

Metropolitan Library Commission of Oklahoma County

Financial Statements

June 30, 2024 and 2023

(With Independent Auditors' Report Thereon)



**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

FINANCIAL STATEMENTS

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**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

To the Commissioners
Metropolitan Library Commission of
Oklahoma County

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Metropolitan Library Commission of Oklahoma County (the "Library"), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Library'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, each major fund, and the aggregate remaining fund information of the Library as of June 30, 2024 and 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Library 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.

Correction of Errors

As discussed in Note 1 to the financial statements, the fiscal year 2023 financial statements have been restated to reflect the correction of errors in recording compensated absences in the governmental funds-general fund financial statements and the government-wide financial statements. Our opinions are not modified with respect to these matters.

(Continued)

INDEPENDENT AUDITORS' REPORT, CONTINUED

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, 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 Library'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.

Auditors' 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 auditors' 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 Library'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 Library'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.

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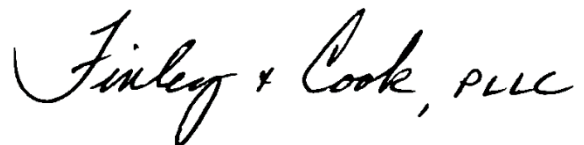
INDEPENDENT AUDITORS' REPORT, CONTINUED

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis on pages I-1 through I-7, the budgetary comparison schedule—General Fund (unaudited), the schedule of changes in net pension (asset) liability—defined benefit pension plan, the schedule of net pension (asset) liability—defined benefit pension plan, the schedule of contributions from employer—defined benefit pension plan, the schedule of investment returns—defined benefit pension plan, the schedule of changes in the total OPEB liability and related ratios, and the notes to the required supplementary information on pages 64 through 72 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, 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 audits 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2024, on our consideration of the Library'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 Library'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 the Library's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Finley & Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma
September 28, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis of the financial performance of the Metropolitan Library Commission of Oklahoma County (the "Library") provides an overall review of the Library's financial condition and results of operations for the fiscal years ended June 30, 2024 and 2023. Readers should read this information in conjunction with the Library's financial statements.

FINANCIAL HIGHLIGHTS

For the year ended June 30, 2024, the Library's General Fund reported an ending balance of \$48,573,116 versus \$46,343,839, restated, for the year ended June 30, 2023. The comparison reflects an increase of \$2,229,277, or 4.8%, of the June 30, 2023, General Fund ending fund balance. Of the June 30, 2024 and 2023, year-end totals, \$19,403,233 and \$17,194,216, restated, respectively, was unassigned, indicating that none of this amount had been restricted, committed, or assigned to specific purposes within the General Fund. For both of the years ended June 30, 2024 and 2023, \$28,999,967 of the balance was assigned, with \$20,753,967 and \$20,835,967, respectively, assigned to capital improvement projects and \$8,246,000 and \$8,164,000, respectively, assigned to cash flow requirements. Nonspendable totals for the years ended June 30, 2024 and 2023, were \$169,916 and \$149,656, respectively.

Over the years, the Library administration, with the approval of the Board of Commissioners, has prudently used or committed the money from the assigned fund balances to alleviate summer cash flow problems and provide funds for capital improvement projects. The Library does not have legal authority to raise tax dollars for capital improvement projects through bond issues as most other local government entities do. Therefore, the money in the assigned fund balances provides opportunities for the Library to improve and maintain its facilities.

In compliance with Governmental Accounting Standards Board Statement (GASB) No. 68, the Library recognized a net pension (asset) liability of approximately \$(4,248,000), \$3,470,000, and \$4,449,000 at June 30, 2024, 2023, and 2022, respectively.

In compliance with GASB Statement No. 75, the Library recognized a net other postemployment benefit (OPEB) liability of approximately \$2,107,000, \$2,036,000, and \$2,019,000 at June 30, 2024, 2023, and 2022, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Library:

The first statements are *government-wide financial statements* that provide information about the Library's overall financial status.

The remaining statements are *fund financial statements* that focus on individual parts of the Library, reporting the Library's operations in more detail than the government-wide statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

OVERVIEW OF THE FINANCIAL STATEMENTS, CONTINUED

The Library has three kinds of funds—governmental funds, proprietary funds, and fiduciary funds.

Governmental funds encompass two funds: the General Fund and the Gifts and Grants Fund.

General Fund: Represents unrestricted resources that are available for ongoing general library operations. This is the Library's primary operating fund. It includes income from special services, such as copy services, lost book fees, overdue fines, and other miscellaneous services.

Gifts and Grants Fund: Includes all gifts and grants. Gifts and grants include funds provided by intergovernmental grants and other third parties' gifts and grants. All of these funds are generally restricted as to use. Therefore, each fund accounts for its receipts and disbursements of the restricted functions.

The proprietary fund is the Library's insurance fund, an internal service fund. The insurance fund is used to maintain the Library's health and dental self-insurance plan.

Fiduciary funds are reported in the fiduciary fund financial statements but are excluded from government-wide reporting. They include the Pension Fund, the Flex Benefit Fund, and the Defined Contribution Fund. Fiduciary fund financial statements report assets that cannot be used to fund the Library's general operations.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the Library's financial statements.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information, such as a comparative statement between budgeted and actual resources and appropriations, and the schedule of funding progress for the defined benefit pension plan.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

THE LIBRARY AS A WHOLE

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<i>Statements of Net Position</i>			
Assets:			
Current	\$ 54,598,089	52,000,099	44,269,842
Capital assets, net	14,327,367	14,664,398	14,914,539
Net pension asset	4,247,713	-	-
Total assets	<u>73,173,169</u>	<u>66,664,497</u>	<u>59,184,381</u>
Deferred outflows of resources related to the pension plan and OPEB	<u>1,608,135</u>	<u>3,724,294</u>	<u>5,157,754</u>
Liabilities:			
Current, restated	2,439,928	2,075,886	2,247,006
Net pension liability	-	3,470,108	4,449,026
Total OPEB liability	<u>2,107,415</u>	<u>2,036,300</u>	<u>2,018,659</u>
Total liabilities, restated	<u>4,547,343</u>	<u>7,582,294</u>	<u>8,714,691</u>
Deferred inflows of resources related to the pension plan and OPEB	<u>1,225,104</u>	<u>1,760,504</u>	<u>2,122,120</u>
Net position:			
Net investment in capital assets	14,327,367	14,664,398	14,914,539
Restricted	240,387	227,537	268,227
Unrestricted, restated	<u>54,441,103</u>	<u>46,154,058</u>	<u>38,322,558</u>
Total net position, restated	<u>\$ 69,008,857</u>	<u>61,045,993</u>	<u>53,505,324</u>
<i>Changes in Net Position</i>			
Beginning net position, restated	<u>\$ 61,045,993</u>	<u>53,505,324</u>	<u>48,406,207</u>
Revenues:			
Property taxes	49,373,076	45,994,890	43,023,250
State aid	200,195	198,514	203,492
Charges for services	4,270,824	3,820,651	3,757,339
Operating grants and contributions	193,697	153,319	366,622
Loss from disposals, net	(3,305)	(14,299)	(168,998)
Investment earnings, net	2,415,106	1,476,268	81,102
Other	<u>9,073</u>	<u>7,901</u>	<u>(10,032)</u>
Total revenues	<u>56,458,666</u>	<u>51,637,244</u>	<u>47,252,775</u>
Expenses:			
Public library services, restated	30,181,102	26,464,581	24,832,417
Administrative services	13,189,807	12,409,677	12,130,304
Depreciation—unallocated	<u>5,124,893</u>	<u>5,222,317</u>	<u>5,190,937</u>
Total expenses	<u>48,495,802</u>	<u>44,096,575</u>	<u>42,153,658</u>
Changes in net position, restated	<u>7,962,864</u>	<u>7,540,669</u>	<u>5,099,117</u>
Ending net position, restated	<u>\$ 69,008,857</u>	<u>61,045,993</u>	<u>53,505,324</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS

As financial information is accumulated on a continuous and consistent basis, financial statements and expenditure reports for governmental funds are presented to the Board of Commissioners each month for its acknowledgement.

For the years ended June 30, governmental fund balances changed as follows:

	General <u>Fund</u>	Gifts and Grants <u>Fund</u>	Total Governmental <u>Funds</u>
<u>2024</u>			
Revenues	\$ 52,040,416	193,231	52,233,647
Expenditures	<u>(49,811,139)</u>	<u>(180,381)</u>	<u>(49,991,520)</u>
Net increase	<u>\$ 2,229,277</u>	<u>12,850</u>	<u>2,242,127</u>
<u>2023</u>			
Revenues	\$ 47,741,267	152,851	47,894,118
Expenditures, restated	<u>(39,953,063)</u>	<u>(193,541)</u>	<u>(40,146,604)</u>
Net increase (decrease), restated	<u>\$ 7,788,204</u>	<u>(40,690)</u>	<u>7,747,514</u>
<u>2022</u>			
Revenues	\$ 43,264,371	256,622	43,520,993
Expenditures, restated	<u>(38,535,077)</u>	<u>(191,753)</u>	<u>(38,726,830)</u>
Net increase, restated	<u>\$ 4,729,294</u>	<u>64,869</u>	<u>4,794,163</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS, CONTINUED

General Fund

The Library is primarily funded by a 5.2 mill ad valorem (property) tax. For the year ended June 30, 2024, the Oklahoma County's assessed property value had an increase of 7.4% versus 6.8% for the year ended June 30, 2023. Actual tax collections increased 7.2% for the year ended June 30, 2024, over the year ended June 30, 2023, as compared to a 7.0% increase in the year ended June 30, 2023, over the previous year. Investment income for the Library increased to a net gain of \$2,406,810 in the year ended June 30, 2024, from \$1,469,050 in investment income in the year ended June 30, 2023. The increase was primarily due to increased interest rates and increased fair values during the year ended June 30, 2024.

Major expenditure categories increased in 2024 from 2023, showing an overall increase of \$9,858,076, or 24.7%. Within categories, personnel services increased 28.8% compared to the previous year's increase of 9.8%. Maintenance and operations expenses increased, totaling a 2.1% change. Capital outlays increased 33%.

Gifts and Grants Fund

During the years ended June 30, 2024 and 2023, \$193,231 and \$152,851, respectively, of gifts and grants funds were received. For the year ended June 30, 2024, the largest contributor was the Friends of the Library, which gave 4 grants totaling \$83,183. For the year ended June 30, 2023, the largest contributor was the Library Endowment Trust, which gave 9 grants totaling \$97,000.

