



City of
CATOOSA,
OKLAHOMA

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

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

THE CITY OF CATOOSA, OKLAHOMA

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

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

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

THIS PAGE INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

Independent Auditor’s Report on Financial Statements.....5-7

Management’s Discussion and Analysis..... 9-18

The Basic Financial Statements:

Government-Wide Financial Statements:

Statement of Net Position 20

Statement of Activities 21

Governmental Funds Financial Statements:

Balance Sheet 23

Statement of Changes in Fund Balances..... 24

Reconciliation of Governmental Fund and Government-Wide Financial Statements..... 25-26

Proprietary Funds Financial Statements:

Statement of Net Position..... 28

Statement of Changes in Net Position..... 29

Statement of Cash Flows..... 30

Footnotes to the Basic Financial Statements 31-53

Required Supplementary Information:

Budgetary Comparison Information

Budgetary Comparison Schedule (Budgetary Basis) – General Fund..... 55

Footnotes to Budgetary Comparison Schedule..... 56

Pension Plan Information

Schedules of Pension Information..... 57-58

Other Supplementary Information:

Combining Balance Sheet – General Fund Accounts..... 60

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance – General Fund
Accounts 61

Combining Balance Sheet - Non-Major Governmental Funds..... 62

Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Non-Major
Governmental Funds..... 63

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

TABLE OF CONTENTS (Cont'd)

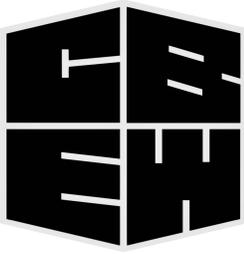
Combining Schedule of Net Position – Catoosa Public Works - Enterprise Fund
Accounts.....64

Combining Schedule of Revenues, Expenses and Changes in Net Position– Catoosa Public Works
Enterprise Fund Accounts 65

Combining Schedule of Cash Flows – Catoosa Public Works – Enterprise Fund
Accounts..... 66

Internal Control and Compliance Information:

Independent Auditors’ Report on Internal Control and Compliance Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of Financial
Statements in Accordance with Government Auditing Standards..... 69-70



CBEW
Professional
Group, LLP
Certified Public Accountants

CHARLES E. CROOKS, CPA
TRISHA J. RIEMAN, CPA
GABRIELLE M. CONCHOLA, CPA

904 S. MAIN STREET · P.O. BOX 1876 · STILLWATER, OK 74074 · (405) 372-3600 · FAX (405) 624-0414

INDEPENDENT AUDITOR'S REPORT

January 3, 2025

Honorable Board of City Council Members
City of Catoosa
Catoosa, 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, each major fund, and the aggregate remaining fund information of the City of Catoosa, Oklahoma, (City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Catoosa, 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.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Catoosa, 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.

Members of American Institute and Oklahoma Society of CPA's
Serving Our Clients Since 1960

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 Catoosa, 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 Catoosa, 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 pension exhibits on pages 9 – 18 and 55 – 58 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2025, on our consideration of the City of Catoosa, 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 solely 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 Catoosa, 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 Catoosa, Oklahoma's internal control over financial reporting and compliance.

CBEW Professional Group, LLP

CBEW Professional Group, LLP
Certified Public Accountants

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

THIS PAGE INTENTIONALLY LEFT BLANK

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

Our discussion and analysis of the City of Catoosa’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 \$1,367,926 or 3.9% from the prior year.
- During the year, the City’s expenses for governmental activities were \$11.5 million and were funded by program revenues of \$0.8 million and further funded with taxes and other general revenues that totaled \$13.1 million.
- The City’s business-type activities net position increased by \$363,854 or 13.8% from the prior year.
- At June 30, 2024, the General Fund reported an unassigned fund balance of \$6,783,383.
- For budgetary reporting purposes, the General Fund reported revenues under estimates of \$491,585 or 5.7%, while expenditures were under the final appropriations by \$7,496,667 or 49%.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Catoosa (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 two categories of activities – governmental and business-type. 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 Catoosa is an incorporated municipality with a population of approximately 7,440 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 six-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 Catoosa 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 Catoosa, three blended component units.

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

Primary Government:

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

Blended Component Units:

Catoosa Public Works Authority (CPWA) – public trust that operates the water, sewage disposal, and storm water services of the City.

Catoosa Economic Development Authority (CEDA) – public trust created to promote economic development in Catoosa.

Catoosa Industrial Authority (CIA) – public trust created to institute, furnish, provide, and supply services and facilities for the promotion and development of the economy, the conservation and implementation of the public welfare and protection and promotion of the public health to the city.

Using This Annual Report

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

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

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

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

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities

One of the most frequently asked questions about the City’s finances is, “Has the City’s overall financial condition improved, declined or remained steady over the past year?” The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows, liabilities and

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

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 two 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, sewer, storm water, and economic and development activities are reported here.

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

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

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 \$35,573,704 at the close of the most recent fiscal year.

**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	\$ 25,425	\$ 38,799	-34%	\$ (1,786)	\$ (2,397)	-25%	\$ 23,639	\$ 36,402	-35%
Capital assets, net	33,428	20,511	63%	5,727	5,980	-4%	39,155	26,491	48%
Other non-current assets	75	197	-62%	-	-	0%	75	197	-62%
Total assets	<u>58,928</u>	<u>59,507</u>	-1%	<u>3,941</u>	<u>3,583</u>	10%	<u>62,869</u>	<u>63,090</u>	0%
Deferred outflows	<u>1,412</u>	<u>1,414</u>	0%	<u>-</u>	<u>-</u>	0%	<u>1,412</u>	<u>1,414</u>	0%
Current liabilities	5,323	5,710	-7%	694	622	12%	6,017	6,332	-5%
Non-current liabilities	21,914	23,460	-7%	256	334	-23%	22,170	23,794	-7%
Total liabilities	<u>27,237</u>	<u>29,170</u>	-7%	<u>950</u>	<u>956</u>	-1%	<u>28,187</u>	<u>30,126</u>	-6%
Deferred inflows	<u>424</u>	<u>75</u>	465%	<u>-</u>	<u>-</u>	0%	<u>424</u>	<u>75</u>	465%
Net position									
Net investment capital assets	17,783	15,496	15%	5,726	5,980	-4%	23,509	21,476	9%
Restricted	9,846	10,474	-6%	-	-	0%	9,846	10,474	-6%
Unrestricted (deficit)	5,050	5,706	11%	(2,735)	(3,353)	-18%	2,315	2,353	-2%
Total net position	<u>\$ 32,679</u>	<u>\$ 31,676</u>	3%	<u>\$ 2,991</u>	<u>\$ 2,627</u>	14%	<u>\$ 35,670</u>	<u>\$ 34,303</u>	4%

The largest portion of the City’s net position reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. For 2024, the net investment in capital assets amounted to \$23,509,292. 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, \$9,845,828, also represents resources that are subject to external restrictions on how they may be used.

Explanations of changes in excess of 20% and \$200,000 are as follows:

Governmental Activities:

Current assets- decreased \$13.4 million (34%) mainly due to an increase of construction in progress of the new public safety complex.

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

Capital assets net – increased \$13 million (63%) mainly due to an increase of \$11.3 million in construction in progress due mainly to the construction of the new public safety complex.

Business-Type Activities:

Current assets – increased \$0.5 million (20%) mainly due to an increase in cash and cash equivalents.

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)**

	<u>Governmental Activities</u>		<u>% Inc. (Dec.)</u>	<u>Business-Type Activities</u>		<u>% Inc. (Dec.)</u>	<u>Total</u>		<u>% Inc. (Dec.)</u>
	<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>	
Revenues									
Charges for service	\$ 248	\$ 200	24%	\$ 2,399	\$ 2,932	-18%	\$ 2,647	\$ 3,132	-15%
Operating grants and contributions	542	642	-16%	142	-	0%	684	642	7%
Capital grants and contributions	-	329	100%	-	-	0%	-	329	100%
Taxes	12,458	12,767	-2%	-	-	0%	12,458	12,767	-2%
Investment income	250	344	-27%	38	38	0%	288	382	-25%
Miscellaneous	398	115	246%	142	10	1320%	540	125	332%
Total revenues	<u>13,896</u>	<u>14,397</u>	-3%	<u>2,721</u>	<u>2,980</u>	-9%	<u>16,617</u>	<u>17,377</u>	-4%
Expenses									
General government	4,451	3,611	23%	-	-	-	4,451	3,611	23%
Public safety	4,567	3,958	15%	-	-	-	4,567	3,958	15%
Streets	1,008	874	15%	-	-	-	1,008	874	15%
Culture and recreation	551	607	-9%	-	-	-	551	607	-9%
Economic development	-	-	0%	149	1,125	-87%	149	1,125	-87%
Interest on debt	895	984	-9%	-	-	-	895	984	-9%
Water	-	-	-	1,449	1,402	3%	1,449	1,402	3%
Sewer	-	-	-	2,115	2,022	5%	2,115	2,022	5%
Storm Water	-	-	-	64	74	-14%	64	74	-14%
Total expenses	<u>11,472</u>	<u>10,034</u>	14%	<u>3,777</u>	<u>4,623</u>	-18%	<u>15,249</u>	<u>14,657</u>	4%
Excess (deficiency) before transfers	2,424	4,363	44%	(1,056)	(1,643)	-36%	1,368	2,720	-50%
Transfers	(1,420)	(20)	7000%	1,420	20	7000%	-	-	-
Change in net position	<u>\$ 1,004</u>	<u>\$ 4,343</u>	-77%	<u>\$ 364</u>	<u>\$ (1,623)</u>	-122%	<u>\$ 1,368</u>	<u>\$ 2,720</u>	-50%

Explanations of changes in excess of 20% and \$200,000 are as follows:

Governmental Activities:

General government expense- increase \$.8 million (23%) due to an increase in operational expenses.

Capital grants and contributions – decrease of \$0.3 million (100%) due to a culture and recreation grant received in the prior year.

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

Transfers - increased \$1.4 million (7,000%) mainly due to an operational transfer of \$1,500,000 from PWA operation maintenance fund to Catoosa Public Works Authority.

