities and deferrals:						
Receivables, net	63,139	-	(134)	-	-	63,005
Leases receivable	18,582	-	-	-	-	18,582
Due from other funds	905,205	-	-	-	-	905,205
Inventory	152,847	-	-	-	-	152,847
Deferred outflows related to pension	208,081	-	-	-	-	208,081
Deferred outflows related to OPEB	22,478	-	-	-	-	22,478
Accounts payable	(89,403)	(515,367)	-	-	-	(604,770)
Due to other funds and accounts	-	1,197,259	17,084	-	(1,608,949)	(394,606)
Due to employees	15,108	-	-	-	-	15,108
Unearned revenue	(305,716)	-	-	-	-	(305,716)
Refundable deposits	(16,389)	-	-	-	-	(16,389)
Total OPEB liability	(128,533)	-	-	-	-	(128,533)
Net pension obligation	201,746	-	-	-	-	201,746
Accrued compensated absences	10,769	-	642	-	-	11,411
Deferred inflows related to OPEB	(1,243)	-	-	-	-	(1,243)
Deferred inflows related to leases	(19,209)	-	-	-	-	(19,209)
Deferred inflows related to pension	(187,449)	-	-	-	-	(187,449)
Net cash provided by (used in) operating activities	\$ 8,076,165	\$ 681,892	\$ 57,146	\$ 11,695	\$ (1,639,153)	\$ 7,187,745
Noncash activities:						
Assets acquired with debt	\$ 1,344,433	-	-	-	-	1,344,433
	\$ 1,344,433	\$ -	\$ -	\$ -	\$ -	\$ 1,344,433

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Combining Statement of Net Position – Internal Service Funds – June 30, 2024

	<u>Internal Service Funds</u>			<u>Total</u>
	<u>Worker's Compensation Fund</u>	<u>Unemployment Fund</u>	<u>Health Insurance Fund</u>	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,818,509	\$ 246,488	\$ 684,387	\$ 2,749,384
Investments	134,043	-	-	134,043
Other receivable	410,591	-	30,342	440,933
Due from other funds	499,540	-	-	499,540
Total current assets	<u>2,862,683</u>	<u>246,488</u>	<u>714,729</u>	<u>3,823,900</u>
Total assets	<u>2,862,683</u>	<u>246,488</u>	<u>714,729</u>	<u>3,823,900</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	1,020	-	-	1,020
Claims liability	572,692	946	197,873	771,511
Due to other funds	-	-	499,540	499,540
Total current liabilities	<u>573,712</u>	<u>946</u>	<u>697,413</u>	<u>1,272,071</u>
Total liabilities	<u>573,712</u>	<u>946</u>	<u>697,413</u>	<u>1,272,071</u>
NET POSITION				
Unrestricted	<u>2,288,971</u>	<u>245,542</u>	<u>17,316</u>	<u>2,551,829</u>
Total net position	<u>\$ 2,288,971</u>	<u>\$ 245,542</u>	<u>\$ 17,316</u>	<u>\$ 2,551,829</u>

CITY OF MIAMI, OKLAHOMA
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As of and for the Year Ended June 30, 2024

**Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds -
Year Ended June 30, 2024**

	<u>Internal Service Funds</u>			<u>Total</u>
	<u>Worker's Compensation Fund</u>	<u>Unemployment Fund</u>	<u>Health Insurance Fund</u>	
REVENUES				
Charges for services	\$ 291,954	\$ 23,442	\$ 1,852,777	\$ 2,168,173
Miscellaneous	-	-	160,370	160,370
Total operating revenues	<u>291,954</u>	<u>23,442</u>	<u>2,013,147</u>	<u>2,328,543</u>
OPERATING EXPENSES				
Other services and charges	126,306	-	492,753	619,059
Insurance claims and expense	198,091	7,322	1,490,891	1,696,304
Total operating expenses	<u>324,397</u>	<u>7,322</u>	<u>1,983,644</u>	<u>2,315,363</u>
Operating income (loss)	<u>(32,443)</u>	<u>16,120</u>	<u>29,503</u>	<u>13,180</u>
NON-OPERATING REVENUES				
Investment income	523	-	-	523
Total non-operating revenue	<u>523</u>	<u>-</u>	<u>-</u>	<u>523</u>
Change in net position	(31,920)	16,120	29,503	13,703
Total net position - beginning	2,320,891	229,422	(12,187)	2,538,126
Total net position - ending	<u>\$ 2,288,971</u>	<u>\$ 245,542</u>	<u>\$ 17,316</u>	<u>\$ 2,551,829</u>

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024

Combining Statement of Cash Flows – Internal Service Funds - Year Ended June 30, 2024