Proprietary Fund

	Insurance Fund		
	<u>2024</u>	<u>2023</u>	<u>2022</u>
Revenues	\$ 3,625,030	3,241,152	3,393,120
Expenses	<u>(4,165,483)</u>	<u>(3,576,883)</u>	<u>(3,805,631)</u>
Net (decrease)	<u>\$ (540,453)</u>	<u>(335,731)</u>	<u>(412,511)</u>

The total insurance premium contributed by both the employer and the employees to this fund was \$3,616,892 in the year ended June 30, 2024, versus \$3,188,746 and \$3,275,297 in the years ended June 30, 2023 and 2022, respectively. Claims expense for 2024 was \$4,165,483 compared to \$3,576,883 and \$3,805,631 for 2023 and 2022, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund budget for the year ended June 30, 2024, was \$89,724,509, an increase of \$10,390,305, or 13.1%, over the June 30, 2023, budget of \$79,334,204. The biggest contributors to the increase in the year ended June 30, 2024, budget over the previous year was an increase in carryover fund balances and available property tax revenues for appropriation.

Actual results compared to budgeted results were as follows:

		<u>Budgeted</u>	<u>Actual on a Budgeted Basis</u>
	<u>2024</u>		
Revenues		<u>\$ 44,628,799</u>	<u>51,808,314</u>
Expenditures		<u>\$ 60,724,542</u>	<u>49,627,918</u>
	<u>2023</u>		
Revenues		<u>\$ 41,545,947</u>	<u>47,701,315</u>
Expenditures, restated		<u>\$ 50,334,237</u>	<u>39,943,068</u>
	<u>2022</u>		
Revenues		<u>\$ 38,935,498</u>	<u>43,038,780</u>
Expenditures		<u>\$ 47,304,431</u>	<u>39,342,759</u>

CAPITAL ASSETS AND LONG-TERM DEBT

The Library's investment in depreciable capital assets, net of accumulated depreciation, at June 30, 2024 and 2023, was \$14,054,241 and \$14,391,272, respectively. Of the total depreciable capital assets at June 30, 2024 and 2023, 41.9% and 31.5%, respectively, consisted of furniture, equipment, vehicles, and buildings, while the remaining 58.1% and 68.5%, respectively, consisted of books and materials. Non-depreciable assets at both June 30, 2024 and 2023, represented land owned by the Library in the amount of \$273,126.

The Library has no long-term debt.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

ECONOMIC ENVIRONMENT AND NEXT YEAR'S BUDGET

The Library's primary revenue is ad valorem (property) tax. Barring a voter-approved change in the mill levy, the annual growth in the Oklahoma County's property values is the most important factor in the Library's revenue outlook. Currently, the Library collects 5.2 mills of the assessed property values. With voters' approval, the number of mills could increase to 6.0 mills.

The Library expects a 5.96% growth in the tax revenue for the next year as the Oklahoma County Assessor has certified a 5.96% growth in property values for the fiscal year ended June 30, 2025, as opposed to 7.4% in the year ended June 30, 2024. The Library expects investment income to decrease in the fiscal year ended June 30, 2025, as well in the foreseeable future due to the Federal Reserve's 50-basis-point reduction in its benchmark interest rate in September 2024 and the expected interest rate reductions by the Federal Reserve in late calendar year 2024 and in calendar year 2025. Real estate prices are rising as new construction and population growth continue, so the Library expects continued incremental growth in revenue for the foreseeable future.

For the year ended June 30, 2025, the Board of Commissioners has approved a General Fund budget of \$94,614,688, versus \$89,724,509 for the year ended June 30, 2024. Of the total budget amount for the years ended June 30, 2025 and 2024, \$59,642,156 and \$60,304,542, respectively, was for operating costs; \$207,000 and \$420,000, respectively, was for capital projects; and \$34,765,532 and \$28,999,967, respectively, was for other assigned funds.

CONTACTING THE LIBRARY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Metropolitan Library Commission of Oklahoma County, comply with finance-related laws and regulations, and demonstrate the Library's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Library's Business Office at 300 Park Avenue, Oklahoma City, OK 73102.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

STATEMENTS OF NET POSITION—GOVERNMENT-WIDE

<i>June 30,</i>	<i>2024</i>	<i>2023</i>
Assets and Deferred Outflows of Resources		
Current assets:		
Cash and cash equivalents	\$ 3,498,502	3,009,824
Investments	47,128,144	45,901,827
Ad valorem taxes receivable, net of allowance for uncollectible taxes of \$794,713 and \$858,303 for June 30, 2024 and 2023, respectively	3,597,655	2,802,965
Accounts receivable	163,872	135,827
Prepaid expenses	209,916	149,656
Total current assets	<u>54,598,089</u>	<u>52,000,099</u>
Noncurrent assets:		
Capital assets:		
Nondepreciable capital assets	273,126	273,126
Depreciable capital assets, net	14,054,241	14,391,272
Total capital assets	<u>14,327,367</u>	<u>14,664,398</u>
Net pension asset	<u>4,247,713</u>	<u>-</u>
Total noncurrent assets	<u>18,575,080</u>	<u>14,664,398</u>
Total assets	<u>73,173,169</u>	<u>66,664,497</u>
Deferred outflows of resources:		
Deferred amounts related to the pension plan and OPEB	<u>1,608,135</u>	<u>3,724,294</u>
Liabilities and Deferred Inflows of Resources		
Current liabilities:		
Accounts payable and accrued expenses, restated	1,512,998	1,190,357
Compensated absences payable	926,930	885,529
Total current liabilities, restated	<u>2,439,928</u>	<u>2,075,886</u>
Noncurrent liabilities:		
Net pension liability—amount due in more than 1 year	-	3,470,108
Total OPEB liability—amount due in more than 1 year	<u>2,107,415</u>	<u>2,036,300</u>
Total liabilities, restated	<u>4,547,343</u>	<u>7,582,294</u>
Deferred inflows of resources:		
Deferred amounts related to the pension plan and OPEB	<u>1,225,104</u>	<u>1,760,504</u>
Net Position		
Net investment in capital assets	14,327,367	14,664,398
Restricted	240,387	227,537
Unrestricted, restated	<u>54,441,103</u>	<u>46,154,058</u>
Total net position, restated	<u>\$ 69,008,857</u>	<u>61,045,993</u>

See Independent Auditors' Report.

See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

STATEMENTS OF ACTIVITIES—GOVERNMENT-WIDE

Year Ended June 30, 2024

		Revenues			Net (Expenses) Revenues/ Changes in Net Position
		Charges for	Operating Grants and Contributions	Capital Grants and Contributions	
	<u>Expenses</u>	<u>Services</u>			
Government activities:					
Public library services	\$ (30,181,102)	432,708	193,697	-	(29,554,697)
Administrative services	(13,189,807)	3,838,116	-	-	(9,351,691)
Depreciation—unallocated	(5,124,893)	-	-	-	(5,124,893)
	<u>\$ (48,495,802)</u>	<u>4,270,824</u>	<u>193,697</u>	<u>-</u>	<u>(44,031,281)</u>
General revenues:					
Property taxes, levied for general purposes					49,373,076
State aid					200,195
Loss on disposals of capital assets					(3,305)
Investment income, net					2,415,106
Other					9,073
Total general revenues					<u>51,994,145</u>
Changes in net position					7,962,864
Net position, beginning of year, restated					<u>61,045,993</u>
Net position, end of year					<u>\$ 69,008,857</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

STATEMENTS OF ACTIVITIES—GOVERNMENT-WIDE, CONTINUED

Year Ended June 30, 2023

		Revenues			Net (Expenses) Revenues/ Changes in Net Position
	<u>Expenses, restated</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Government activities:					
Public library services, restated	\$ (26,464,581)	403,001	153,319	-	(25,908,261)
Administrative services	(12,409,677)	3,417,650	-	-	(8,992,027)
Depreciation—unallocated	(5,222,317)	-	-	-	(5,222,317)
	<u>\$ (44,096,575)</u>	<u>3,820,651</u>	<u>153,319</u>	<u>-</u>	<u>(40,122,605)</u>
General revenues:					
Property taxes, levied for general purposes					45,994,890
State aid					198,514
Loss on disposals of capital assets					(14,299)
Investment income, net					1,476,268
Other					7,901
Total general revenues					<u>47,663,274</u>
Changes in net position, restated					7,540,669
Net position, beginning of year, restated					<u>53,505,324</u>
Net position, end of year, restated					<u>\$ 61,045,993</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

BALANCE SHEETS—GOVERNMENTAL FUNDS

June 30, 2024

	General <u>Fund</u>	Gifts and <u>Grants Fund</u>	Total Governmental <u>Funds</u>
Assets			
Cash	\$ 1,633,951	242,935	1,876,886
Investments	47,128,144	-	47,128,144
Ad valorem taxes receivable, net of allowance	3,597,655	-	3,597,655
Accounts receivable	18,835	-	18,835
Prepaid expenses	169,916	-	169,916
Total assets	<u>\$ 52,548,501</u>	<u>242,935</u>	<u>52,791,436</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts payable	\$ 570,415	2,548	572,963
Accrued salaries	478,731	-	478,731
Total liabilities	<u>1,049,146</u>	<u>2,548</u>	<u>1,051,694</u>
Deferred inflows of resources:			
Accrued property taxes not available	<u>2,926,239</u>	<u>-</u>	<u>2,926,239</u>
Total liabilities and deferred inflows of resources	<u>3,975,385</u>	<u>2,548</u>	<u>3,977,933</u>
Fund balances:			
Nonspendable	169,916	-	169,916
Restricted	-	240,387	240,387
Assigned	28,999,967	-	28,999,967
Unassigned	19,403,233	-	19,403,233
Total fund balances	<u>48,573,116</u>	<u>240,387</u>	<u>48,813,503</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 52,548,501</u>	<u>242,935</u>	<u>52,791,436</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

BALANCE SHEETS—GOVERNMENTAL FUNDS, CONTINUED

June 30, 2023

	General <u>Fund</u>	Gifts and <u>Grants Fund</u>	Total Governmental <u>Funds</u>
Assets			
Cash	\$ 700,132	239,284	939,416
Investments	45,901,827	-	45,901,827
Ad valorem taxes receivable, net of allowance	2,802,965	-	2,802,965
Accounts receivable	7,749	-	7,749
Prepaid expenses	149,656	-	149,656
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 49,562,329</u>	<u>239,284</u>	<u>49,801,613</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities:			
Accounts payable	\$ 510,415	11,747	522,162
Accrued salaries, restated	355,510	-	355,510
Total liabilities, restated	<u>865,925</u>	<u>11,747</u>	<u>877,672</u>
Deferred inflows of resources:			
Accrued property taxes not available	<u>2,352,565</u>	<u>-</u>	<u>2,352,565</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and deferred inflows of resources, restated	<u>3,218,490</u>	<u>11,747</u>	<u>3,230,237</u>
Fund balances:			
Nonspendable	149,656	-	149,656
Restricted	-	227,537	227,537
Assigned	28,999,967	-	28,999,967
Unassigned, restated	17,194,216	-	17,194,216
Total fund balances, restated	<u>46,343,839</u>	<u>227,537</u>	<u>46,571,376</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 49,562,329</u>	<u>239,284</u>	<u>49,801,613</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**RECONCILIATIONS OF THE BALANCE SHEETS—GOVERNMENTAL FUNDS TO
THE STATEMENTS OF NET POSITION—GOVERNMENT-WIDE**