Business-Type Activities:

Economic development expenses– increase of \$1.0 million (87%) due to a one time economic and development incentive payment made in the prior year.

Transfers - increased \$1.4 million (7,000%) mainly due to an operational transfer of \$1,500,000 from PWA operation maintenance fund to Catoosa Public Works Authority.

Governmental Activities

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

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

	<u>Total Expense of Services</u>		<u>% Inc. (Dec.)</u>	<u>Net Revenue (Expense) of Services</u>		<u>% Inc. (Dec.)</u>
	<u>2024</u>	<u>2023</u>		<u>2024</u>	<u>2023</u>	
	General government	\$ 4,451	\$ 3,611	23%	\$ (4,351)	\$ (3,329)
Public safety	4,567	3,959	15%	(3,897)	(3,429)	14%
Streets	1,008	874	15%	(1,008)	(874)	15%
Culture, parks and recreation	551	607	-9%	(531)	(248)	114%
Interest on long-term debt	895	984	-9%	(895)	(984)	-9%
Total	<u>\$ 11,472</u>	<u>\$ 10,034</u>	14%	<u>\$ (10,682)</u>	<u>\$ (8,864)</u>	21%

For the year ended June 30, 2024 total expenses for governmental activities amounted to approximately \$11.4 million which was an increase from the prior year of 14%. See Table 2 above for explanations of changes.

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

Business-type Activities

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

	Total Expense of Services		% Inc. Dec.	Net Revenue (Expense) of Services		% Inc. Dec.
	2024	2023		2024	2023	
	Water	\$ 1,449		\$ 1,402	3%	
Sewer	2,115	2,022	5%	(532)	(75)	609%
Storm water	64	74	-14%	17	17	0%
Economic Development	149	1,125	-87%	(44)	(877)	-95%
Total	\$ 3,777	\$ 4,623	-18%	\$ (1,378)	\$ (1,691)	-19%

The City’s business-type activities include economic and development and utility services for water, sewer, and storm water.

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 \$22 million or a 38% decrease of \$13,197,332 from the prior year. The enterprise funds reported combined net position of \$3.0 million or a 13.9% decrease from 2023.

Fund Balance/Net Position

Governmental Funds		Proprietary Funds	
Restricted	\$ 15,099,586	Net investment in capital assets	\$ 5,726,561
Committed	48,249	Unrestricted (deficit)	(2,735,388)
Assigned	49,589		
Unassigned	6,733,794		
Total Fund Balance	\$ 21,931,218	Total Net Position	\$ 2,991,173

General Fund Budgetary Highlights

For budgetary reporting purposes, the General Fund reported revenues under estimates of \$491,585 or 5.7%, while expenditures were under the final appropriations by \$7,496,667 or 49%.

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

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2024, the City had \$39.2 million invested in capital assets, net of depreciation, including buildings and improvements, machinery and equipment, infrastructure, and storm water improvements. (See table below). This represents a net increase of \$12.7 million or 48% 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	\$ 1,325	\$ 1,323	\$ 458	\$ 458	1,783	\$ 1,781
Buildings and improvements	3,537	3,773	102	105	3,639	3,878
Machinery and Equipment	4,621	4,108	711	795	5,332	4,903
Infrastructure	6,326	5,004	3,806	3,956	10,132	8,960
Stormwater improvements	-	-	621	638	621	638
Construction in progress	17,619	6,303	28	28	17,647	6,331
Totals	\$ 33,428	\$ 20,511	\$ 5,726	\$ 5,980	\$ 39,154	\$ 26,491

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

Rolling Hills Park Splash pad	\$777,319
Soccer Park	\$485,364
Furniture Hamby Lynch Safety Complex	\$390,690
Dispatch Console	\$300,399

See Note 5 to the financial statements for more detail information on the City's capital assets and changes therein.

Long- Term Debt

At year-end, the City had \$21.5 million in long-term debt outstanding which represents a \$1.4 million decrease, or 6%, from the prior year. The City's changes in long-term debt by type of debt are as follows:

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

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Accrued absences	\$ 200	\$ 200	\$ 31	\$ 28	\$ 231	\$ 228
General obligation bonds	19,650	20,500	-	-	19,650	20,500
Notes Payable- Direct borrowing	1,299	1,724	334	435	1,633	2,159
Totals	\$ 21,149	\$ 22,424	\$ 365	\$ 463	\$ 21,514	\$ 22,887

See Note 7 to the financial statements for more detail information on the City’s long-term debt and changes therein.

Economic Factors and New Year’s Budget

In the City of Catoosa, economic factors have played a significant role in shaping the new year's budget. The City's primary source of government revenue, sales tax, exhibited growth compared to the previous year. This positive trajectory closely aligns with the broader economic trends observed at the national and state levels. The city's role as a suburban hub of Tulsa has contributed to increased revenues, and the long-term economic forecast for Catoosa is optimistic.

Furthermore, the city is experiencing a notable increase in business, commercial, and residential construction activities within its limits. These developments are expected to further bolster the City's revenue, enabling it to expand and enhance services for its residents in the coming year. Catoosa is poised for economic growth and the provision of comprehensive services, reflecting a positive outlook for the City's budget in the new year.

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 the City of Catoosa at 918-266-2505.

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

BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE

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

Statement of Net Position– June 30, 2024

	<u>Primary Government</u>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and equivalents	\$ 15,485,576	\$ 3,566,616	\$ 19,052,192
Investments	2,113,458	186,855	2,300,313
Interest receivable	-	1,442	1,442
Accounts receivable, net	-	374,745	374,745
Tax receivable, net	1,262,709	334,000	1,596,709
Fines receivable, net	170,558	-	170,558
Other receivables	723	141,760	142,483
Internal balances	6,391,677	(6,391,677)	-
Net pension asset	75,037	-	75,037
Capital Assets			
Land and construction in progress	18,944,402	486,332	19,430,734
Other capital assets, net of depreciation	14,483,807	5,240,229	19,724,036
 Total assets	 <u>58,927,947</u>	 <u>3,940,302</u>	 <u>62,868,249</u>
DEFERRED OUTFLOWS:			
Deferred amounts related to pensions	1,412,111	-	1,412,111
Total deferred outflows of resources	<u>1,412,111</u>	<u>-</u>	<u>1,412,111</u>
LIABILITIES			
Accounts payable	2,179,576	478,251	2,657,827
Accrued payroll	192,366	23,527	215,893
Claims liability	51,220	-	51,220
Unearned revenue	912,646	-	912,646
Accrued interest payable	70,833	1,442	72,275
Due to depositors	-	81,279	81,279
Unamortized bond premium	598,908	-	598,908
Long-term liabilities			
Due within one year	1,317,180	109,063	1,426,243
Due in more than one year	21,913,626	255,567	22,169,193
Total liabilities	<u>27,236,355</u>	<u>949,129</u>	<u>28,185,484</u>
DEFERRED INFLOWS:			
Deferred amounts related to pensions	424,097	-	424,097
Total deferred inflows of resources	<u>424,097</u>	<u>-</u>	<u>424,097</u>
NET POSITION:			
Net investment in capital assets	17,782,731	5,726,561	23,509,292
Net Position:			
Restricted	9,845,828	-	9,845,828
Unrestricted (deficit)	5,051,047	(2,735,388)	2,315,659
Total net position	<u>\$ 32,679,606</u>	<u>\$ 2,991,173</u>	<u>\$ 35,670,779</u>

See accompanying notes to the basic financial statements.

CITY OF CATOOSA, 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		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government							
Governmental Activities							
General Government	\$ 4,450,715	\$ 94,756	\$ 5,418	\$ -	\$ (4,350,541)	\$ -	\$ (4,350,541)
Public Safety	4,566,848	140,391	529,971	-	(3,896,486)	-	(3,896,486)
Culture and Recreation	550,829	12,900	6,809	-	(531,120)	-	(531,120)
Streets	1,008,301	-	-	-	(1,008,301)	-	(1,008,301)
Interest on long-term Debt	895,439	-	-	-	(895,439)	-	(895,439)
Total governmental activities	<u>11,472,132</u>	<u>248,047</u>	<u>542,198</u>	<u>-</u>	<u>(10,681,887)</u>	<u>-</u>	<u>(10,681,887)</u>
Business-type activities							
Water	1,449,135	629,811	141,760	-	-	(677,564)	(677,564)
Sewer	2,114,738	1,583,156	-	-	-	(531,582)	(531,582)
Storm Water	63,538	80,654	-	-	-	17,116	17,116
Economic Development	149,317	105,344	-	-	-	(43,973)	-
Total business-type activities	<u>3,776,728</u>	<u>2,398,965</u>	<u>141,760</u>	<u>-</u>	<u>-</u>	<u>(1,236,003)</u>	<u>(1,236,003)</u>
Total primary government	<u>\$ 15,248,860</u>	<u>\$ 2,647,012</u>	<u>\$ 683,958</u>	<u>\$ -</u>	<u>(10,681,887)</u>	<u>(1,236,003)</u>	<u>(11,917,890)</u>
General revenues:							
Taxes:							
Sales tax					8,404,277	-	8,404,277
Use tax					1,085,317	-	1,085,317
Property tax					1,728,189	-	1,728,189
Cigarette tax					52,072	-	52,072
Alcoholic beverage					77,830	-	77,830
Gasoline tax					13,200	-	13,200
Motor vehicle tax					53,762	-	53,762
Franchise tax					487,632	-	487,632
Hotel/motel tax					555,673	-	555,673
Investment income					249,863	38,324	288,187
Miscellaneous					397,862	141,815	539,677
Transfers - internal activity					(1,419,718)	1,419,718	-
Total general revenues and transfers					<u>11,685,959</u>	<u>1,599,857</u>	<u>13,285,816</u>
Change in net position					<u>1,004,072</u>	<u>363,854</u>	<u>1,367,926</u>
Net position - beginning					<u>31,675,534</u>	<u>2,627,319</u>	<u>34,302,853</u>
Net position - ending					<u>\$ 32,679,606</u>	<u>\$ 2,991,173</u>	<u>\$ 35,670,779</u>

See accompanying notes to the basic financial statements.