	WORKER'S COMPENSATION FUND	UNEMPLOYMENT FUND	HEALTH INSURANCE FUND	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 321,542	\$ 23,442	\$ 1,983,065	\$ 2,328,049
Payments to suppliers	(128,726)	-	(498,470)	(627,196)
Payments to other funds	-	-	-	-
Payments from other funds	-	-	-	-
Claims and benefits paid	(112,507)	(6,952)	(1,367,894)	(1,487,353)
Net Cash Provided by Operating Activities	<u>80,309</u>	<u>16,490</u>	<u>116,701</u>	<u>213,500</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and dividends	523	-	-	523
Sale (purchase) of investments	(523)	-	-	(523)
Net Cash Provided by (Used in) Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	80,309	16,490	116,701	213,500
Balances - beginning of the year	<u>1,738,200</u>	<u>229,998</u>	<u>567,686</u>	<u>2,535,884</u>
Balances - end of the year	<u>\$ 1,818,509</u>	<u>\$ 246,488</u>	<u>\$ 684,387</u>	<u>\$ 2,749,384</u>
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 1,818,509	\$ 246,488	\$ 684,387	\$ 2,749,384
Total cash and cash equivalents	<u>\$ 1,818,509</u>	<u>\$ 246,488</u>	<u>\$ 684,387</u>	<u>\$ 2,749,384</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (32,443)	\$ 16,120	\$ 29,503	\$ 13,180
Change in assets and liabilities:				
Receivables, net	29,588	-	(30,082)	(494)
Accounts payable	(2,420)	(576)	(5,717)	(8,713)
Claims liability	85,584	946	122,997	209,527
Net Cash Provided by Operating Activities	<u>\$ 80,309</u>	<u>\$ 16,490</u>	<u>\$ 116,701</u>	<u>\$ 213,500</u>

CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024

Combining Schedule of Cash Flows – Discretely Presented Component Units - Year Ended June 30, 2024

	<u>MCEA</u>	<u>MDRA</u>	<u>MIDA</u>	<u>MPEFA</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 101,380	\$ 306,988	\$ 72,274	\$ 29,805	\$ 510,447
Payments to suppliers	135,027	(151,486)	(10,180)	(19,040)	(45,679)
Payments to employees	-	(165,905)	-	-	(165,905)
Net Cash Provided by (used in) Operating Activities	<u>236,407</u>	<u>(10,403)</u>	<u>62,094</u>	<u>10,765</u>	<u>298,863</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers from primary government	-	487,228	-	-	487,228
Transfers to primary government	-	(11,695)	-	-	(11,695)
Net Cash Provided by Non-Capital Financing Activities	<u>-</u>	<u>475,533</u>	<u>-</u>	<u>-</u>	<u>475,533</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital assets purchased	(269,297)	-	-	-	(269,297)
Principal paid on debt	-	-	(65,750)	-	(65,750)
Interest and fiscal charges paid on debt	-	-	(4,140)	-	(4,140)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(269,297)</u>	<u>-</u>	<u>(69,890)</u>	<u>-</u>	<u>(339,187)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	(2,088)	-	-	-	(2,088)
Interest and dividends	2,088	766	1	4,620	7,475
Net Cash Provided by Investing Activities	<u>-</u>	<u>766</u>	<u>1</u>	<u>4,620</u>	<u>5,387</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(32,890)</u>	<u>465,896</u>	<u>(7,795)</u>	<u>15,385</u>	<u>440,596</u>
Balances - beginning of the year	<u>282,407</u>	<u>161,800</u>	<u>226,788</u>	<u>241,200</u>	<u>912,195</u>
Balances - end of the year	<u>\$ 249,517</u>	<u>\$ 627,696</u>	<u>\$ 218,993</u>	<u>\$ 256,585</u>	<u>\$ 1,352,791</u>
Reconciliation to Statement of Net Position:					
Cash and cash equivalents	<u>\$ 249,517</u>	<u>\$ 627,696</u>	<u>\$ 218,993</u>	<u>\$ 256,585</u>	<u>\$ 1,352,791</u>
Total cash and cash equivalents	<u>\$ 249,517</u>	<u>\$ 627,696</u>	<u>\$ 218,993</u>	<u>\$ 256,585</u>	<u>\$ 1,352,791</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (186,165)	\$ (74,307)	\$ 41,367	\$ (15,023)	\$ (234,128)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation expense	240,454	-	20,727	27,156	288,337
Other nonoperating revenue	-	46,182	-	-	46,182
Change in assets, liabilities and deferrals:					
Other receivable	(12,000)	-	-	500	(11,500)
Leases receivable	-	-	-	7,631	7,631
Accounts payables	194,118	15,428	-	-	209,546
Deferred inflows related to leases	-	-	-	(9,499)	(9,499)
Accrued compensated absences	-	2,294	-	-	2,294
Net Cash Provided by (used in) Operating Activities	<u>\$ 236,407</u>	<u>\$ (10,403)</u>	<u>\$ 62,094</u>	<u>\$ 10,765</u>	<u>\$ 298,863</u>
Non-cash activity:					
Capital assets contributed from primary government	<u>\$ 57,687</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,687</u>