<i>June 30,</i>	<i>2024</i>	<i>2023</i>
Reconciliation of Fund Balances to Net Position		
Total fund balances—governmental funds, restated	\$ 48,813,503	46,571,376
Amounts reported for governmental activities in the statements of net position are different because:		
Certain assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Capital assets, net of accumulated depreciation	14,327,367	14,664,398
Property taxes receivable will be collected this year but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.	2,926,239	2,352,565
Net position of Internal Service Fund separately reported as proprietary fund.	1,345,348	1,885,801
Compensated absences in governmental activities are not financial expenditures and therefore are not reported as a liability in governmental funds.	(926,930)	(885,529)
Deferred outflows related to the pension plan and OPEB are not financial resources and therefore are not reported in the funds.	1,608,135	3,724,294
Deferred inflows related to the pension plan and OPEB are not due and payable in the current period and therefore are not reported in the funds.	(1,225,104)	(1,760,504)
The net pension (asset)/liability and total OPEB liability are not due and payable in the current period and therefore are not reported in the funds.	<u>2,140,299</u>	<u>(5,506,408)</u>
Net position of governmental activities, restated	<u>\$ 69,008,857</u>	<u>61,045,993</u>

See Independent Auditors' Report.

See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES—GOVERNMENTAL FUNDS**

Year Ended June 30, 2024

	General <u>Fund</u>	Gifts and <u>Grants Fund</u>	Total Governmental <u>Funds</u>
Revenues:			
Property taxes	\$ 48,769,781	-	48,769,781
Collections on book fines and copy services	432,709	-	432,709
Gifts and grants	466	193,231	193,697
State revenue	200,195	-	200,195
Investment income, net	2,406,810	-	2,406,810
Gain on disposals	9,073	-	9,073
Other	221,382	-	221,382
Total revenues	<u>52,040,416</u>	<u>193,231</u>	<u>52,233,647</u>
Expenditures:			
Personnel services	32,374,911	-	32,374,911
Maintenance and operations:			
Contractual services	6,304,572	96,832	6,401,404
Commodities	1,257,147	57,276	1,314,423
Capital outlays	9,874,509	26,273	9,900,782
Total expenditures	<u>49,811,139</u>	<u>180,381</u>	<u>49,991,520</u>
Net changes in fund balances	2,229,277	12,850	2,242,127
Fund balances, beginning of year, restated	<u>46,343,839</u>	<u>227,537</u>	<u>46,571,376</u>
Fund balances, end of year	<u>\$ 48,573,116</u>	<u>240,387</u>	<u>48,813,503</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES—GOVERNMENTAL FUNDS, CONTINUED**

Year Ended June 30, 2023

	General <u>Fund</u>	Gifts and <u>Grants Fund</u>	Total Governmental <u>Funds</u>
Revenues:			
Property taxes	\$ 45,478,617	-	45,478,617
Collections on book fines and copy services	403,001	-	403,001
Gifts and grants	468	152,851	153,319
State revenue	198,514	-	198,514
Investment income, net	1,469,050	-	1,469,050
Gain on disposals	7,901	-	7,901
Other	183,716	-	183,716
Total revenues	<u>47,741,267</u>	<u>152,851</u>	<u>47,894,118</u>
Expenditures:			
Personnel services, restated	25,138,090	-	25,138,090
Maintenance and operations:			
Contractual services	6,157,718	121,924	6,279,642
Commodities	1,247,573	37,800	1,285,373
Capital outlays	<u>7,409,682</u>	<u>33,817</u>	<u>7,443,499</u>
Total expenditures, restated	<u>39,953,063</u>	<u>193,541</u>	<u>40,146,604</u>
Net changes in fund balances, restated	7,788,204	(40,690)	7,747,514
Fund balances, beginning of year, restated	<u>38,555,635</u>	<u>268,227</u>	<u>38,823,862</u>
Fund balances, end of year, restated	<u>\$ 46,343,839</u>	<u>227,537</u>	<u>46,571,376</u>

See Independent Auditors' Report.

See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**RECONCILIATIONS OF NET CHANGES IN GOVERNMENTAL FUND BALANCES TO
GOVERNMENTAL ACTIVITIES CHANGES IN NET POSITION**

<i>Years Ended June 30,</i>	<i>2024</i>	<i>2023</i>
Net changes in fund balances—total governmental funds, restated	\$ 2,242,127	7,747,514
Amounts reported for governmental activities in the statements of activities are different because:		
Governmental funds report capital outlays as expenditures while government-wide activities report depreciation expense to allocate those expenditures over the lives of the assets:		
Depreciation expense	(5,124,893)	(5,222,317)
Capital additions	<u>4,791,188</u>	<u>4,986,475</u>
	<u>(333,705)</u>	<u>(235,842)</u>
Disposals of capital assets are not considered to be expenditures in the governmental funds. Receipts of funds from the sale of capital assets are considered revenue in the governmental funds. They are, however, recorded as an overall loss in the statements of activities.	(3,305)	(14,299)
Compensated absences are not considered to be expenditures in the governmental funds. They are, however, recorded as expenses in the statements of activities.	(41,401)	(26,679)
Because some property taxes will not be collected for several months after the Library's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are instead counted as deferred revenues. They are, however, recorded as revenues in the statements of activities.	573,674	516,273
The statements of activities include net activity of the Internal Service Fund, which is shown as a proprietary fund in the fund financial statements.	(540,453)	(335,731)
In the statements of activities, the cost of pension and OPEB benefits earned net of employee contributions is reported as an element of pension and OPEB expense. The fund financial statements report pension and OPEB contributions as expenditures.	<u>6,065,927</u>	<u>(110,567)</u>
Changes in net position of governmental activities, restated	<u>\$ 7,962,864</u>	<u>7,540,669</u>

See Independent Auditors' Report.

See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

STATEMENTS OF NET POSITION—PROPRIETARY FUND

<i>June 30,</i>	<i>2024</i>	<i>2023</i>
	Governmental Activities— Internal Service Fund	
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,621,615	2,070,408
Stop-loss reimbursement receivable	145,037	128,078
Prepaid expenses	40,000	-
Total assets	<u>1,806,652</u>	<u>2,198,486</u>
Liabilities		
Claims payable	<u>461,304</u>	<u>312,685</u>
Net Position		
Unrestricted	<u>\$ 1,345,348</u>	<u>1,885,801</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION—PROPRIETARY FUND**

<i>Years Ended June 30,</i>	<i>2024</i>	<i>2023</i>
	Governmental Activities— Internal Service Fund	
Operating revenues:		
Insurance premiums	\$ 3,616,892	3,188,746
Refunds and miscellaneous	-	45,188
Total operating revenues	<u>3,616,892</u>	<u>3,233,934</u>
Operating expenses:		
Claims	<u>4,165,483</u>	<u>3,576,883</u>
Net operating loss	<u>(548,591)</u>	<u>(342,949)</u>
Non-operating revenues:		
Interest income	<u>8,138</u>	<u>7,218</u>
Changes in net position	(540,453)	(335,731)
Net position, beginning of year	<u>1,885,801</u>	<u>2,221,532</u>
Net position, end of year	<u>\$ 1,345,348</u>	<u>1,885,801</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

STATEMENTS OF CASH FLOWS—PROPRIETARY FUND

Increase (Decrease) in Cash and Cash Equivalents

<i>Years Ended June 30,</i>	<i>2024</i>	<i>2023</i>
	Governmental Activities— Internal Service Fund	
Cash flows from operating activities:		
Cash received from other fund for services	\$ 3,616,892	3,188,746
Receipts from reinsurance	364,275	947,724
Payments of claims	(4,398,098)	(4,699,859)
Other (payments) receipts	(40,000)	45,188
Net cash used in operating activities	(456,931)	(518,201)
Cash flows from investing activities:		
Interest on investments	8,138	7,218
Net cash provided by investing activities	8,138	7,218
Net decrease in cash and cash equivalents	(448,793)	(510,983)
Cash and cash equivalents, beginning of year	2,070,408	2,581,391
Cash and cash equivalents, end of year	\$ 1,621,615	2,070,408
Reconciliation of net operating loss to net cash used in operating activities:		
Net operating loss	\$ (548,591)	(342,949)
Adjustments to reconcile net operating loss to net cash used in operating activities:		
(Increase) decrease in receivables	(16,959)	16,959
Increase in prepaid expenses	(40,000)	-
Increase (decrease) in claims payable	148,619	(192,211)
Net cash used in operating activities	\$ (456,931)	(518,201)

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

STATEMENTS OF FIDUCIARY NET POSITION—FIDUCIARY FUNDS

June 30, 2024

	<u>Pension (and Other Employee Benefit) Trust Funds</u>			
	<u>Pension Fund</u>	<u>Flex Benefit Fund</u>	<u>Defined Contribution Fund</u>	<u>Total</u>
Assets				
Cash	\$ 1,255	22,980	-	24,235
Receivables (unsettled trades and accrued income)	77,269	-	-	77,269
Investments:				
Government money market funds	11,348,283	-	-	11,348,283
Corporate bonds	1,785,407	-	-	1,785,407
Municipal bonds	82,528	-	-	82,528
Mortgage-backed securities	42,129	-	-	42,129
U.S. Treasury obligations	1,686,460	-	-	1,686,460
Mutual funds	4,395,259	-	31,918,224	36,313,483
Guaranteed interest account	-	-	3,643,580	3,643,580
Total investments	<u>19,340,066</u>	<u>-</u>	<u>35,561,804</u>	<u>54,901,870</u>
Total assets	<u>19,418,590</u>	<u>22,980</u>	<u>35,561,804</u>	<u>55,003,374</u>
Liabilities				
Employee benefits payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position				
Net position restricted for pensions and insurance	<u>\$ 19,418,590</u>	<u>22,980</u>	<u>35,561,804</u>	<u>55,003,374</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