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

BASIC FINANCIAL STATEMENTS - GOVERNMENTAL FUNDS

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

Governmental Funds Balance Sheet - June 30, 2024

Catoosa
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Fire Department Fund	GO Bond Construction Fund	PWA Operation Maintenance Fund	ARPA Grant Fund	GO Bond Sinking Fund	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 4,786,828	\$ 1,263,739	\$ 5,248,672	\$ 215,942	\$ 916,994	\$ 1,379,922	\$ 1,673,479	\$ 15,485,576
Investments	1,559,977	-	-	553,481	-	-	-	2,113,458
Receivables:								
Grant receivables	723	-	-	-	-	-	-	723
Taxes receivable	862,355	158,107	-	158,107	-	5,086	79,054	1,262,709
Fines receivable	170,558	-	-	-	-	-	-	170,558
Due from other funds	683,529	\$ 294,485	-	7,513,025	-	-	-	8,491,039
Total assets	<u>\$ 8,063,970</u>	<u>\$ 1,716,331</u>	<u>\$ 5,248,672</u>	<u>\$ 8,440,555</u>	<u>\$ 916,994</u>	<u>\$ 1,385,008</u>	<u>\$ 1,752,533</u>	<u>\$ 27,524,063</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 973,837	\$ 4,926	\$ 1,245,703	\$ -	\$ -	\$ -	\$ 1,136	\$ 2,225,602
Accrued payroll	132,233	54,246	-	-	-	-	11,081	197,560
Unearned revenue	-	-	-	-	912,646	-	-	912,646
Due to other funds	16,842	-	1,619,212	-	-	-	463,308	2,099,362
Total liabilities	<u>1,122,912</u>	<u>59,172</u>	<u>2,864,915</u>	<u>-</u>	<u>912,646</u>	<u>-</u>	<u>475,525</u>	<u>5,435,170</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue	157,675	-	-	-	-	-	-	157,675
Fund balances:								
Restricted	-	1,657,159	2,383,757	8,440,555	-	1,385,008	1,233,107	15,099,586
Committed	-	-	-	-	4,348	-	43,901	48,249
Assigned	49,589	-	-	-	-	-	-	49,589
Unassigned	6,733,794	-	-	-	-	-	-	6,733,794
Total fund balances	<u>6,783,383</u>	<u>1,657,159</u>	<u>2,383,757</u>	<u>8,440,555</u>	<u>4,348</u>	<u>1,385,008</u>	<u>1,277,008</u>	<u>21,931,218</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,063,970</u>	<u>\$ 1,716,331</u>	<u>\$ 5,248,672</u>	<u>\$ 8,440,555</u>	<u>\$ 916,994</u>	<u>\$ 1,385,008</u>	<u>\$ 1,752,533</u>	<u>\$ 27,524,063</u>

See accompanying notes to the basic financial statements.

CITY OF CATOOSA, 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

	General Fund	Fire Department Fund	GO Bond Construction Fund	PWA Operation Maintenance Fund	Recreational Services Fund	ARPA Grant Fund	GO Bond Sinking Fund	Other Governmental Funds	Total Governmental Funds
REVENUES									
Taxes	\$ 7,504,915	\$ 1,292,966	\$ -	\$ 1,292,966	\$ -	\$ -	\$ 1,720,544	\$ 646,484	\$ 12,457,875
Intergovernmental	328,427	280,300	-	-	-	3,510	-	9,994	622,231
Charges for services	19,237	-	-	-	-	-	-	2,200	21,437
Fines and forfeitures	85,004	-	-	-	-	-	-	14,966	99,970
Licenses and permits	94,756	-	-	-	-	-	-	-	94,756
Investment income	107,287	17,055	93,388	5,180	-	1,834	6,296	18,823	249,863
Miscellaneous	87,272	325,996	-	-	-	-	-	50,032	463,300
Total revenues	8,226,898	1,916,317	93,388	1,298,146	-	5,344	1,726,840	742,499	14,009,432
EXPENDITURES									
Current:									
General government	4,234,997	-	-	-	-	-	-	14,406	4,249,403
Public Safety	2,568,353	1,504,502	-	-	-	-	-	15,526	4,088,381
Highways and roads	845,217	-	-	-	-	-	-	-	845,217
Culture and recreation	64,796	-	-	-	-	-	-	242,347	307,143
Capital Outlay	898,187	59,463	13,017,746	-	-	3,510	-	117,658	14,096,564
Debt Service:									
Principal	292,131	-	-	-	-	-	850,000	133,187	1,275,318
Interest and other charges	11,359	-	-	-	-	-	892,800	20,861	925,020
Total expenditures	8,915,040	1,563,965	13,017,746	-	-	3,510	1,742,800	543,985	25,787,046
Excess (deficiency) of revenues over expenditures	(688,142)	352,352	(12,924,358)	1,298,146	-	1,834	(15,960)	198,514	(11,777,614)
OTHER FINANCING SOURCES (USES)									
Transfers in	80,282	-	-	-	-	-	-	947	81,229
Transfers out	(947)	-	-	(1,500,000)	-	-	-	-	(1,500,947)
Total other financing sources and uses	79,335	-	-	(1,500,000)	-	-	-	947	(1,419,718)
Net change in fund balances	(608,807)	352,352	(12,924,358)	(201,854)	-	1,834	(15,960)	199,461	(13,197,332)
Fund balances - beginning June 30, 2023 as previously reported	7,392,190	1,304,807	15,308,115	8,642,409	807,316	2,514	-	1,671,199	35,128,550
Restatements (See Note 13)	-	-	-	-	(807,316)	-	1,400,968	(593,652)	-
Fund balances - beginning June 30, 2023 as restated	7,392,190	1,304,807	15,308,115	8,642,409	-	2,514	1,400,968	1,077,547	35,128,550
Fund balances - ending	\$ 6,783,383	\$ 1,657,159	\$ 2,383,757	\$ 8,440,555	\$ -	\$ 4,348	\$ 1,385,008	\$ 1,277,008	\$ 21,931,218

See accompanying notes to the basic financial statements.

**CITY OF CATOOSA, 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	\$	21,931,218
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.		33,428,209
Certain other assets and long-term elements are not available to pay current period expenditures and are either deferred or not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		
Net pension asset		75,037
Pension related deferred outflows		1,412,111
Unavailable revenues		157,675
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:		
Net pension liability		(2,081,651)
Pension related deferred inflows		(424,097)
Accrued interest		(70,833)
Unamortized bond premium		(598,908)
Notes Payable		(20,948,748)
Accrued compensated absences		(200,407)
Net Position of Governmental Activities in the Statement of Net Position	\$	32,679,606

See accompanying notes to the basic financial statements.

CITY OF CATOOSA, 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: \$ (13,197,332)

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	13,918,719
Depreciation expense	(711,273)

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.

(30,321)

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain or loss on the sale of the assets. Thus, the change in net assets differs from the change in fund balance by the book value of the asset sold.

Book value of disposed capital assets	(290,666)
---------------------------------------	-----------

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	10,221
-------------------------------	--------

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 principal payments	1,304,899
---------------------------------	-----------

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 compensated absences	(175)
--	-------

Change in net position of governmental activities	\$ 1,004,072
---	--------------

See accompanying notes to the basic financial statements.

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

BASIC FINANCIAL STATEMENTS - PROPRIETARY FUNDS

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

Proprietary Funds Statement of Net Position - June 30, 2024

	Enterprise Funds			Total
	Catoosa Public Works Authority	Catoosa Industrial Authority	Catoosa Economic Development Authority	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,206,740	\$ 12,095	\$ 347,781	\$ 3,566,616
Investments	105,576	-	-	105,576
Investments, restricted	81,279	-	-	81,279
Accounts receivable, net	374,745	-	335,442	710,187
Grant receivables	141,760	-	-	141,760
Total current assets	<u>3,910,100</u>	<u>12,095</u>	<u>683,223</u>	<u>4,605,418</u>
Non-current assets:				
Capital assets:				
Land, construction in progress	486,332	-	-	486,332
Other capital assets, net of accumulated depreciation	5,240,229	-	-	5,240,229
Total non-current assets	<u>5,726,561</u>	<u>-</u>	<u>-</u>	<u>5,726,561</u>
Total assets	<u>9,636,661</u>	<u>12,095</u>	<u>683,223</u>	<u>10,331,979</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	342,090	-	136,161	478,251
Accrued payroll payable	21,845	-	1,682	23,527
Due to other funds	5,424,528	967,149	-	6,391,677
Accrued interest payable	-	-	1,442	1,442
Accrued compensated absences	3,063	-	-	3,063
Notes payable	-	-	106,000	106,000
Total current liabilities	<u>5,791,526</u>	<u>967,149</u>	<u>245,285</u>	<u>7,003,960</u>
Non-current liabilities:				
Accrued compensated absences	27,567	-	-	27,567
Due to depositors	81,279	-	-	81,279
Notes payable, net	-	-	228,000	228,000
Total non-current liabilities	<u>108,846</u>	<u>-</u>	<u>228,000</u>	<u>336,846</u>
Total liabilities	<u>5,900,372</u>	<u>967,149</u>	<u>473,285</u>	<u>7,340,806</u>
NET POSITION				
Net investment in capital assets	5,726,561	-	-	5,726,561
Unrestricted (deficit)	(1,990,272)	(955,054)	209,938	(2,735,388)
Total net position	<u>\$ 3,736,289</u>	<u>\$ (955,054)</u>	<u>\$ 209,938</u>	<u>\$ 2,991,173</u>

See accompanying notes to the basic financial statements.