SINGLE AUDIT AND INTERNAL CONTROL AND COMPLIANCE INFORMATION

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024**

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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 City Council
City of Miami, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Miami, Oklahoma, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise City of Miami, Oklahoma's basic financial statements, and have issued our report thereon dated June 4, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Miami, Oklahoma'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 of Miami, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Miami, Oklahoma'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 weakness. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-1, 2024-2, 2024-3, and 2024-4.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Miami, Oklahoma'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*.

City of Miami, Oklahoma's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City of Miami, Oklahoma's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City of Miami, Oklahoma'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.

HBC CPAs & Advisors

Oklahoma City, Oklahoma
June 4, 2025



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

To the City Council
City of Miami, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Miami, Oklahoma's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Miami, Oklahoma's major federal programs for the year ended June 30, 2024. City of Miami, Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Miami, Oklahoma, 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, 2024.

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Miami, Oklahoma'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 City of Miami, Oklahoma'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 the City of Miami, Oklahoma's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Miami, Oklahoma's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Miami, Oklahoma's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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



Oklahoma City, Oklahoma
June 4, 2025

**CITY OF MIAMI, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2024**

**City of Miami, Oklahoma
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2024**

<u>Federal Grantor/ Pass-through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Pass-Through Entity Number</u>	<u>Federal Expenditures</u>
WIOA Cluster			
<u>Department of Labor</u>			
<i>Pass through Oklahoma Department of Libraries:</i>			
WIOA Adult Program	17.258	F-23-183	31,156
Total WIOA Cluster			<u>31,156</u>
<u>U.S. Department of Treasury</u>			
<i>Pass through Oklahoma Emergency Management:</i>			
Coronavirus State and Local Fiscal Recovery Funds - ARPA	21.027	SA-0131	673,169
<i>Pass through Ottawa County:</i>			
Coronavirus State and Local Fiscal Recovery Funds - ARPA	21.027	03-03	134,218
Total U.S. Department of Treasury			<u>807,387</u>
<u>Institute of Museum and Library Services</u>			
<i>Pass through Oklahoma Department of Libraries:</i>			
Grants to States	45.310	F-24-78	8,000
<u>Department of Homeland Security</u>			
<i>Pass through Oklahoma Emergency Management:</i>			
Hazard Mitigation	97.039	FEMA 4438 HMPG	49
Disaster Grants - Public Assistance	97.036	PA FEMA DR 4438 PW 1156	5,394
Total Department of Homeland Security			<u>5,443</u>
<u>Department of Justice</u>			
State and Local HIDTA Task Force Grant	16.809	HIDTA Treas 303	10,276
Equitable Sharing Program	16.922	SFF-0188-215 FED AF	42,751
Total Department of Justice			<u>53,027</u>
<u>Federal Aviation Administration</u>			
<i>Pass through Oklahoma Department of Aerospace & Aeronautics</i>			
Airport Improvement Program	20.106	MIO-24-FS	90,710
Total Federal Awards			<u>\$ 995,723</u>

Note 1. 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, 2024. 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 2. Summary of Significant Accounting Policies

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

Note 3. Indirect Cost Rate

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

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**CITY OF MIAMI, OKLAHOMA
SCHEDULE OF FINDINGS OF QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

II. Financial Statement Findings

Finding No.	2024-1
Criteria:	Government entities should maintain adequate internal controls over cash. This includes proper authorization, documentation, disbursement procedures, and reconciliation of all cash transactions.
Condition:	During our audit, we were made aware that significant amounts of cash are withdrawn for distribution as prizes without adequate documentation or monitoring controls. We understand that the current process lacks proper segregation of duties and sufficient oversight or verification for the cash withdrawal and distribution process.
Cause:	The organization has not implemented comprehensive policies and procedures regarding cash handling for prize distributions. Additionally, there appears to be limited awareness of the risks associated with cash transactions and insufficient training on proper cash management protocols.
Effect or Potential Effect:	This practice significantly increases the risk of misappropriation, theft, or loss of public funds. Without proper documentation, the organization cannot demonstrate that all withdrawn funds were used for their intended purpose, potentially resulting in compliance violations, financial reporting deficiencies, and tax reporting issues. The absence of adequate controls also creates vulnerabilities in the organization's fiscal accountability and transparency obligations.
Management's Response	Effective immediately, we will no longer issue large cash amounts directly to employees for them to cash and distribute for events. To ensure greater accountability and security, oversight will now involve multiple levels of approval. This includes detailed sign-off sheets and a robust checks and balances system that must be adhered to at all times. This change is designed to enhance transparency and integrity in our financial operations.