STATEMENTS OF FIDUCIARY NET POSITION—FIDUCIARY FUNDS, CONTINUED

June 30, 2023

	<u>Pension (and Other Employee Benefit) Trust Funds</u>			
			Defined	
	Pension	Flex Benefit	Contribution	
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Total</u>
Assets				
Cash	\$ 8,568	23,008	-	31,576
Receivables (unsettled trades and accrued income)	26,971	-	-	26,971
Investments:				
Government money market funds	619,576	-	-	619,576
Corporate bonds	2,283,404	-	-	2,283,404
Municipal bonds	84,330	-	-	84,330
Mortgage-backed securities	46,418	-	-	46,418
U.S. Treasury obligations	1,540,662	-	-	1,540,662
Common stock	3,918,768	-	-	3,918,768
Mutual funds	3,760,769	-	27,389,193	31,149,962
Guaranteed interest account	-	-	4,265,681	4,265,681
Total investments	<u>12,253,927</u>	<u>-</u>	<u>31,654,874</u>	<u>43,908,801</u>
Total assets	<u>12,289,466</u>	<u>23,008</u>	<u>31,654,874</u>	<u>43,967,348</u>
Liabilities				
Employee benefits payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position				
Net position restricted for pensions and insurance	<u>\$ 12,289,466</u>	<u>23,008</u>	<u>31,654,874</u>	<u>43,967,348</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION—
FIDUCIARY FUNDS**

Year Ended June 30, 2024

	<u>Pension (and Other Employee Benefit) Trust Funds</u>			
	<u>Pension</u>	<u>Flex Benefit</u>	<u>Defined</u>	
	<u>Fund</u>	<u>Fund</u>	<u>Contribution</u>	<u>Total</u>
			<u>Fund</u>	
Additions				
Contributions:				
Employer	\$ 6,538,984	-	1,507,426	8,046,410
Employee	18,488	125,467	856,205	1,000,160
Total contributions	<u>6,557,472</u>	<u>125,467</u>	<u>2,363,631</u>	<u>9,046,570</u>
Investment income:				
Interest	145,982	63	125,000	271,045
Dividends	206,154	-	-	206,154
Net increase in fair value of investments	<u>1,312,913</u>	<u>-</u>	<u>4,215,552</u>	<u>5,528,465</u>
Total investment income	<u>1,665,049</u>	<u>63</u>	<u>4,340,552</u>	<u>6,005,664</u>
Direct investment expenses	<u>(56,404)</u>	<u>-</u>	<u>-</u>	<u>(56,404)</u>
Net investment income	<u>1,608,645</u>	<u>63</u>	<u>4,340,552</u>	<u>5,949,260</u>
Total additions	<u>8,166,117</u>	<u>125,530</u>	<u>6,704,183</u>	<u>14,995,830</u>
Deductions				
Benefits paid	1,010,249	125,558	2,783,979	3,919,786
Administrative expense	<u>26,744</u>	<u>-</u>	<u>13,274</u>	<u>40,018</u>
Total deductions	<u>1,036,993</u>	<u>125,558</u>	<u>2,797,253</u>	<u>3,959,804</u>
Net increase (decrease) in net position	7,129,124	(28)	3,906,930	11,036,026
Net position restricted for pensions and insurance, beginning of year	<u>12,289,466</u>	<u>23,008</u>	<u>31,654,874</u>	<u>43,967,348</u>
Net position restricted for pensions and insurance, end of year	<u>\$ 19,418,590</u>	<u>22,980</u>	<u>35,561,804</u>	<u>55,003,374</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION—
FIDUCIARY FUNDS, CONTINUED**

Year Ended June 30, 2023

	<u>Pension (and Other Employee Benefit) Trust Funds</u>			
	<u>Pension</u>	<u>Flex Benefit</u>	<u>Defined</u>	
	<u>Fund</u>	<u>Fund</u>	<u>Contribution</u>	<u>Total</u>
			<u>Fund</u>	
Additions				
Contributions:				
Employer	\$ 1,000,000	-	1,363,488	2,363,488
Employee	23,672	111,033	796,430	931,135
Rollover	-	-	-	-
Total contributions	<u>1,023,672</u>	<u>111,033</u>	<u>2,159,918</u>	<u>3,294,623</u>
Investment income:				
Interest	122,729	1,357	140,521	264,607
Dividends	138,533	-	-	138,533
Net increase in fair value of investments	<u>1,010,302</u>	<u>-</u>	<u>3,038,463</u>	<u>4,048,765</u>
Total investment income	<u>1,271,564</u>	<u>1,357</u>	<u>3,178,984</u>	<u>4,451,905</u>
Direct investment expenses	<u>(54,450)</u>	<u>-</u>	<u>-</u>	<u>(54,450)</u>
Net investment income	<u>1,217,114</u>	<u>1,357</u>	<u>3,178,984</u>	<u>4,397,455</u>
Total additions	<u>2,240,786</u>	<u>112,390</u>	<u>5,338,902</u>	<u>7,692,078</u>
Deductions				
Benefits paid	864,775	91,963	3,016,192	3,972,930
Administrative expense	<u>24,682</u>	<u>-</u>	<u>12,838</u>	<u>37,520</u>
Total deductions	<u>889,457</u>	<u>91,963</u>	<u>3,029,030</u>	<u>4,010,450</u>
Net increase in net position	1,351,329	20,427	2,309,872	3,681,628
Net position restricted for pensions and insurance, beginning of year	<u>10,938,137</u>	<u>2,581</u>	<u>29,345,002</u>	<u>40,285,720</u>
Net position restricted for pensions and insurance, end of year	<u>\$ 12,289,466</u>	<u>23,008</u>	<u>31,654,874</u>	<u>43,967,348</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS

June 30, 2024 and 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Metropolitan Library Commission of Oklahoma County's (the "Library") financial statements are prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB).

Reporting Entity

The Library is a corporate body for public purposes created under Title 65 of the Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes. There are no component units included within the reporting entity.

Under the Oklahoma Metropolitan Library Act (the "Act"), the Library is governed by the Board of Commissioners. Effective July 31, 2007, Section 554 of the Act was amended, increasing the number of the Board of Commissioners voting members from 19 to 27. The Board of Commissioners members include: 13 voting members who are appointees of the City of Oklahoma City; 1 voting member who is an appointee of the Oklahoma County Commissioners; 1 voting member each from the cities of Bethany, Choctaw, Del City, Edmond, Harrah, Jones, Luther, Midwest City, Nicoma Park, the Village, and Warr Acres; and 2 ex-officio members—the Mayor of Oklahoma City and the Chairman of the Oklahoma County Commissioners, for a total of 27 voting members. The Board of Commissioners also includes one nonvoting member, the Librarian, who conducts Library operations.

Basis of Presentation

The Library's basic financial statements include both government-wide (reporting the Library as a whole) and the fund financial statements (reporting the Library's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Library does not have any activities classified as business-type activities. Internal Service Fund activity is eliminated in the fund financial statements to avoid "doubling up" revenues and expenses. Fiduciary funds are excluded from the government-wide and fund financial statements, but are reported separately in the fiduciary fund financial statements.

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Basis of Presentation, Continued

Government-Wide Financial Statements

In the government-wide statements of net position, the Library's governmental activities are reported using the accrual basis of accounting. The Library's net position is reported in three parts—net investment in capital assets, restricted, and unrestricted. Revenues are recognized when earned and expenses are recognized when incurred.

The government-wide statements of activities report both the gross and net cost of the Library's public library and administrative services. The public library and administrative services are also supported by general government revenues. The statements of activities reduce gross expenses (including depreciation) by related revenues, operating grants and contributions, and capital grants and contributions. Revenues must be directly associated with the public library and administrative services. Charges for services include charges and fees to customers for fines and charges for services provided. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

All interfund transactions between governmental funds and internal service funds are eliminated in the government-wide statements.

The net costs are normally covered by general revenue (property taxes, state aid, other taxes, etc.).

The government-wide focus is on the sustainability of the Library as an entity and the changes in the Library's net position resulting from the current year's activities.

Fund Financial Statements

Fund financial statements report detailed information about the Library. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Nonmajor funds, if any, are aggregated and presented in a single column.

All governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectable within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

See Independent Auditors' Report.

METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Basis of Presentation, Continued

Fund Financial Statements, Continued

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. All other revenues and expenses are non-operating.

Fiduciary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting, except for the recognition of certain liabilities of defined benefit pension plans. Employer and participant contributions are recognized in the period in which the contributions are due and the Library has made a formal commitment to provide the contributions. Retirement benefits and refunds are recognized when due and payable in accordance with the plan.

The Library reports the following major governmental funds:

General Fund

The *General Fund* is the primary operating fund of the Library. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund

Gifts and Grants Fund—The Library accounts for resources received from various gifts and grants. These resources are restricted to, or designated for, specific purposes by a grantor.

Additionally, the Library reports the following fund types:

Proprietary Fund

Internal Service Fund—Revenues and expenses related to services provided to the Library for employee insurance are accounted for in the Internal Service Fund, the insurance fund.

Fiduciary Funds

Pension (and Other Employee Benefit) Trust Funds—The Pension Fund, the Flex Benefit Fund, and the Defined Contribution Fund are used to report assets held in trust for members and beneficiaries of the plans, and the assets cannot be used to support the Library's operating programs.

See Independent Auditors' Report.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual

The government-wide financial statements are presented on the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements.

Revenues are recognized when earned and expenses are recognized when a liability is incurred. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The fiduciary fund financial statements are in conformity with the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25* and GASB Statement No. 75, *Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75).

Modified Accrual

The fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectable within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, are recognized when due.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets

Capital assets purchased or acquired with an original cost of \$1,000 or more and all books and materials are reported at historical cost or estimated historical cost, net of accumulated depreciation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	15–30 years
Furniture and fixtures	7 years
Computer equipment	4 years
Vehicles	5 years
Books and materials	5 years

Compensated Absences

The Library accrues accumulated unpaid annual leave when it has been earned by the employee. Compensated absences are reported as current liabilities in the statements of net position. Employees can accrue up to a maximum of 240 hours of annual leave. Eligible employees who end their employment with the Library are reimbursed for each day of accumulated unpaid annual leave. Further details are provided in the Library’s Employee Leave Policy.

Annual Budget

The Library is required by state law to prepare an annual budget. The Oklahoma County Excise Board formally approves an annual budget for the General Fund.

Cash and Cash Equivalents

The Library considers all cash on-hand, demand deposits, money market checking, and certificates of deposit held at an individual bank which are subject to early withdrawal penalties, no matter what the maturity period, to be cash and cash equivalents.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments held at June 30, 2024 and 2023, with original maturities greater than 1 year are stated at fair value.