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

Proprietary Funds Statement of Changes in Net Position - Year Ended June 30, 2024

	<u>Enterprise Funds</u>			<u>Total</u>
	<u>Catoosa Public Works Authority</u>	<u>Catoosa Industrial Authority</u>	<u>Catoosa Economic Development Authority</u>	
REVENUES				
Charges for services	\$ 2,293,621	\$ -	\$ -	\$ 2,293,621
Total operating revenues	<u>2,293,621</u>	<u>-</u>	<u>-</u>	<u>2,293,621</u>
OPERATING EXPENSES				
General and administrative	11,078	-	-	11,078
Purchased utilities	2,663,640	-	-	2,663,640
Personal services	371,164	-	-	371,164
Plant and distribution expense	303,274	-	-	303,274
Other expenses	9,381	-	125,538	134,919
Insurance claims and expense	-	-	1,682	1,682
Depreciation expense	268,874	-	-	268,874
Total operating expenses	<u>3,627,411</u>	<u>-</u>	<u>127,220</u>	<u>3,754,631</u>
Operating income (loss)	<u>(1,333,790)</u>	<u>-</u>	<u>(127,220)</u>	<u>(1,461,010)</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	37,840	1	483	38,324
Miscellaneous revenue	6,546	-	240,613	247,159
Interest expense and fiscal charges	-	-	(22,097)	(22,097)
Total non-operating revenue (expenses)	<u>186,146</u>	<u>1</u>	<u>218,999</u>	<u>405,146</u>
Income (loss) before transfers	<u>(1,147,644)</u>	<u>1</u>	<u>91,779</u>	<u>(1,055,864)</u>
Transfers in	1,500,000	-	-	1,500,000
Transfers out	(80,282)	-	-	(80,282)
Change in net position	<u>272,074</u>	<u>1</u>	<u>91,779</u>	<u>363,854</u>
Total net position - beginning	3,464,215	(955,055)	118,159	2,627,319
Total net position - ending	<u>\$ 3,736,289</u>	<u>\$ (955,054)</u>	<u>\$ 209,938</u>	<u>\$ 2,991,173</u>

See accompanying notes to the basic financial statements.

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

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

	Enterprise Funds			Total
	Catoosa Public Works Authority	Catoosa Industrial Authority	Catoosa Economic Development Authority	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 2,281,516	\$ -	\$ 342,049	\$ 2,623,565
Payments to suppliers	(2,907,907)	-	(114,601)	(3,022,508)
Payments to employees	(368,642)	-	-	(368,642)
Payments to other funds	1,963,768	-	-	1,963,768
Receipts of customer meter deposits	(12,275)	-	-	(12,275)
Refunds of customer meter deposits	12,540	-	-	12,540
Net cash provided by operating activities	969,000	-	227,448	1,196,448
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	1,500,000	-	-	1,500,000
Transfers to other funds	(80,282)	-	-	(80,282)
Net cash provided by noncapital financing activities	1,419,718	-	-	1,419,718
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets purchased	(15,664)	-	-	(15,664)
Principal paid on debt	-	-	(101,000)	(101,000)
Interest and fiscal agent fees paid on debt	-	-	(22,533)	(22,533)
Net cash provided by (used in) capital and related financing activities	(15,664)	-	(123,533)	(139,197)
CASH FLOWS FROM INVESTING ACTIVITIES				
Sale (Purchase) of investments	(375)	-	-	(375)
Interest and dividends	37,840	1	483	38,324
Net cash provided by investing activities	37,465	1	483	37,949
Net increase in cash and cash equivalents	2,410,519	1	104,398	2,514,918
Balances - beginning of year	796,221	12,094	243,383	1,051,698
Balances - end of year	\$ 3,206,740	\$ 12,095	\$ 347,781	\$ 3,566,616
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 3,206,740	\$ 12,095	\$ 347,781	\$ 3,566,616
Total cash and cash equivalents, end of year	<u>\$ 3,206,740</u>	<u>\$ 12,095</u>	<u>\$ 347,781</u>	<u>\$ 3,566,616</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (1,333,790)	\$ -	\$ (127,220)	\$ (1,461,010)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	268,874	-	-	268,874
Miscellaneous Income	6,546	-	240,613	247,159
Non-cash capital assets expensed	(1)	-	-	(1)
Change in assets and liabilities:				
Receivables, net	(18,650)	-	101,436	82,786
Accounts payable	79,466	-	12,619	92,085
Due to other funds	1,963,768	-	-	1,963,768
Refundable deposits	265	-	-	265
Accrued compensated absences	2,522	-	-	2,522
Net cash provided by operating activities	\$ 969,000	\$ -	\$ 227,448	\$ 1,196,448

See accompanying notes to the basic financial statements.

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

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 Catoosa and the certain component units as follows:

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

The City of Catoosa is an incorporated municipality with a population of approximately 7,440 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 SIX-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):

Catoosa Public Works Authority (CPWA) – public trust that operates the water, sewage disposal, and storm water services of the City.

Catoosa Economic Development Authority (CEDA) – public trust created to promote economic development in Catoosa.

Catoosa Industrial Authority (CIA) – public trust created to institute, furnish, provide and supply services and facilities for the promotion and development of the economy, the conservation and implementation of the public welfare and protection and promotion of the public health to the city.

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 Authorities. 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

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

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 two kinds of activities:

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

Business-type activities – Services where the City charges a fee to customers to help it cover all or most of the cost of these services it provides. The City’s water, sewer, and storm water systems activities, along with economic development, are reported here.

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 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** – It is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in the other funds. For reporting purposes, the General Fund includes the activities of the Cleet Assessment account, A&D account, Retirement account, and Library contribution account.
- **PWA Operation and Maintenance** –Primarily used for the construction of utility related assets. Funds can also be used for the operation and maintenance of the Authority’s systems. Funded by dedicated tax revenues.

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

- Fire Department Fund – Primary funding for Fire Department with a .5 cent sales tax as its revenue source.
- GO Bond Construction Fund – Accounts for bond proceeds and will fund the construction of public safety facilities.
- ARPA Grant Fund – Accounts for the collection of spending of the Federal American Rescue Plant Act Covid-19 relief funds.
- Go Bond Sinking Fund – Accounts for the collection of taxes to be used to extinguish Go Bond Debt

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

Special Revenue Funds:

- Cemetery Fund – Accounts for cemetery revenue restricted by State law for cemetery capital improvements.
- Technology Fund – Fees collected with police fines to be used for drug and alcohol enforcement.
- Police Training Fund – Accounts for police fine revenues and expenditures dedicated to provide for Police Department training and related supplies and equipment.
- Fire Department Special Fund – Grants revenues and collected fees associated with the Fire Department are accounted for in this fund, along with associated Fire Department expenditures.
- 911 Enhancement Fund – Collects wireless 911 fees to be used to maintain emergency 911 equipment and services.
- CDBG Grand Fund – Accounts for specific grant activity when such grants are available.
- .
- Recreational Services Fund – A .25 cent sales tax is used to fund the operation of the City's Library, Community Center, and future Recreational Center.

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:

- Catoosa Public Works Authority – Accounts for activities of providing water and sewer, and stormwater services to the public. See below for pertinent information pertaining to this fund including dedication of revenues.
- Catoosa Economic Development Authority – accounts for economic development activities, including issuance of TIF bonds to attract new retail and industrial development.
- Catoosa Industrial Authority – Accounts for activities related to encouraging industrial development in and around the Catoosa area.

The Catoosa Public Works Authority was created in 1965 and operates as a public trust. On January 19, 1965, the City of Catoosa, Oklahoma accepted beneficial interest in the trust pursuant to resolution. The Authority's major operations consist of providing water and sewage disposal and storm water management to the citizens of the City of Catoosa, Oklahoma. The trustees of the Authority consist of the acting members of the governing body of the City of Catoosa. The Catoosa Economic Development Authority has been dormant for many years but has recently been activated to assist with a TTF funding district for commercial economic development purposes.

3. Cash and Cash Equivalents, Deposits and Investments

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

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

Deposits and Investments Risks

The City of Catoosa 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:

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

Type	Carrying Value	Credit Rating	Hierarchy
Deposits:			
Demand deposits	\$ 12,904,808	N/A	N/A
Investments:			
Time deposits	2,300,313	N/A	N/A
Federated Hermes Gov Oblig Tax Managed	101	AAAm(1)	Level 1
ICS (CDARS)	6,147,283	N/A	N/A
Sub-T total	<u>\$ 21,352,505</u>		
Reconciliation to Financial Statements:			
Cash and cash equivalents	\$ 19,052,192		
Investments	2,300,313		
	<u>\$ 21,352,505</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.

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 100% 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.

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

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

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

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.

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 Catoosa Public Works Authority related to refundable meter deposits 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	\$ 81,279
	\$ 81,279

4. Receivables

In the government-wide statements, receivables consist of all revenues earned at period-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, police fines, and hotel/motel tax.

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	1,262,709	\$ -	\$ 1,262,709
Court fines	1,137,055	(966,497)	170,558
Total Governmental Activities	\$ 2,399,764	\$ (966,497)	\$ 1,433,267
 Business-Type Activities:			
Melton Truck TIF receivable	334,000	-	334,000
Utilities	506,552	(131,807)	374,745
	\$ 840,552	\$ (131,807)	\$ 708,745

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

5. 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. The capitalization threshold is capital assets with a cost of \$1,000 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	\$ 1,322,864	\$ 2,140	\$ -	\$ 1,325,004
Construction in progress	6,303,156	12,753,183	1,436,941	17,619,398
Total capital assets not being depreciated	<u>7,626,020</u>	<u>12,755,323</u>	<u>1,436,941</u>	<u>18,944,402</u>
Other capital assets:				
Buildings and improvements	5,474,740	-	-	5,474,740
Machinery and Equipment	7,533,976	1,163,396	(290,666)	8,406,706
Infrastructure	5,583,617	1,436,940	-	7,020,557
Total other capital assets at historical cost	<u>18,592,333</u>	<u>2,600,336</u>	<u>(290,666)</u>	<u>20,902,003</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,701,526)	(236,001)	-	(1,937,527)
Machinery and equipment	(3,425,914)	(595,734)	236,068	(3,785,580)
Infrastructure	(579,482)	(115,607)	-	(695,089)
Total accumulated depreciation	<u>(5,706,922)</u>	<u>(947,342)</u>	<u>236,068</u>	<u>(6,418,196)</u>
Other capital assets, net	<u>12,885,411</u>	<u>1,652,994</u>	<u>(526,734)</u>	<u>14,483,807</u>
Governmental activities capital assets, net	<u>\$ 20,511,431</u>	<u>\$ 14,408,317</u>	<u>\$ 910,207</u>	<u>\$ 33,428,209</u>