**CITY OF MIAMI, OKLAHOMA
SCHEDULE OF FINDINGS OF QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

II. Financial Statement Findings (continued)

Finding No.	2024-2
Criteria:	Government organizations should follow proper procurement procedures that include obtaining approved purchase requisitions and purchase orders prior to committing to purchases or receiving goods and services.
Condition:	During our testing of the purchasing process, we identified numerous instances where invoice dates preceded the dates of the corresponding purchase requisitions and purchase orders, indicating that purchases were made before proper authorization was obtained.
Cause:	This condition appears to result from inadequate enforcement of existing procurement policies and insufficient training on proper purchasing procedures. Staff may be bypassing established controls due to time constraints or lack of understanding of the importance of the procurement sequence.
Effect or Potential Effect:	The practice of making purchases without prior authorization undermines internal controls and exposes the organization to financial risks. This circumvention of proper procurement procedures could result in unauthorized spending, budget overruns, and non-compliance with regulations. Additionally, it creates an environment susceptible to fraud or abuse and impairs management's ability to effectively monitor and control expenditures, potentially leading to financial misstatements.
Management's Response	The City of Miami is currently in the process of revising its purchasing policy. During this period, it is imperative that all employees strictly adhere to the established purchasing procedures. We have emphasized the importance of following the proper chain for purchases, and I want to reiterate that compliance with these rules is non-negotiable. These guidelines are in place to ensure transparency, accountability, and efficiency in our operations.

**CITY OF MIAMI, OKLAHOMA
SCHEDULE OF FINDINGS OF QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

II. Financial Statement Findings (continued)

Finding No.	2024-3
Criteria:	Government entities should maintain effective internal controls over accounts receivable, including regular reconciliation of accounts receivable subsidiary ledgers to the general ledger control accounts. Proper internal controls require that transactions be promptly recorded and reconciled to maintain accurate financial records and that management regularly monitor these processes.
Condition:	During our audit, we noted that the City is not routinely reconciling accounts receivable. Payments have been applied to a clearing account but have not been properly cleared or reconciled to the appropriate customer accounts. The supporting detail requires clean-up and improved maintenance.
Cause:	This condition appears to result from insufficient procedures for regular reconciliation of accounts receivable, lack of consistent follow-up on items recorded in clearing accounts, and inadequate oversight of the reconciliation process.
Effect or Potential Effect:	Failure to routinely reconcile accounts receivable could result in misstatements of accounts receivable balances that may go undetected, inaccurate tracking of customer accounts, inefficient collection efforts, increased risk of undetected errors, and difficulty resolving discrepancies in a timely manner.
Management's Response	Over time, these balances have accumulated discrepancies that must be addressed without further delay. To enhance the accuracy and clarity of our financial records, all outstanding receivable balances will be thoroughly reviewed and reconciled. Any amounts deemed uncollectible will be moved to the appropriate accounts to reflect a true representation of our real balances.

**CITY OF MIAMI, OKLAHOMA
SCHEDULE OF FINDINGS OF QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

II. Financial Statement Findings (continued)

Finding No.	2024-4 (repeat finding 2023-001)
Criteria:	Government entities must maintain complete and accurate cash reconciliations. This includes timely identification and resolution of all reconciling items to ensure accurate financial reporting and accountability for public funds.
Condition:	During our audit, we identified unreconciled differences in the entity's cash balance that have not been investigated or resolved. The organization continues operating with unexplained variances between the general ledger cash balance and bank statement balances.
Cause:	The entity lacks adequate procedures for investigating and clearing reconciling items.
Effect or Potential Effect:	Unresolved reconciling differences may conceal errors or irregularities.
Management's Response	This is a critical initiative that the Finance department will be prioritizing. We are committed to addressing and rectifying years' worth of bank statement adjustments that have accumulated over time. This is an area of utmost importance, and we intend to focus our efforts on developing a comprehensive plan to accurately make entries and clean up past discrepancies with the intent of better financial presentation.

**CITY OF MIAMI, OKLAHOMA
SCHEDULE OF FINDINGS OF QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

III. Prior Year Findings

Finding No. 2023-002

Status: Corrected

**CITY OF MIAMI, OKLAHOMA
SCHEDULE OF FINDINGS OF QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

III. Prior Year Findings

Finding No. 2023-003

Status: Corrected

**CITY OF MIAMI, OKLAHOMA
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