Investment Earnings

Investment earnings principally consist of interest income and fair market value adjustments as the investments are presented at fair value. Investment earnings for the years ended June 30 were as follows:

	<u>2024</u>	<u>2023</u>
Interest income	\$ 1,799,589	944,965
Fair market value adjustments	<u>615,517</u>	<u>531,303</u>
Investment income, net	<u>\$ 2,415,106</u>	<u>1,476,268</u>

Advertising Costs

All costs associated with advertising are expensed as incurred.

Property Tax Revenues

The Library is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within Oklahoma County. The County Assessor, upon receipt of the certification of tax levies from the Oklahoma County Excise Board, extends the tax levies on the tax roll for submission to the County Treasurer prior to October 1. The County Treasurer must commence tax collection within 15 days of receipt of the tax rolls. The first half of taxes are due prior to January 1. The second half are due prior to April 1.

If the first payment is not made timely, the entire tax becomes due and payable on January 1. Second half taxes become delinquent on April 1 of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has 2 years to redeem the property by paying the taxes and penalty owed. If at the end of 2 years the owner has not done so, the purchaser is issued a deed to the property. The Oklahoma County Assessor's Office bills and collects the property taxes and remits to the Library its share.

See Independent Auditors' Report.

METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Property Taxes Receivable

Property taxes receivable by the Library include uncollected taxes assessed as of October 1, 2023 and 2022, and earlier. The Library considers prior years' experience in estimating uncollectable property taxes. The balance in the allowance account was \$794,713 and \$858,303 as of June 30, 2024 and 2023, respectively. No provision has been made in the other funds for uncollectable amounts. All property taxes earned at year-end but not yet received are included in receivables reported on the government-wide statements. During the years ended June 30, 2024 and 2023, the Library wrote off \$55,974 and \$94,262, respectively, of property taxes receivable as an uncollectable amount which related to the property taxes receivable of 2017 and earlier years. In the fund financial statements, property taxes are recorded as revenue in the period levied to the extent they are collected within 60 days of year-end. Any remaining property taxes due are deferred until they become available.

Changes in the allowance for the years ended June 30 were as follows:

	<u>2024</u>	<u>2023</u>
Balance, beginning of year	\$ 858,303	941,839
Provision added to allowance during the year	(15,391)	-
Charge-offs	(55,974)	(94,262)
Recoveries	<u>7,775</u>	<u>10,726</u>
Balance, end of year	<u>\$ 794,713</u>	<u>858,303</u>

Deferred Inflows and Outflows of Resources

Fund Financial Statements

Deferred inflows of resources represent the portion of property taxes receivable that will be collected this year but are not available soon enough to pay current period expenditures and are deferred.

Government-Wide Financial Statements

Deferred inflows and outflows of resources represent amounts associated with the pension plan and other postemployment benefit (OPEB), as applicable, for differences between expected and actual experience, differences between projected and actual earnings on Pension Fund investments, and changes in assumptions. Notes 6 and 7 detail the components of these items.

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

State Revenues

The Library receives revenue from the State of Oklahoma (the "State") and the Oklahoma Department of Libraries to administer certain library materials.

Interfund Transfers

During the course of normal operations, the Library has transactions between funds, including expenditures and transfers of resources to provide services and purchase assets. Transactions that are normal and recurring between funds are recorded as operating transfers.

Interfund transfers were used to transfer grant receipts from the Gifts and Grants Fund to the General Fund. For the purpose of the statements of activities, all interfund transfers between individual governmental funds have been eliminated.

Contributed Facilities and Services

The Library operates 19 branches located in government-owned buildings and receives certain services without charge. The estimated fair rental values of the premises and services are not reported in the accompanying statements of revenues, expenditures, and changes in fund balances.

Grants

The Library records income from grants in the period received or to the extent of expenses paid prior to reimbursement by a grant.

Income Taxes

The Library was established under the provisions of the Oklahoma Constitution and as such is exempt from income taxes under the Internal Revenue Code as a unit of government.

Prepaid Expenses

The Library uses the consumption method to record prepaid expenses. Prepaid expenses are payments in advance of the receipt of goods or services in exchange transactions and are usually made for insurance and rent. Prepaid expenses are reported as financial resources at the time of prepayment, and expenditures for prepaid services are recognized when the related services are received.

See Independent Auditors' Report.

METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Pensions

Defined Benefit Pension Plan—For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Metropolitan Library System Pension Plan (the “Plan”) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Defined Contribution Plan—The Library also has a defined contribution plan. The defined contribution plan is discussed in Notes 2 and 6.

Other Postemployment Benefits (OPEB)

The Library participates in a self-insurance health plan, which is a non-trusted single-employer plan that provides for employee and dependent healthcare coverage from the date of retirement, provided the participant was covered by the health insurance plan before retiring. In conjunction with the adoption of GASB 75, the Library has reflected a total OPEB liability, OPEB expense, deferred outflows of resources, and deferred inflows of resources related to OPEB in the accompanying government-wide financial statements. See Note 7 for additional information on OPEB.

Restricted Resources

The Library records gifts and grants as restricted when the donor specifies a restriction on the timing or use of the gift or grant. Expenses are allocated first to the restricted resource. If additional expense is incurred, the expense is allocated to unrestricted funds when the restriction has been depleted.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

See Independent Auditors’ Report.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Equity Classification

Government-Wide Financial Statements

Equity is classified as net position and 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 improvement of those assets.
- (b) Restricted net position—consists of net position with constraints placed on the use either by (i) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (ii) law through constitutional provisions or enabling legislation.
- (c) Unrestricted net position—all other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

It is the Library’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 Financial Statements

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

- (a) Nonspendable fund balance—includes amounts that cannot be spent because they are either (i) not in spendable form or (ii) legally or contractually required to be maintained intact. This would include items not expected to be converted to cash, including prepaid expenses.

It is the responsibility of the Library’s Chief Financial Officer to identify and report all nonspendable funds appropriately in the Library’s financial statements.

- (b) Restricted fund balance—consists of amounts with constraints placed on the use of resources either (i) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (ii) imposed by law through constitutional provisions or enabling legislation.

It is the responsibility of the Library’s Chief Financial Officer to identify and report all restricted funds appropriately in the Library’s financial statements. The Library has identified the Gifts and Grants Fund as a restricted fund balance.

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Equity Classification, Continued

Fund Financial Statements, Continued

- (c) Committed fund balance—reflects specific purposes pursuant to constraints imposed by formal action of the Library’s highest level of decision-making authority. Also, such constraints can only be removed or changed by the same form of formal action.

For purposes of the committed fund balance, the Board of Commissioners is considered the Library’s highest level of decision-making authority. Funds set aside by the Board of Commissioners as committed fund balances require the passage of a resolution by a majority vote of the members of the Board of Commissioners. The passage of such a resolution must take place prior to the Library’s fiscal year-end in order for it to be applicable to the Library’s fiscal year-end, although it is permitted for the specific amount of the commitment to be determined after the fiscal year-end if additional information is required in order to determine the exact amount to be committed. The Board of Commissioners has the authority to remove or change the commitment of funds with a majority vote.

- (d) Assigned fund balance—reflects amounts that are constrained by the Library’s intent to be used for specific purposes, but meet neither the restricted nor committed forms of constraint. Assigned funds cannot cause a deficit in the unassigned fund balance.

For purposes of the assigned fund balance, the Board of Commissioners is considered the Library’s highest level of decision-making authority. Any funds that the Chief Financial Officer assigns for specific purposes must be reported to the Board of Commissioners at its next regular meeting. The assignment of funds shall be recorded in the Board of Commissioners’ official meeting minutes.

- (e) Unassigned fund balance—is the residual classification for the General Fund only. Unassigned fund balance essentially consists of excess funds that have not been classified in the above four fund balance categories.

It is the Library’s policy to first use the restricted fund balance prior to the use of the unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balances are available. The Library’s policy for the use of the unrestricted fund balance amounts require that committed amounts 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.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Equity Classification, Continued

Fund Financial Statements, Continued

The Library presents its fund balance in accordance with the requirements of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). The following tables show the fund balance classifications as shown on the governmental funds balance sheets in accordance with GASB 54 as of June 30:

	General <u>Fund</u>	Gifts and <u>Grants Fund</u>	Total Governmental <u>Funds</u>
<u>2024</u>			
Fund balances:			
Nonspendable:			
Prepaid expenses	\$ 169,916	-	169,916
Restricted:			
Grants or gifts received for special programs	-	240,387	240,387
Assigned:			
Cash flow	8,246,000	-	8,246,000
Capital improvement:			
Bethany	250,000	-	250,000
Capitol Hill	90,000	-	90,000
Choctaw	100,000	-	100,000
Downtown	500,000	-	500,000
Edmond Library	285,000	-	285,000
Edmond Library II	500,000	-	500,000
Harrah	23,500	-	23,500
Jones	15,000	-	15,000
Luther	17,000	-	17,000
Midwest City Library	325,000	-	325,000
Nicoma Park	6,000	-	6,000
Northwest	175,000	-	175,000
Ralph Ellison Library	1,000,000	-	1,000,000
Service Center	275,000	-	275,000
Southern Oaks	100,000	-	100,000
Future projects	17,092,467	-	17,092,467
Total assigned	28,999,967	-	28,999,967
Unassigned	19,403,233	-	19,403,233
Total fund balances	\$ 48,573,116	240,387	48,813,503

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Equity Classification, Continued

Fund Financial Statements, Continued

	General <u>Fund</u>	Gifts and <u>Grants Fund</u>	Total Governmental <u>Funds</u>
<u>2023</u>			
Fund balances:			
Nonspendable:			
Prepaid expenses	\$ 149,656	-	149,656
Restricted:			
Grants or gifts received for special programs	-	227,537	227,537
Assigned:			
Cash flow	8,164,000	-	8,164,000
Capital improvement:			
Almonte Library	2,056,000	-	2,056,000
Downtown	500,000	-	500,000
Edmond Library	150,000	-	150,000
Edmond Library II	1,500,000	-	1,500,000
Harrah	23,500	-	23,500
Jones	15,000	-	15,000
Luther	17,000	-	17,000
Midwest City Library	600,000	-	600,000
Nicoma Park	6,000	-	6,000
Northwest	300,000	-	300,000
Ralph Ellison Library	1,000,000	-	1,000,000
Service Center	150,000	-	150,000
Southern Oaks	125,000	-	125,000
Future projects	14,393,467	-	14,393,467
Total assigned	28,999,967	-	28,999,967
Unassigned, restated	17,194,216	-	17,194,216
Total fund balances, restated	\$ 46,343,839	227,537	46,571,376

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting is used, under which purchase orders, contracts, and other commitments for the expenditures of resources are recorded as expenditures of the applicable funds. This is an extension of the formal budgetary integration in the General Fund. Encumbrances do not represent any further constraint on the use of amounts than is already communicated by governmental fund balance classification as restricted, committed, or assigned. As of June 30, 2024 and 2023, there was approximately \$828,000 and \$431,000, respectively, of encumbrances outstanding.