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

	Balance at July 1, 2023	Additions	Transfers/ Deductions	Balance at June 30, 2024
<i>Business-type activities:</i>				
Capital assets not being depreciated:				
Land	\$ 458,266	\$ -	\$ -	\$ 458,266
Construction in progress	28,066	-	-	28,066
Total capital assets not being depreciated	<u>486,330</u>	<u>-</u>	<u>-</u>	<u>486,332</u>
Other capital assets:				
Buildings	143,482	-	-	143,482
Stormwater improvements	819,306	-	-	819,306
Machinery and equipment	1,554,897	15,665	-	1,570,562
Infrastructure	7,848,835	-	-	7,848,835
Total other capital assets at historical cost	<u>10,446,522</u>	<u>15,665</u>	<u>-</u>	<u>10,382,185</u>
Less accumulated depreciation for:				
Buildings	(38,262)	(2,870)	-	(41,132)
Stormwater improvements	(181,546)	(16,386)	-	(197,932)
Machinery and equipment	(760,282)	(99,174)	-	(859,456)
Infrastructure	(3,892,992)	(150,444)	-	(4,043,436)
Total accumulated depreciation	<u>(4,953,082)</u>	<u>(268,874)</u>	<u>-</u>	<u>(5,141,956)</u>
Other capital assets, net	5,493,440	(253,209)	-	5,240,229
Business-type activities capital assets, net	<u>\$ 5,979,770</u>	<u>\$ (253,209)</u>	<u>\$ -</u>	<u>\$ 5,726,561</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
- Stormwater improvements 15-50 years
- Infrastructure 15-50 years
- Machinery 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	\$ 115,392
Public Safety	485,963
Highways and road	149,320
Culture and Recreation	196,667
Total	<u>\$ 947,342</u>
Business-Type Activities:	
Water/Sewer	\$ 225,898
Storm Water	42,976
Total	<u>\$ 268,874</u>

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

6. Internal and Interfund Balances and Transfers

Internal and Interfund Balances:

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Nature of Interfund Balance</u>
General Fund	Catoosa Industrial Authority	\$ 672,665	CIA incentive payment
Fire Department Fund	Catoosa Industrial Authority	294,485	CIA incentive payment
PWA Operations / Maintenance	Catoosa Public Works Authority	5,424,527	To cover negative balance in pooled cash
PWA Operations / Maintenance	GO Bond Construction Fund	1,619,212	To cover negative balance in pooled cash
PWA Operations / Maintenance	Recreational Services Fund	384,378	To cover negative balance in pooled cash
PWA Operations / Maintenance	Technology Fund	59,743	To cover negative balance in pooled cash
PWA Operations / Maintenance	Police Training Fund	19,187	To cover negative balance in pooled cash
PWA Operations / Maintenance	General Fund	16,842	To cover negative balance in pooled cash
Total		<u>\$ 8,491,039</u>	

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Net Internal Balances</u>
Reconciliation to Fund Financial Statements:			
Governmental Funds	\$ 8,491,039	\$ (2,099,362)	\$ 6,391,677
Proprietary Funds	-	(6,391,677)	(6,391,677)
Total	<u>\$ 8,491,039</u>	<u>\$ (8,491,039)</u>	<u>\$ -</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:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>	<u>Nature of Interfund Transfer</u>
General Fund	Catoosa Public Work Authority	\$ 80,282	To correct expenses
Police Training Fund	General Fund	1,670	To correct revenues
Catoosa Public Work Authority	PWA Operation Maintenance Fu	1,500,000	Operating subsidy
		<u>\$ 1,581,952</u>	

	<u>Transfers from Other Funds</u>	<u>Transfers to Other Funds</u>	<u>Net Transfers</u>
Reconciliation to fund financial statements:			
Governmental Funds	\$ 947	\$ -	\$ 947
Enterprise Funds	1,500,000	(80,282)	1,419,718
Totals	<u>\$ 1,500,947</u>	<u>\$ (80,282)</u>	<u>\$ 1,420,665</u>

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

7. Long-Term Debt

The City's long-term debt consists of G.O. bonds and notes payable, and accrued compensated absences.

For the year ended June 30, 2024, the City's long-term debt 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:					
General Obligation Bonds	\$ 20,500,000	\$ -	\$ 850,000	\$ 19,650,000	\$ 850,000
Notes Payable - direct borrowings	1,724,066	-	425,318	1,298,748	447,140
Accrued Compensated Absences	<u>200,232</u>	<u>175</u>	<u>-</u>	<u>200,407</u>	<u>20,040</u>
Total Governmental Activities	<u>\$ 22,424,298</u>	<u>\$ 175</u>	<u>\$ 1,275,318</u>	<u>\$ 21,149,155</u>	<u>\$ 1,317,180</u>
Plus: Net pension liability				<u>2,081,651</u>	<u>-</u>
				<u>\$ 23,230,806</u>	<u>\$ 1,317,180</u>
Reconciliation to Statement of Net Position:					
Due within one year				\$ 1,317,180	
Due in more than one year				<u>21,913,626</u>	
				<u>\$ 23,230,806</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	\$ 435,000	\$ -	\$ 101,000	\$ 334,000	\$ 106,000
Accrued Compensated Absences	<u>28,108</u>	<u>2,522</u>	<u>-</u>	<u>30,630</u>	<u>3,063</u>
Total Business-Type Activities	<u>\$ 463,108</u>	<u>\$ 2,522</u>	<u>\$ 101,000</u>	<u>\$ 364,630</u>	<u>\$ 109,063</u>
Reconciliation to Statement of Net Position:					
Due within one year				\$ 109,063	
Due in more than one year				<u>255,567</u>	
				<u>\$ 364,630</u>	

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

GO Bond Payable –

2022A GO Bond for \$20,500,000 with interest of 4.1% for the construction of police and fire Facilities. Debt service payments are due semi-annually through June 2047. Bonds are secured by ad valorem or property taxes levied annually.

	<u>19,650,000</u>
Current portion	\$850,000
Non-current portion	<u>18,800,000</u>
	<u>\$19,650,000</u>

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

Notes Payable – Direct Borrowings:

\$1,500,000 note payable for the purchase of Blue Whale landmark, matures March 2030 with a stated interest rate of 2.30%. If the City defaults, the collateralized Land will be returned to the lender.	916,582
\$1,799,286 Notes payable for the purchase of police radio equipment, matures August 2025 with a stated interest rate of 2.1%. If the City defaults, the collateralized equipment will be returned to the lender.	<u>382,166</u>
Total Notes Payable	<u>\$1,298,748</u>
Current portion	\$447,140
Non-current portion	<u>851,608</u>
	<u>\$1,298,748</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:

Note Payable Direct Borrowings –

\$1,100,000 2014A TIF Series, for the Catoosa Economic Development Authority. with interest at 5.18%. Debt service payments are due annually through June 2027	<u>\$334,000</u>
Total Notes Payable – Direct Borrowings	<u>\$334,000</u>
Current portion	\$106,000
Non-current portion	<u>228,000</u>
	<u>\$334,000</u>

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

Governmental-Type Activities				
Year Ending June 30,	GO Bonds Payable		Notes Payable - Direct Borrowings	
	Principal	Interest	Principal	Interest
2025	850,000	850,000	447,140	24,402
2026	850,000	807,500	236,115	16,101
2027	850,000	765,000	155,813	12,239
2028	850,000	722,500	159,435	8,617
2029	850,000	680,000	163,141	4,911
2030-2034	4,250,000	2,813,500	137,104	1,200
2035-2039	4,250,000	1,955,000	-	-
2040-2044	4,250,000	1,097,562	-	-
2045-2047	2,650,000	229,500	-	-
Total	\$ 19,650,000	\$ 9,920,562	\$ 1,298,748	\$ 67,470

Business-Type Activities		
Year Ending June 30,	Notes Payable-Direct Borrowings	
	Principal	Interest
2025	106,000	17,301
2026	112,000	11,810
2027	116,000	6,009
Total	\$ 334,000	\$ 35,120

Pledge of Future Revenues

Pledged Sales Tax – The City has pledged 3.25 cents (or 100%) of future sales tax. Two cents of the sales tax was voted by the citizens for general operations, .50 cent is legally restricted by a vote of the citizens for the purpose of constructing, operating, maintaining and making capital improvements to the public works authority, .50 cents for the purpose of the operation, maintenance and capital improvements to the Catoosa fire department, and .25 cents for the purpose of constructing, equipping, furnishing and to provide for the continuing operation, of the Catoosa Civic Center.

8. 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.

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.

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

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 in the Governmental Funds Balance Sheet:

	Restricted	Committed	Assigned	Unassigned	Total
General Fund	\$ -	\$ -	\$ 49,589	\$ 6,733,794	\$ 6,783,383
911 Enhancement Fund	42,503	-	-	-	42,503
CDBG Grant Fund	18,897	-	-	-	18,897
Cemetery Fund	57,292	-	-	-	57,292
Technology Fund	37,509	-	-	-	37,509
Fire Department Special Fund	94,069	-	-	-	94,069
Police Training Fund	-	43,901	-	-	43,901
GO Bond Sinking Fund	1,385,008	-	-	-	1,385,008
ARPA Grant Fund	-	4,348	-	-	4,348
Fire Department Fund	1,657,159	-	-	-	1,657,159
GO Bond Construction Fund	2,383,757	-	-	-	2,383,757
PWA Operation Maintenance Fund	8,440,555	-	-	-	8,440,555
Recreational Service Fund	982,837	-	-	-	982,837
TOTAL FUND BALANCE	15,099,586	48,249	49,589	6,733,794	21,931,218

9. 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, recreation, and library –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 3.25 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 2 cents in the general fund, .5 cents in the Public Works Authority and Fire Department Fund, and .25 cents in the Recreational Services Fund. The tax commission receives the sales tax approximately one month after collection by vendors.