Correction of Errors

In fiscal year 2024, the Library's management determined that it had been incorrectly recording compensated absences in the government funds-general fund financial statements since fiscal year 2021. Also, in fiscal year 2024, the Library's management determined that it had been over accruing for compensated absences in the government-wide financial statements since fiscal year 2021. The fiscal year 2023 financial statements have been restated to reflect the effects of correcting the errors. The effects of the changes on the fiscal year 2023 financial statements were as follows:

Government-Wide Financial Statements

	Accounts Payable and <u>Accrued Expenses</u>	Net Position— Unrestricted at <u>June 30, 2023</u>	Total Net Position at <u>June 30, 2023</u>
As previously reported	\$ 2,075,886	45,268,529	60,160,464
Effects of change	<u>(885,529)</u>	<u>885,529</u>	<u>885,529</u>
As restated	<u>\$ 1,190,357</u>	<u>46,154,058</u>	<u>61,045,993</u>
	Total Net Position at <u>July 1, 2022</u>	Public Library Services Expenses	Changes in <u>Net Position</u>
As previously reported	\$ 52,646,474	26,491,260	7,513,990
Effects of change	<u>858,850</u>	<u>(26,679)</u>	<u>26,679</u>
As restated	<u>\$ 53,505,324</u>	<u>26,464,581</u>	<u>7,540,669</u>

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Correction of Errors, Continued

Governmental Funds Financial Statements—General Fund

	<u>Accrued Salaries</u>	<u>Fund Balance— Unassigned at June 30, 2023</u>	<u>Total Fund Balances at June 30, 2023</u>
As previously reported	\$ 1,241,039	16,308,687	45,458,310
Effects of change	<u>(885,529)</u>	<u>885,529</u>	<u>885,529</u>
As restated	<u>\$ 355,510</u>	<u>17,194,216</u>	<u>46,343,839</u>
	<u>Total Fund Balances at July 1, 2022</u>	<u>Personnel Services Expenditures</u>	<u>Net Changes in Fund Balances</u>
As previously reported	\$ 37,696,785	25,164,769	7,761,525
Effects of change	<u>858,850</u>	<u>(26,679)</u>	<u>26,679</u>
As restated	<u>\$ 38,555,635</u>	<u>25,138,090</u>	<u>7,788,204</u>

Recent Accounting Pronouncements

In April 2022, the Governmental Accounting Standards Board issued Statement No. 99, *Omnibus 2022* (GASB 99). GASB 99 is a technical omnibus statement that addresses issues or concerns from previous statements that were discovered during implementation and application of those statements. GASB 99 covers several topics, including but not limited to, financial guarantees, derivatives, leases, non-monetary transactions, future revenue pledges, and terminology updates. The Library adopted the sections that were effective for the June 30, 2022, and June 30, 2023, reporting years. The remaining sections were adopted by the Library for the June 30, 2024, reporting year as required by GASB 99. GASB 99 did not have a significant impact on the Library's financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100). GASB 100 proscribes accounting and financial reporting for accounting changes and error corrections to the financial statements. GASB 100 defines what constitutes an accounting change versus a change in accounting principle or error correction and outlines the appropriate note disclosures in each circumstance. The Library adopted GASB 100 on July 1, 2023, which did not have a significant impact on the financial statements.

See Independent Auditors' Report.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Recent Accounting Pronouncements, Continued

In June 2022, GASB issued Statement No. 101, *Compensated Absences* (GASB 101). GASB 101 outlines the definition of compensated absences and sets forth the accounting and financial reporting for compensated absence liabilities. GASB 101 outlines that leave accrued should be measured using the employees pay rate at the financial statement date and that certain salary related payments, such as Social Security and Medicare, should be included in such measurement. The Library will adopt GASB 101 on July 1, 2024. The Library has not determined the impact that GASB 101 will have on the financial statements.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures* (GASB 102). GASB 102 defines circumstances where a government might have a concentration, or lack of diversity related to significant inflows or outflows of resources, or a constraint, where a limitation is imposed on a government by an external party or the highest level of decision-making authority. GASB 102 provides for how to determine if such conditions exist and, if so, the appropriate disclosures required. The Library will adopt GASB 102 on July 1, 2024. The Library does not expect GASB 102 to have a significant impact on the financial statements.

In April, 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements* (GASB 103). This statement improves key components of the governmental financial reporting model to enhance effectiveness and to address certain application issues. GASB 103 prescribes changes to the MD&A, describes unusual or infrequent items, and addresses presentation issues for proprietary funds, major component units, and budgetary comparison presentations. The Library will adopt GASB 103 on July 1, 2025. The Library has not determined the impact that GASB 103 will have on the financial statements.

Reclassification

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net position or fund balance.

Date of Management's Review of Subsequent Events

Management has evaluated subsequent events through September 28, 2024, the date which the financial statements were available to be issued.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS

The Library's investment policies are governed by State statutes. Permissible investments include direct obligations of the U.S. government and agencies; negotiable certificates of deposit of savings and loan associations and bank and trust companies; and savings accounts or savings certificates of savings and loan associations and trust companies. Non-negotiable certificates of deposit are considered to be cash equivalents. Collateral is required for demand deposits and certificates of deposit on all amounts not covered by Federal Deposit Insurance Corporation insurance.

As a key part of the Library's activities, the Library holds investments that are measured and reported at fair value on a recurring basis. Generally accepted accounting principles establish a fair value hierarchy for the determination and measurement of fair value. This hierarchy is based on the type of valuation inputs needed to measure the fair value of an asset. The hierarchy generally is as follows:

Level 1—Unadjusted quoted prices in active markets for identical assets.

Level 2—Quoted prices for similar assets, or inputs that are observable or other forms of market corroborated inputs.

Level 3—Pricing based on best available information, including primarily unobservable inputs and assumptions market participants would use in pricing the asset.

In addition to the above three levels, if an investment does not have a readily determined fair value, the investment can be measured using net asset value (NAV) per share (or its equivalent). Investments valued at NAV are categorized as NAV and not listed as Level 1, 2, or 3. As of June 30, 2024 and 2023, the Library had no investments valued using NAV.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Fair values of investments by level are presented below. The levels are presented as of June 30, 2024 and 2023.

		Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		Amounts Measured at Fair Value		
<u>June 30, 2024</u>				
<u>Investments by Fair Value Level</u>				
<i>The Library</i>				
Fixed income:				
Government money market fund	\$ 19,705,890	19,705,890	-	-
U.S. Treasury obligations	27,422,254	27,422,254	-	-
Total fixed income	47,128,144	47,128,144	-	-
Total investments measured at fair value	\$ 47,128,144	47,128,144	-	-
<i>Fiduciary Funds</i>				
Fixed income:				
Government money market funds	\$ 11,348,283	11,348,283	-	-
U.S. Treasury obligations	1,686,460	1,686,460	-	-
Corporate bonds	1,785,407	-	1,785,407	-
Municipal bonds	82,528	-	82,528	-
Mortgage-backed securities	42,129	-	42,129	-
Total fixed income	14,944,807	13,034,743	1,910,064	-
Equities:				
Mutual funds	36,313,483	36,313,483	-	-
Total equities	36,313,483	36,313,483	-	-
Guaranteed investments:				
Guaranteed interest account*	3,643,580	-	-	3,643,580
Total guaranteed investments	3,643,580	-	-	3,643,580
Total investments measured at fair value	\$ 54,901,870	49,348,226	1,910,064	3,643,580

*The guaranteed investment account represents an account held by a life insurance company which pays a fixed guaranteed rate on the account. The account is generally stated at contract value as determined by the insurance company. As the value is determined by the insurance company, the investment is considered Level 3.

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OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

		Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		Amounts Measured at Fair Value		
<u>June 30, 2023</u>				
<u>Investments by Fair Value Level</u>				
<i>The Library</i>				
Fixed income:				
Government money market fund	\$ 11,214,195	11,214,195	-	-
U.S. Treasury obligations	34,687,632	34,687,632	-	-
Total fixed income	45,901,827	45,901,827	-	-
Total investments measured at fair value	\$ 45,901,827	45,901,827	-	-
<i>Fiduciary Funds</i>				
Fixed income:				
U.S. Treasury obligations	\$ 1,540,662	1,540,662	-	-
Government money market funds	619,576	619,576	-	-
Corporate bonds	2,283,404	-	2,283,404	-
Municipal bonds	84,330	-	84,330	-
Mortgage-backed securities	46,418	-	46,418	-
Total fixed income	4,574,390	2,160,238	2,414,152	-
Equities:				
Common stock	3,918,768	3,918,768	-	-
Mutual funds	31,149,962	31,149,962	-	-
Total equities	35,068,730	35,068,730	-	-
Guaranteed investments:				
Guaranteed interest account*	4,265,681	-	-	4,265,681
Total guaranteed investments	4,265,681	-	-	4,265,681
Total investments measured at fair value	\$ 43,908,801	37,228,968	2,414,152	4,265,681

*The guaranteed investment account represents an account held by a life insurance company which pays a fixed guaranteed rate on the account. The account is generally stated at contract value as determined by the insurance company. As the value is determined by the insurance company, the investment is considered Level 3.

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METROPOLITAN LIBRARY COMMISSION OF
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NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Custodial Credit Risk

Custodial Credit Risk—Deposits

For deposits, custodial credit risk is the risk that in the event of the failure of a counterparty, the Library will not be able to recover the value of its deposits. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. At June 30, 2024 and 2023, the carrying amounts of the Library's cash and cash equivalents were \$3,498,502 and \$3,009,824, respectively, and the bank balances were \$3,503,721 and \$3,056,615, respectively. The difference in balances was primarily due to uncleared outstanding checks.

The fair value of investments pledged to secure deposits was approximately \$5,690,260 and \$10,042,000 at June 30, 2024 and 2023, respectively. The Library carried no uninsured or uncollateralized deposits as of June 30, 2024 or 2023.

Custodial Credit Risk—Investments

Investments are made under the custody of the Library Treasurer in accordance with investment policies complying with State statutes and Library policy.