Use Tax Revenue:

The City levies 3.25 cents use tax on personal property purchased outside the city limits but stored, used, or consumed within the city. The use tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission, which is one month after the tax is received from the vendors. The use taxes are allocated entirely to the General Fund.

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 collected \$1,723,103 in property tax.

For the year ended June 30, 2024, the City's net assessed valuation of taxable property was \$110,364,287. The axes levied by the City per \$1,000 of net assessed valuation for the year ended June 30, 2024, was \$15.81

10. 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 through the purchase of commercial insurance with varying deductibles. These deductibles are well below materiality levels for the City. During the last four years no claims have been settled for amounts in excess of insurance coverage.

11. Retirement Plan Participation

The City of Catoosa participates in three pension or retirement plans:

- Oklahoma Firefighter's Pension and Retirement System (OFPRS) – a statewide cost sharing plan
- Oklahoma Police Pension and Retirement System (OPPRS) – a statewide cost-sharing plan
- Oklahoma Municipal Retirement Fund (OkMRF) – agent multiple-employer defined contribution plan
- Single Employer Pension Plan through First Financial Securities of America- defined Contribution plan

The following is a summary of the deferred outflows, deferred inflows and net pension liability by the various plans as of June 30, 2024:

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

	<u>Governmental</u>		<u>Business Type</u>		<u>Total</u>
Deferred Outflows:					
Police Pension	\$ 780,158	\$	-	\$	780,158
Fire Pension	631,953		-		631,953
Total	<u>\$ 1,412,111</u>	\$	-	\$	<u>1,412,111</u>
Deferred Inflows:					
Police Pension	\$ 171,792	\$	-	\$	171,792
Fire Pension	252,305		-		252,305
Total	<u>\$ 424,097</u>	\$	-	\$	<u>424,097</u>
Net Pension Liability:					
Fire Pension	\$ 2,081,651	\$	-	\$	2,081,651
Total	<u>\$ 2,081,651</u>	\$	-	\$	<u>2,081,651</u>
Net Pension Asset:					
Police Pension	\$ 75,037	\$	-	\$	75,037
Total	<u>\$ 75,037</u>	\$	-	\$	<u>75,037</u>

Oklahoma Municipal Retirement Plan (OkMRF) – Defined Contribution Plan

The City provided a defined contribution plan in the form of The Oklahoma Municipal Retirement System Master Defined Contribution Plan (OkMRF). The defined contribution plan is available to the city manager and the chief of police. Employees are eligible to participate after 90 days of employment and must make contributions to the plan, based upon employee contributions under the pick-up option, at a rate of 5% of covered payroll. These picked-up contributions are made by the employer and paid in lieu of contributions by the employee. Additionally, the employer intends to make contributions to the plan in varying amounts each year. The City’s contributions for each employee (and interest allocated to the employee’s account) are vested after 10 years of employment. City contributions for, and interest forfeited by, employees who leave employment prior to fully vesting shall decrease the required employer contributions. The authority to establish and amend the provisions of the plan rest with the City Council.

For the year ended June 30, 2024, the following amounts related to the defined contribution plan:

Employee contributions made \$13,369
Employer contributions made \$47,847

City Employee Pension Plan – Defined Contribution Plans

The City has adopted a Code Section 457 Retirement Plan for all city employees not covered by other plans. Under this plan, which is a defined contributions plan, the employees may elect to contribute up to the lesser of \$7,500 or 25% of compensation annually. The employer contributes 12% of covered payroll annually. Employees have a 100% nonforfeitable interest in the contributions. The vesting schedule for the City contributions to the plan is 0% to 6 years of service and 100% after 7 years. However, employees are fully vested at age 65 or upon death or disability regardless of the number of years of service. The contributions to the plan by employees and the city were \$57,961 and \$77,166 respectively.

Oklahoma Firefighter’s Pension – Statewide Cost Sharing Plan

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

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

Normal Retirement:

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

All firefighters are eligible for immediate disability benefits. For paid firefighters, the disability in-the-line-of-duty benefit for firefighters with less than 20 years of service is equal to 50% of final average monthly compensation, based on the most recent 30 months of service. For firefighters with over 20 years of service, a disability in the line of duty is calculated based on 2.5% of final average monthly compensation, based on the most recent 30 months, per year of service, with a maximum of 30 years of service. For disabilities not in the line of duty, the benefit is limited to only those with less than 20 years of service and is 50% of final average monthly compensation, based on the most recent 60-month salary as opposed to 30 months. 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 \$99,191. The State of Oklahoma also made on-behalf contributions to FPRS in the amount of \$226,800 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

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

Balance. In the government-wide Statement of Activities, revenue is recognized for the state’s on-behalf contributions on an accrual basis of \$184,394. These on-behalf payments did not meet the criteria of a special funding situation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2024, the City reported a liability of \$2,081,651 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 .161337%.

For the year ended June 30, 2024, the City recognized pension expense of \$338,976. 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	\$ 247,566	\$ 2,643
Changes of assumptions	-	3,338
Net difference between projected and actual earnings on pension plan investments	137,324	-
Changes in proportion	93,291	246,324
Contributions during the measurement date	54,581	-
Contributions subsequent to the measurement date	99,191	-
Total	\$ 631,953	\$ 252,305

In the year ending June 30, 2024, \$99,191 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	\$	99,035
2026		22,421
2027		194,665
2028		(35,664)
Total	\$	280,457

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

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.

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%	9.48%
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	\$ 2,712,481	\$ 2,081,651	\$ 1,554,110

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

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

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

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

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 \$128,515. The State of Oklahoma also made on-behalf contributions to OPPRS in the amount of \$135,956 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 \$109,229. 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 \$75,037 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

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

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 .245702%.

For the year ended June 30, 2024, the City recognized pension expense of \$212,673. 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	\$ 205,415	\$ 11,573
Changes of assumptions	-	140,065
Net difference between projected and actual earnings on pension plan investments	371,780	-
Changes in proportion	-	20,154
Contributions during measurement date	74,448	-
Contributions subsequent to the measurement date	128,515	-
Total	\$ 780,158	\$ 171,792

In the year ending June 30, 2024, \$128,515 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	\$	81,856
2026		13,261
2027		301,781
2028		77,912
2029		5,041
Total	\$	479,851

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).

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

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

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

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

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2012, to June 30, 2017.

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

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' net pension liability (asset)	\$ 708,477	\$ (75,037)	\$ (738,428)

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.

12. 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 Catoosa participates in various federal or state grant/loan programs from year to year. In 2024, the City's involvement in federal and state award programs was relatively immaterial. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. The City has not been notified of any noncompliance with federal or state award requirements. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

13. Accounting Changes & Error Corrections

Beginning with the fiscal year ended June 30, 2024, the Recreational Service fund did not meet the quantitative threshold for presentation as a major fund. Due to this change, the Statement of Revenues, Expenditures and Changes in Fund Balances for Other Governmental Funds total beginning fund balance does not match the ending total fund balance of the prior fiscal year's financial statements. The effects of this accounting change to or within the financial reporting entity are summarized in the reconciliation below.

Reconciliation of Changes to or Within the Financial Reporting Entity – Year Ended June 30, 2024

	Balance Before Restatement 6/30/2024	Restatement for Reclassification of Recreational Services Fund	Restatement for Reclassification of GO Bond Sinking Fund
Statement of Revenues, Expenditures and Changes in Fund Balances			
Other Governmental Funds - Fund Balances - Beginning	\$ 1,671,199	\$ 807,316	\$ (1,400,968)
Total Change	\$ 1,671,199	\$ 807,316	\$ (1,400,968)

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

REQUIRED SUPPLEMENTARY INFORMATION

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

Budgetary Comparison Schedules (Budgetary Basis) – Year Ended June 30, 2024

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget basis)	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 6,623,479	\$ 6,623,479	\$ -	\$ (6,623,479)
Resources (Inflows):				
Taxes	7,932,572	7,932,572	7,423,060	(509,512)
Licenses and permits	63,446	63,446	104,076	40,630
Fines and forfeitures	69,510	69,510	82,408	12,898
Investment income	98,362	98,362	94,720	(3,642)
Miscellaneous	182,008	182,008	266,251	84,243
Intergovernmental	324,812	324,812	208,610	(116,202)
Total Resources (Inflows)	<u>8,670,710</u>	<u>8,670,710</u>	<u>8,179,125</u>	<u>(491,585)</u>
Amounts available for appropriation	<u>15,294,189</u>	<u>15,294,189</u>	<u>8,179,125</u>	<u>(7,115,064)</u>
Charges to Appropriations (Outflows):				
General Government	1,383,650	1,383,150	1,316,165	66,985
Police	2,736,950	2,736,950	2,311,122	425,828
Community Development	445,400	445,400	359,786	85,614
Street and Parks	5,054,027	5,054,027	1,405,341	3,648,686
Technology	138,300	138,300	111,379	26,921
Economic Development	2,250,500	2,250,500	1,911,156	339,344
Emergency Management	148,100	148,100	135,315	12,785
Museum	128,000	128,000	104,695	23,305
Animal Control	141,060	141,060	114,063	26,997
Emergency Reserve	1,449,391	2,868,702	28,500	2,840,202
Total Charges to Appropriations	<u>13,875,378</u>	<u>15,294,189</u>	<u>7,797,522</u>	<u>7,496,667</u>
Ending Budgetary Fund Balance	<u>\$ 1,418,811</u>	<u>\$ -</u>	<u>\$ 381,602</u>	<u>\$ 381,602</u>

See accompanying notes to this schedule.