Custodial credit risk is the risk that, in the event of the failure of a counterparty, the Library will not be able to recover the value of its investments. Investment securities are exposed to custodial risk if they are uninsured, are not registered in the name of the Library, or are held by a counterparty or the counterparty's trust department but not in the name of the Library. While the investment policy does not specifically address custodial credit risk, all investments are held in the name of the Library.

Interest Rate Risk and Credit Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest changes. Fixed-income securities are subject to credit risk. Credit quality rating is one method of assessing the ability of the issuer to meet its obligation. The following table provides information concerning credit risk.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Interest Rate Risk and Credit Risk, Continued

As of June 30, the Library had the following investments and maturities:

Investment Type	Moody's Credit Rating	Fair Value	Investment Maturities (In Years)			%
			Less than 1	1 or More,		
				Less than 5	5 or More	
<u>2024</u>						
Government money market fund	Aaa	\$ 19,705,890	19,705,890 ⁽¹⁾	-	-	42%
U.S. Treasury obligations	Aaa	<u>27,422,254</u>	<u>27,422,254</u> ⁽²⁾	<u>-</u>	<u>-</u>	<u>58%</u>
		<u>\$ 47,128,144</u>	<u>47,128,144</u>	<u>-</u>	<u>-</u>	<u>100%</u>
<u>2023</u>						
Government money market fund	Aaa	\$ 11,214,195	11,214,195 ⁽¹⁾	-	-	24%
U.S. Treasury obligations	Aaa	<u>34,687,632</u>	<u>34,687,632</u> ⁽²⁾	<u>-</u>	<u>-</u>	<u>76%</u>
		<u>\$ 45,901,827</u>	<u>45,901,827</u>	<u>-</u>	<u>-</u>	<u>100%</u>

⁽¹⁾ The fund's weighted average maturity (WAM) is an average of the effective maturity of all securities held in the portfolio, weighted by each security's percentage of net assets. As of June 30, 2024 and 2023, the fund WAM was 34 days and 25 days, respectively.

⁽²⁾ Maturity of the securities ranged from July 5, 2024, to August 22, 2024, as of June 30, 2024. Maturity of the securities ranged from August 24, 2023, to January 4, 2024, as of June 30, 2023.

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NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Pension Fund

The cash and investments of the Pension Fund are invested in various assets with the Bank of Oklahoma and may be used only for the payment of benefits to the members of the Pension Fund (see Note 6). The composition of the Pension Fund at fair value as of June 30 is shown in the following table:

	2024		2023	
	<u>Fair Value</u>	Exposure as a Percentage of Total <u>Investment</u>	<u>Fair Value</u>	Exposure as a Percentage of Total <u>Investment</u>
Cash	\$ 1,255	0%	8,568	0%
Fixed income:				
Government money market funds	11,348,283	58%	619,576	5%
U.S. Treasury obligations	1,686,460	9%	1,540,662	12%
Corporate bonds	1,785,407	9%	2,283,404	18%
Municipal bonds	82,528	0%	84,330	1%
Mortgage-backed securities	42,129	0%	46,418	1%
	<u>14,944,807</u>		<u>4,574,390</u>	
Equities:				
Common stock	-	0%	3,918,768	32%
Mutual funds	4,395,259	23%	3,760,769	30%
	<u>4,395,259</u>		<u>7,679,537</u>	
Receivables:				
Unsettled trades and accrued income	77,269	0%	26,971	1%
	<u>\$ 19,418,590</u>	<u>100%</u>	<u>12,289,466</u>	<u>100%</u>

See Independent Auditors' Report.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Pension Fund, Continued

Investment Allocation Policy—On March 28, 1983, the Board of Commissioners appointed a Board of Administrators for the Pension Fund—the Library Retirement Pension Board (the “Pension Board”). The Pension Board has the responsibility for the management of the Pension Fund and has the responsibility for reviewing the Pension Fund and reporting on its status to the Board of Commissioners annually. The Pension Board consists of the three officers of the Board of Commissioners and three designated Library staff employees. Overall investment guidelines provide for diversification and allow investment in domestic and international equities, fixed-income securities, and cash equivalents.

The following are the investment allocation limits:

	<u>Upper Limit</u>
Domestic large cap equities	50%
Domestic small cap equities	9%
International equities	9%
Fixed-income securities	45%
Cash equivalents	5%

The Pension Fund addresses custodial credit risk, with the policy providing for the engagement of a custodian who accepts possession of securities for safekeeping; collects and disburses income; collects principal of sold, matured, or called items; and provides periodic accounting to the Board of Commissioners. At June 30, 2024 and 2023, the Pension Fund held \$19,418,590 and \$12,289,466, respectively, in cash, investments, and receivables. This amount was held by the investment counterparty, in the name of the Pension Fund.

Pursuant to the Prudent Investor Rule, Oklahoma statutes restrict Pension Fund investing.

During the years ended June 30, 2024 and 2023, the Pension Board made no significant investment policy changes.

Method Used to Value Investments—The Pension Fund’s investments are reported at fair value. Debt and equity securities are reported at fair value, as determined by the Plan’s custodial agent, using pricing services or prices quoted by independent brokers based on the latest reported sales prices at current exchange rates for securities traded on national or international exchanges. Net investment income (loss) includes net appreciation (depreciation) in the fair value of investments, interest income, dividend income, and investment expenses, which includes investment management and custodial fees and all other significant investment related costs.

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METROPOLITAN LIBRARY COMMISSION OF
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NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Pension Fund, Continued

Custodial Credit Risk—Custodial credit risk is the risk that in the event of the failure of a counterparty, the Library will not be able to recover the value of its investments. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the Library, or are held by a counterparty or the counterparty’s trust department but not in the name of the Library. All cash, cash equivalents, and investments of the Pension Fund are held in the name of the Library.

Rate of Return—For the years ended June 30, 2024 and 2023, the annual money-weighted rate of return on the Pension Fund’s investments, net of the Pension Fund’s investment expense, was 10.51% and 10.82%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Concentration of Credit Risk—The investment policy limits the concentration of equity investments to no more than 5% in any one issuer. Except as noted in the table below, no investment with a single firm exceeds 5% of the Pension Fund’s net position.

The following table presents the individual investments exceeding the 5% threshold at June 30:

<u>Classification of Investment</u>	<u>Name of Investment</u>	<u>Shares Held</u>	<u>Cost</u>	<u>Fair Value</u>
<u>2024</u>				
Mutual fund	Vanguard 500 Index Fund Admiral Class	5,128	\$ 1,054,760	2,583,511
Government money market fund	Cavanal Hill GOVT Sec. MMKT	11,244,896	11,244,896	11,244,896
<u>2023</u>				
Mutual fund	Vanguard 500 Index Fund Admiral Class	5,072	\$ 1,030,102	2,082,358

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METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Pension Fund, Continued

Foreign Currency Risk—Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Pension Fund held no foreign investments at June 30, 2024 or 2023. As such, no Pension Fund investments were subject to foreign currency risk.

Credit Risk—Fixed-income investments are subject to credit risk. Credit quality rating is one method of assessing the ability of the issuer to meet its obligation. The following tables provide information as of June 30 concerning credit risk:

<u>S&P 500 Rating</u>	<u>Fair Value</u>	Percentage of Total Fixed-Income Investments at <u>Fair Value</u>
<u>2024</u>		
AA+*	\$ 13,149,172	88%
AA	46,149	0%
A+	36,379	0%
A	130,280	1%
A-	385,023	3%
BBB+	574,087	4%
BBB	422,880	3%
BBB-	<u>200,837</u>	<u>1%</u>
	<u>\$ 14,944,807</u>	<u>100%</u>

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METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Pension Fund, Continued

Credit Risk—Continued

<u>S&P 500 Rating</u>	<u>Fair Value</u>	Percentage of Total Fixed-Income Investments at <u>Fair Value</u>
<u>2023</u>		
AA+*	\$ 2,206,656	48%
AA	112,206	2%
A+	128,405	3%
A	122,492	3%
A-	546,563	12%
BBB+	675,591	15%
BBB	434,542	9%
BBB-	<u>347,935</u>	<u>8%</u>
	<u>\$ 4,574,390</u>	<u>100%</u>

*The Pension Fund had investments of \$11,348,283 and \$619,576 as of June 30, 2024 and 2023, respectively, in government money market funds. Although the funds do not specifically have S&P 500 ratings, the funds investment in U.S. government backed securities and U.S. Treasuries which have S&P 500 ratings of AA+. Therefore, the Library has included such investments in the AA+ rating category.

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**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Pension Fund, Continued

Interest Rate Risk—Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of June 30, the Pension Fund had the following fixed-income investments with maturities:

<u>Investment Type</u>	<u>Investment Maturities at Fair Value (in Years)</u>				<u>Total Fair Value</u>
	<u>Less than 1</u>	<u>1 or More, Less than 5</u>	<u>5 or More, Less than 10</u>	<u>10 or More</u>	
<u>2024</u>					
Government money market funds	\$11,348,283	-	-	-	11,348,283
U.S. Treasury obligations	290,870	1,395,590	-	-	1,686,460
Corporate bonds	549,952	1,197,181	38,274	-	1,785,407
Municipal bonds	-	82,528	-	-	82,528
Mortgage-backed securities	-	-	-	42,129	42,129
	<u>\$ 12,189,105</u>	<u>2,675,299</u>	<u>38,274</u>	<u>42,129</u>	<u>14,944,807</u>
<u>2023</u>					
Government money market funds	\$ 619,576	-	-	-	619,576
U.S. Treasury obligations	1,087,422	453,240	-	-	1,540,662
Corporate bonds	468,701	1,776,466	38,237	-	2,283,404
Municipal bonds	-	84,330	-	-	84,330
Mortgage-backed securities	-	-	-	46,418	46,418
	<u>\$ 2,175,699</u>	<u>2,314,036</u>	<u>38,237</u>	<u>46,418</u>	<u>4,574,390</u>

Defined Contribution Fund

The investments of the Defined Contribution Fund are invested in mutual funds and a guaranteed interest account with Empower Annuity Insurance Company of America and may be used only for the payment of benefits to the participants of the defined contribution plan (see Note 6).

The following table presents the fair value of the defined contribution plan's investments by type at June 30:

<u>Investment Type</u>	<u>Fair Value</u>	
	<u>2024</u>	<u>2023</u>
Guaranteed interest account	\$ 3,643,580	4,265,681
Mutual funds	<u>31,918,224</u>	<u>27,389,193</u>
	<u>\$ 35,561,804</u>	<u>31,654,874</u>

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**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Defined Contribution Fund, Continued

Custodial Credit Risk—Custodial credit risk is the risk that in the event of the failure of a counterparty, the Library will not be able to recover the value of its investments. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the Library, or are held by a counterparty or the counterparty's trust department but not in the name of the Library. While the trust agreement does not specifically address custodial credit risk, all investments are insured and collateralized.