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

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>General Fund</u>
Sources/Inflows of resources	
Actual amounts (budgetary basis) "total resources" from the budgetary comparison schedule	\$ 8,179,125
Differences - budget to GAAP:	
Revenue recognized as inflows of budgetary resources but are not revenues for financial reporting purposes.	(84,187)
State payments made on-behalf of police pension not considered a budgetary resources	123,746
Transfer in General fund	80,282
Revenues from combined accounts:	
Cleet Fund	29
A&D Fund	403
Retirement Fund	617
Library Contribution Fund	7,165
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	\$ 8,307,180
Uses/Outflows of appropriations	
Actual amounts (budgetary basis) "total appropriations" from the budgetary comparison schedule	\$ 7,797,522
Differences - budget to GAAP:	
expenses recognized as outflows of budgetary resources but are not uses for financial reporting purposes.	948,706
State payments made on-behalf of police pension not considered a	123,746
Transfer out General fund	947
Expenditures from combined accounts:	
Cleet Fund	28,519
Retirement Fund	10,514
Library Contribution Fund	6,033
Total expenditures and transfers out as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	\$ 8,915,987

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

Pension Information

Schedules of Required Supplementary Information

**SCHEDULE OF THE CITY OF CATOOSA'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	0.095800%	0.103959%	0.1014410%	0.1055551%	0.1055551%	0.162106%	0.171590%	0.175697%	0.192958%	0.161337%
City's proportionate share of the net pension liability	\$ 985,153	\$ 1,103,429	\$ 1,239,317	\$ 1,327,542	\$ 1,294,672	\$ 1,712,922	\$ 2,113,830	\$ 1,157,085	\$ 2,523,383	\$ 2,081,651
City's covered-employee payroll	\$ 271,479	\$ 284,034	\$ 283,050	\$ 337,799	\$ 494,473	\$ 534,316	\$ 590,375	\$ 615,128	\$ 754,549	\$ 708,507
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	363%	388%	438%	393%	262%	321%	358%	188%	334%	294%
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%	69.49%	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
Statutorially required contribution	\$ 38,007	\$ 39,765	\$ 39,627	\$ 47,289	\$ 83,865	\$ 99,529	\$ 112,171	\$ 117,257	\$ 135,818	\$ 99,191
Contributions in relation to the statutorially required contribution	\$ 38,007	\$ 39,765	\$ 39,627	\$ 47,289	\$ 83,865	\$ 99,529	\$ 112,171	\$ 117,257	\$ 135,818	\$ 99,191
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 271,479	\$ 284,034	\$ 283,050	\$ 337,779	\$ 494,473	\$ 536,431	\$ 590,375	\$ 615,128	\$ 754,549	\$ 708,507
Contributions as a percentage of covered-employee payroll	14%	14%	14%	14%	17%	19%	19%	19%	18%	14%

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

**SCHEDULE OF THE CITY OF CATOOSA PORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
City's proportion of the net pension liability (asset)	0.2071%	0.2071%	0.1989%	0.2161%	0.2130%	0.2078%	0.2231%	0.2212%	0.2454%	0.2457%
City's proportionate share of the net pension liability (asset)	\$ (69,736)	\$ 8,466	\$ 304,673	\$ 16,621	\$ (101,471)	\$ (13,263)	\$ 256,175	\$ (1,060,939)	\$ (196,763)	\$ (75,037)
City's covered-employee payroll	\$ 585,651	\$ 608,170	\$ 646,692	\$ 650,648	\$ 672,461	\$ 757,280	\$ 803,255	\$ 849,346	\$ 1,118,021	\$ 988,577
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	11.91%	1.39%	47.11%	2.55%	15.09%	1.75%	-31.89%	124.91%	17.60%	7.59%
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**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Statutorily required contribution	\$ 76,134	\$ 79,062	\$ 84,070	\$ 84,584	\$ 107,594	\$ 119,728	\$ 128,286	\$ 144,351	\$ 186,881	\$ 128,515
Contributions in relation to the statutorily required contribution	\$ 76,134	\$ 79,062	\$ 84,070	\$ 84,584	\$ 107,594	\$ 119,728	\$ 128,286	\$ 144,351	\$ 186,881	\$ 128,515
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 585,651	\$ 608,170	\$ 646,692	\$ 650,648	\$ 672,461	\$ 757,280	\$ 803,254	\$ 849,346	\$ 1,118,021	\$ 988,577
Contributions as a percentage of covered-employee payroll	13%	13%	13%	13%	16%	16%	16%	17%	17%	13%

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

OTHER SUPPLEMENTARY INFORMATION

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

Combining Balance Sheet – General Fund Accounts - June 30, 2024

	<u>General Fund</u>	<u>Cleet Assesment Account</u>	<u>A&D Account</u>	<u>Retirement Account</u>	<u>Library Contribution Account</u>	<u>Total General Fund</u>
ASSETS						
Cash and cash equivalents	\$ 4,788,818	\$ (23,603)	\$ 1,034	\$ 10,627	\$ 9,952	\$ 4,786,828
Investments	1,526,029	-	-	33,948	-	1,559,977
Receivables:						
Due from other funds	683,529	-	-	-	-	683,529
Taxes receivable, net	862,355	-	-	-	-	862,355
Fines receivable, net	170,558	-	-	-	-	170,558
Grant receivable	723	-	-	-	-	723
Total assets	<u>\$ 8,032,012</u>	<u>\$ (23,603)</u>	<u>\$ 1,034</u>	<u>\$ 44,575</u>	<u>\$ 9,952</u>	<u>\$ 8,063,970</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued liabilities	\$ 967,465	\$ 6,372	\$ -	\$ -	\$ -	\$ 973,837
Accrued payroll	132,233	-	-	-	-	132,233
Due to other funds	-	10,870	-	5,972	-	16,842
Total liabilities	<u>1,099,698</u>	<u>17,242</u>	<u>-</u>	<u>5,972</u>	<u>-</u>	<u>1,122,912</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	<u>157,675</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>157,675</u>
Fund balances:						
Assigned	-	-	1,034	38,603	9,952	49,589
Unassigned (deficit)	6,774,639	(40,845)	-	-	-	6,733,794
Total fund balances	<u>6,774,639</u>	<u>(40,845)</u>	<u>1,034</u>	<u>38,603</u>	<u>9,952</u>	<u>6,783,383</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,032,012</u>	<u>\$ (23,603)</u>	<u>\$ 1,034</u>	<u>\$ 44,575</u>	<u>\$ 9,952</u>	<u>\$ 8,063,970</u>

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

**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – General Fund
Accounts – Year Ended June 30, 2024**

	<u>General Fund</u>	<u>Cleet Assessment Account</u>	<u>A&D Account</u>	<u>Retirement Account</u>	<u>Library Contribution Account</u>	<u>Total General Fund</u>
REVENUES						
Taxes	\$ 7,504,915	\$ -	\$ -	\$ -	\$ -	\$ 7,504,915
Intergovernmental	321,618	-	-	-	6,809	328,427
Charges for services	19,237	-	-	-	-	19,237
Fines and forfeitures	85,004	-	-	-	-	85,004
Licenses and permits	94,756	-	-	-	-	94,756
Investment income	105,882	29	403	617	356	107,287
Miscellaneous	87,272	-	-	-	-	87,272
Total revenues	<u>8,218,684</u>	<u>29</u>	<u>403</u>	<u>617</u>	<u>7,165</u>	<u>8,226,898</u>
EXPENDITURES						
Current:						
General government	4,206,478	28,519	-	-	-	4,234,997
Public safety	2,557,839	-	-	10,514	-	2,568,353
Public works and streets	845,217	-	-	-	-	845,217
Culture and recreation	58,763	-	-	-	6,033	64,796
Capital Outlay	898,187	-	-	-	-	898,187
Debt Service:						
Principal	292,131	-	-	-	-	292,131
Interest and fiscal charges	11,359	-	-	-	-	11,359
Total expenditures	<u>8,869,974</u>	<u>28,519</u>	<u>-</u>	<u>10,514</u>	<u>6,033</u>	<u>8,915,040</u>
Excess (deficiency) of revenues over expenditures	<u>(651,290)</u>	<u>(28,490)</u>	<u>403</u>	<u>(9,897)</u>	<u>1,132</u>	<u>(688,142)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	80,282	-	-	-	-	80,282
Transfers out	(947)	-	-	-	-	(947)
Total other financing sources and uses	<u>79,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,335</u>
Net change in fund balances	(571,955)	(28,490)	403	(9,897)	1,132	(608,807)
Fund balances - beginning	7,346,594	(12,355)	631	48,500	8,820	7,392,190
Fund balances - ending	<u>\$ 6,774,639</u>	<u>\$ (40,845)</u>	<u>\$ 1,034</u>	<u>\$ 38,603</u>	<u>\$ 9,952</u>	<u>\$ 6,783,383</u>

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

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

	<u>Special Revenue Fund</u>							
	<u>911 Enhancement Fund</u>	<u>CDBG Grant Fund</u>	<u>Cemetery Fund</u>	<u>Technology Fund</u>	<u>Fire Department Special Fund</u>	<u>Recreational Services Fund</u>	<u>Police Training Fund</u>	<u>TOTALS</u>
ASSETS								
Cash and cash equivalents	\$ 42,503	\$ 18,897	\$ 57,292	\$ 97,252	\$ 94,069	\$ 1,300,378	\$ 63,088	\$ 1,673,479
Investments	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-
Grant receivable	-	-	-	-	-	-	-	-
Taxes Receivable	-	-	-	-	-	79,054	-	79,054
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	<u>\$ 42,503</u>	<u>\$ 18,897</u>	<u>\$ 57,292</u>	<u>\$ 97,252</u>	<u>\$ 94,069</u>	<u>\$ 1,379,432</u>	<u>\$ 63,088</u>	<u>\$ 1,752,533</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,136	\$ -	\$ 1,136
Unearned revenue	-	-	-	-	-	-	-	-
Accrued payroll	-	-	-	-	-	11,081	-	11,081
Due to other funds	-	-	-	59,743	-	384,378	19,187	463,308
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,743</u>	<u>-</u>	<u>396,595</u>	<u>19,187</u>	<u>475,525</u>
Fund balances:								
Restricted	42,503	18,897	57,292	37,509	94,069	982,837	-	1,233,107
Committed	-	-	-	-	-	-	43,901	43,901
Total fund balances	<u>42,503</u>	<u>18,897</u>	<u>57,292</u>	<u>37,509</u>	<u>94,069</u>	<u>982,837</u>	<u>43,901</u>	<u>1,277,008</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 42,503</u>	<u>\$ 18,897</u>	<u>\$ 57,292</u>	<u>\$ 97,252</u>	<u>\$ 94,069</u>	<u>\$ 1,379,432</u>	<u>\$ 63,088</u>	<u>\$ 1,752,533</u>

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

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

	Special Revenue Fund						Debt Service Fund		TOTALS
	911 Enhancement Fund	CDBG Grant Fund	Cemetery Fund	Technology Fund	Fire Department Special Fund	Recreational Services Fund	Police Training Fund	GO Bond Sinking Fund	
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 646,484	\$ -	\$ -	\$ 646,484
Intergovernmental	-	-	-	-	9,994	-	-	-	9,994
Charges for services	-	-	2,200	-	-	-	-	-	2,200
Fines and forfeitures	-	-	-	-	-	-	14,966	-	14,966
Investment income	433	-	638	1,211	901	14,855	785	-	18,823
Miscellaneous	77	-	-	30,200	-	17,335	2,420	-	50,032
Total revenues	<u>510</u>	<u>-</u>	<u>2,838</u>	<u>31,411</u>	<u>10,895</u>	<u>678,674</u>	<u>18,171</u>	<u>-</u>	<u>742,499</u>
EXPENDITURES									
Current:									
General government	-	-	-	14,406	-	-	-	-	14,406
Public safety	-	-	-	-	173	-	15,353	-	15,526
Culture and recreation	-	-	-	-	-	242,347	-	-	242,347
Capital Outlay	-	-	-	-	-	106,758	10,900	-	117,658
Debt Service									
Principal retirement	-	-	-	-	-	133,187	-	-	133,187
Interest and fiscal charges	-	-	-	-	-	20,861	-	-	20,861
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,406</u>	<u>173</u>	<u>503,153</u>	<u>26,253</u>	<u>-</u>	<u>543,985</u>
Revenues over (under) expenditures	510	-	2,838	17,005	10,722	175,521	(8,082)	-	198,514
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	-	947	-	947
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>947</u>	<u>-</u>	<u>947</u>
Net change in fund balances	510	-	2,838	17,005	10,722	175,521	(7,135)	-	199,461
Fund balances - beginning June 30, 2023 as previously reported	<u>41,993</u>	<u>18,897</u>	<u>54,454</u>	<u>20,504</u>	<u>83,347</u>	<u>-</u>	<u>51,036</u>	<u>1,400,968</u>	<u>1,671,199</u>
Restatements (See Note 13)	-	-	-	-	-	807,316	-	(1,400,968)	(593,652)
Fund balances - beginning June 30, 2023 as restated	<u>41,993</u>	<u>18,897</u>	<u>54,454</u>	<u>20,504</u>	<u>83,347</u>	<u>807,316</u>	<u>51,036</u>	<u>-</u>	<u>1,077,547</u>
Fund balances - ending	<u>\$ 42,503</u>	<u>\$ 18,897</u>	<u>\$ 57,292</u>	<u>\$ 37,509</u>	<u>\$ 94,069</u>	<u>\$ 982,837</u>	<u>\$ 43,901</u>	<u>\$ -</u>	<u>\$ 1,277,008</u>

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

Combining Schedule of Net Position – Catoosa Public Works Authority Accounts – June 30, 2024

<u>Catoosa Public Works Authority Accounts</u>			
	<u>Catoosa Public Works Authority</u>	<u>Storm Water Management</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 2,370,890	\$ 835,850	\$ 3,206,740
Investments	105,576	-	105,576
Investments restricted	81,279	-	81,279
Accounts receivable, net	358,072	16,673	374,745
Grant receivable	141,760	-	141,760
Total current assets	<u>3,057,577</u>	<u>852,523</u>	<u>3,910,100</u>
Non-current assets:			
Capital assets:			
Land, construction in progress, and water rights	470,451	15,881	486,332
Other capital assets, net of accumulated depreciation	4,489,728	750,501	5,240,229
Total non-current assets	<u>4,960,179</u>	<u>766,382</u>	<u>5,726,561</u>
Total assets	<u>8,017,756</u>	<u>1,618,905</u>	<u>9,636,661</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	334,435	7,655	342,090
Accrued payroll payable	21,845	-	21,845
Due to other funds	5,424,528	-	5,424,528
Accrued compensated absences	3,063	-	3,063
Total current liabilities	<u>5,783,871</u>	<u>7,655</u>	<u>5,791,526</u>
Non-current liabilities:			
Accrued compensated absences	27,567	-	27,567
Due to depositors	81,279	-	81,279
Total non-current liabilities	<u>108,846</u>	<u>-</u>	<u>108,846</u>
Total liabilities	<u>5,892,717</u>	<u>7,655</u>	<u>5,900,372</u>
NET POSITION			
Net investment in capital assets	4,960,179	766,382	5,726,561
Unrestricted (deficit)	(2,835,140)	844,868	(1,990,272)
Total net position	<u>\$ 2,125,039</u>	<u>\$ 1,611,250</u>	<u>\$ 3,736,289</u>

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

Combining Schedule of Revenues, Expenses and Changes in Net Position – Catoosa Public Works Authority Accounts - Year Ended June 30, 2024

	Catoosa Public Works Authority Accounts		
	Catoosa Public Works Authority	Storm Water Management	Total
REVENUES			
Charges for services	\$ 2,212,950	\$ 80,671	\$ 2,293,621
Total operating revenues	<u>2,212,950</u>	<u>80,671</u>	<u>2,293,621</u>
OPERATING EXPENSES			
General and administrative	4,700	6,378	11,078
Purchased utilities	2,663,640	-	2,663,640
Personal services	371,164	-	371,164
Plant and distribution expense	289,090	14,184	303,274
Other expenses	9,381	-	9,381
Depreciation expense	225,898	42,976	268,874
Total operating expenses	<u>3,563,873</u>	<u>63,538</u>	<u>3,627,411</u>
Operating income (loss)	<u>(1,350,923)</u>	<u>17,133</u>	<u>(1,333,790)</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	29,873	7,967	37,840
Miscellaneous	6,546	-	6,546
Operating grants	141,760	-	141,760
Total non-operating revenue (expenses)	<u>178,179</u>	<u>7,967</u>	<u>186,146</u>
Income (loss) before transfers	<u>(1,172,744)</u>	<u>25,100</u>	<u>(1,147,644)</u>
Transfers in	1,500,000	-	1,500,000
Transfers out	(80,282)	-	(80,282)
Change in net position	<u>246,974</u>	<u>25,100</u>	<u>272,074</u>
Total net position - beginning	1,878,065	1,586,150	3,464,215
Total net position - ending	<u>\$ 2,125,039</u>	<u>\$ 1,611,250</u>	<u>\$ 3,736,289</u>

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

Combining Schedule of Cash Flows – Catoosa Public Works Authority - Year Ended June 30, 2024

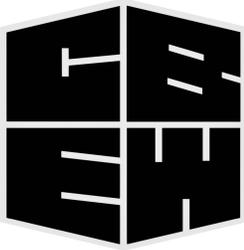
	Catoosa Public Works Authority	Storm Water Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 2,204,947	\$ 76,569	\$ 2,281,516
Payments to suppliers	(2,895,000)	(12,907)	(2,907,907)
Payments to employees	(368,642)	-	(368,642)
Payments to other funds	1,963,768	-	1,963,768
Receipts of customer meter deposits	(12,275)	-	(12,275)
Refunds of customer meter deposits	12,540	-	12,540
Net cash provided by operating activities	905,338	63,662	969,000
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	1,500,000	-	1,500,000
Transfers to other funds	(80,282)	-	(80,282)
Net cash provided by noncapital financing activities	1,419,718	-	1,419,718
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital assets purchased	(15,664)	-	(15,664)
Net cash provided by (used in) capital and related financing activities	(15,664)	-	(15,664)
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale (Purchase) of investments	(375)	-	(375)
Interest and dividends	29,873	7,967	37,840
Net cash provided by investing activities	29,498	7,967	37,465
Net increase in cash and cash equivalents	2,338,890	71,629	2,410,519
Balances - beginning of year	32,000	764,221	796,221
Balances - end of year	\$ 2,370,890	\$ 835,850	\$ 3,206,740
Reconciliation to Statement of Net Position:			
Cash and cash equivalents	\$ 2,370,890	\$ 835,850	\$ 3,206,740
Total cash and cash equivalents, end of year	\$ 2,370,890	\$ 835,850	\$ 3,206,740
-			
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ (1,350,923)	\$ 17,133	(1,333,790)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	225,898	42,976	268,874
Non-cash capital assets expensed		(1)	(1)
Change in assets and liabilities:			
Receivables, net	(14,549)	(4,101)	(18,650)
Accounts payable	71,811	7,655	79,466
Due to other funds	1,963,768	-	1,963,768
Refundable deposits	265	-	265
Accrued compensated absences	2,522	-	2,522
Net cash provided by operating activities	\$ 905,338	\$ 63,662	\$ 969,000

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

INTERNAL CONTROL AND COMPLIANCE

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

THIS PAGE INTENTIONALLY LEFT BLANK



CBEW
Professional
Group, LLP
Certified Public Accountants

CHARLES E. CROOKS, CPA
TRISHA J. RIEMAN, CPA
GABRIELLE M. CONCHOLA, CPA

904 S. MAIN STREET · P.O. BOX 1876 · STILLWATER, OK 74074 · (405) 372-3600 · FAX (405) 624-0414

**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**

January 3, 2025

Honorable Board of City Council Members
City of Catoosa
Catoosa, 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, each major fund, and the aggregate remaining fund information of the City of Catoosa, 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 Catoosa, Oklahoma's basic financial statements, and have issued our report thereon dated January 3, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Members of American Institute and Oklahoma Society of CPA's
Serving Our Clients Since 1960

City of Catoosa

January 3, 2025

Report on Compliance and Other Matters

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

Purpose of this Report

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

CBEW Professional Group, LLP

CBEW Professional Group, LLP
Certified Public Accountants