Concentration of Credit Risk—Except as noted below, no single investment exceeds 5% of the Defined Contribution Fund's total investments. The following table presents the individual investments exceeding the 5% threshold at June 30:

Classification of <u>Investment</u>	Name of <u>Investment</u>	Fair <u>Value</u>
<u>2024</u>		
Mutual fund	American Century Equity Growth Fund	\$ 5,090,569
Mutual fund	MM Select Retirement 2040	3,075,013
Mutual fund	Calvert Equity Fnd	1,892,838
Guaranteed interest account	MM Guaranteed interest account	3,643,580
Mutual fund	Thornburg International Equity	2,038,103
<u>2023</u>		
Mutual fund	MM RetireSmart 2030	\$ 1,766,306
Mutual fund	American Century Equity Growth Fund	4,148,185
Mutual fund	MM RetireSmart 2040	2,295,685
Mutual fund	MM Equity Opportunities	1,638,560
Mutual fund	Calvert Equity Fnd	1,679,475
Guaranteed interest account	MM Guaranteed interest account	4,265,681
Mutual fund	Thornburg International Equity	1,733,988

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**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(3) COLLECTIONS

The Library has not capitalized existing inexhaustible collections, including research books, because the values are not readily determinable.

(4) CAPITAL ASSETS

Capital asset activity for the years ended June 30 was as follows:

	Balance at June 30, 2023	Increases	Decreases	Balance at June 30, 2024
Capital assets not being depreciated:				
Land	\$ 273,126	-	-	273,126
Capital assets being depreciated:				
Library materials	32,161,155	3,216,918	(2,418,959)	32,959,114
Furniture and fixtures	3,832,187	1,026,114	(128,913)	4,729,388
Computer equipment	5,010,641	479,942	(309,675)	5,180,908
Vehicles	512,565	68,214	(55,384)	525,395
Buildings and improvements	5,412,400	-	-	5,412,400
Total capital assets being depreciated	46,928,948	4,791,188	(2,912,931)	48,807,205
Less accumulated depreciation:				
Library materials	23,046,867	4,171,239	(2,418,939)	24,799,167
Furniture and fixtures	2,950,034	264,668	(120,947)	3,093,755
Computer equipment	3,406,942	438,182	(251,469)	3,593,655
Vehicles	491,638	20,047	(55,384)	456,301
Buildings and improvements	2,642,195	167,891	-	2,810,086
Total accumulated depreciation	32,537,676	5,062,027	(2,846,739)	34,752,964
Total capital assets being depreciated, net	14,391,272	(270,839)	(66,192)	14,054,241
Capital assets, net	\$ 14,664,398	(270,839)	(66,192)	14,327,367

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**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(4) CAPITAL ASSETS, CONTINUED

	Balance at <u>June 30, 2022</u>	<u>Increases</u>	<u>Decreases</u>	Balance at <u>June 30, 2023</u>
Capital assets not being depreciated:				
Land	\$ 273,126	-	-	273,126
Capital assets being depreciated:				
Library materials	30,895,193	4,613,569	(3,347,607)	32,161,155
Furniture and fixtures	3,925,923	118,521	(212,257)	3,832,187
Computer equipment	5,083,113	254,385	(326,857)	5,010,641
Vehicles	513,940	-	(1,375)	512,565
Buildings and improvements	5,412,400	-	-	5,412,400
Total capital assets being depreciated	45,830,569	4,986,475	(3,888,096)	46,928,948
Less accumulated depreciation:				
Library materials	22,112,091	4,282,383	(3,347,607)	23,046,867
Furniture and fixtures	2,905,172	243,005	(198,143)	2,950,034
Computer equipment	3,215,528	518,086	(326,672)	3,406,942
Vehicles	482,061	10,952	(1,375)	491,638
Buildings and improvements	2,474,304	167,891	-	2,642,195
Total accumulated depreciation	31,189,156	5,222,317	(3,873,797)	32,537,676
Total capital assets being depreciated, net	14,641,413	(235,842)	(14,299)	14,391,272
Capital assets, net	\$ 14,914,539	(235,842)	(14,299)	14,664,398

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**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(5) COMPENSATED ABSENCES

Compensated absences are liquidated through the General Fund. Employees can accrue up to a maximum of 240 hours of annual leave. Compensated absences are reported as current liabilities in the statements of net position. Compensated absences activity for the years ended June 30 was as follows.

	Balance at <u>June 30, 2023</u>	<u>Additions</u>	<u>Reductions</u>	Balance at <u>June 30, 2024</u>	Amounts Due Within <u>1 Year</u>
Compensated absences	\$ <u>885,529</u>	<u>1,169,907</u>	<u>(1,128,506)</u>	<u>926,930</u>	<u>926,930</u>

	Balance at <u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	Balance at <u>June 30, 2023</u>	Amounts Due Within <u>1 Year</u>
Compensated absences	\$ <u>858,850</u>	<u>1,136,838</u>	<u>(1,110,159)</u>	<u>885,529</u>	<u>885,529</u>

(6) RETIREMENT PLANS

Defined Benefit Pension Plan

General Information about the Defined Benefit Pension Plan

Plan Description—The Plan is a single-employer plan that covered certain full-time employees of the Library. The Plan was a defined benefit plan which provided for retirement benefits based on length of service and salary. Participants in the Plan were fully vested after three years of service. Death, early and late retirement, and deferred vested benefits were available under the Plan. Assets of the Plan are held separately and may be used only for the payment of benefits to the members of the Plan. Actuarial valuations are performed annually on July 1.

The Plan's membership consisted of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Retirees, disabled participants, and beneficiaries currently receiving benefits	23	21
Terminated vested participants	4	4
Active participants	<u>11</u>	<u>14</u>
	<u>38</u>	<u>39</u>

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(6) RETIREMENT PLANS, CONTINUED

Defined Benefit Pension Plan, Continued

General Information about the Defined Benefit Pension Plan, Continued

Plan Description—Continued

Effective August 29, 2005, the Plan was frozen, and no new employees were eligible to participate. A defined contribution plan was established for new employees.

The Library terminated the plan effective June 30, 2024. As a result of the termination, the Plan document was amended to allow for a one-time option to elect a lump sum distribution. In September 2024, certain participants in the Plan, elected lump sum distributions totaling approximately \$4,114,000. The remaining plan participants will elect a type of annuity distribution offered from the Plan's trustee. The Plan will then purchase the respective annuities offered by the Plan's Trustee from the Plan's assets.

Contributions—Participating employees contributed 4% of their compensation to the Plan. The Library contributed any additional amount necessary to fund normal cost and to amortize unfunded past service costs over a period of 30 years. The actuarial required contributions for 2024 and 2023 were \$402,224 and \$525,386, respectively. In anticipation of terminating the Plan, the Library contributed an additional \$6,135,870 to the Plan in 2024.

The Plan does not issue stand-alone financial statements and related required supplementary information. The information is included within these financial statements, notes to the financial statements, and the required supplementary information.

Net Pension (Asset) Liability

The Library's net pension (asset) liability was measured as of June 30, 2024 and 2023, and the total pension liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of those dates.

The components of the Library's net pension (asset) liability of the participating employer at June 30 were as follows:

	<u>2024</u>	<u>2023</u>
Total pension liability	\$ 15,170,877	15,759,574
Plan fiduciary net position	<u>19,418,590</u>	<u>12,289,466</u>
Library's net pension (asset) liability	<u>\$ (4,247,713)</u>	<u>3,470,108</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>128.00%</u>	<u>77.98%</u>

See Independent Auditors' Report.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(6) RETIREMENT PLANS, CONTINUED

Defined Benefit Pension Plan, Continued

Net Pension (Asset) Liability, Continued

Actuarial Assumptions—The total pension liability was determined by an actuarial valuation as of July 1, 2024 and 2023, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	None
Salary increases:	5%
Investment rate of return:	7%, net of pension plan investment expense

Mortality rates were based on the Society of Actuaries Generational Tables Mortality Improvement Scales MP-2021 for males and females for both July 1, 2024 and 2023.

The actuarial assumptions used in the July 1, 2024 and 2023, valuations were based on the results of an actuarial experience study for the period July 2009 to June 2013.

The long-term expected rate of return on the Plan's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of the Plan's 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 Plan's target asset allocation as of June 30 (see discussion of the Plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	
	<u>2024</u>	<u>2023</u>
Fixed-income securities	4.93%	4.93%
Domestic equity	8.00%	8.00%
International equity	9.80%	9.80%
Cash equivalents	2.40%	2.40%

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(6) RETIREMENT PLANS, CONTINUED

Defined Benefit Pension Plan, Continued

Net Pension (Asset) Liability, Continued

Discount Rate—The discount rate used to measure the total pension liability was 7.0%. 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 rates equal to the differences between actuarially determined contribution rates and the member rate. Based on these assumptions, the 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 the Plan's investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension (Asset) Liability

	Increase (Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balance at June 30, 2023	\$ 15,759,574	12,289,466	3,470,108
Changes for the year:			
Service cost	81,886	-	81,886
Interest	1,067,811	-	1,067,811
Differences between expected and actual experience	(728,144)	-	(728,144)
Contribution—employer	-	6,538,094	(6,538,094)
Contribution—employee	-	18,488	(18,488)
Net investment income	-	1,582,792	(1,582,792)
Benefit payments, including refunds of employee contributions	(1,010,250)	(1,010,250)	-
Net changes	(588,697)	7,129,124	(7,717,821)
Balance at June 30, 2024	\$ 15,170,877	19,418,590	(4,247,713)

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(6) RETIREMENT PLANS, CONTINUED

Defined Benefit Pension Plan, Continued

Changes in the Net Pension (Asset) Liability, Continued

	Increase (Decrease)		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balance at June 30, 2022	\$ 15,387,163	10,938,137	4,449,026
Changes for the year:			
Service cost	121,395	-	121,395
Interest	1,046,834	-	1,046,834
Differences between expected and actual experience	68,957	-	68,957
Contribution—employer	-	1,000,000	(1,000,000)
Contribution—employee	-	23,672	(23,672)
Net investment income	-	1,192,432	(1,192,432)
Benefit payments, including refunds of employee contributions	(864,775)	(864,775)	-
Net changes	372,411	1,351,329	(978,918)
Balance at June 30, 2023	\$ 15,759,574	12,289,466	3,470,108

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(6) RETIREMENT PLANS, CONTINUED

Defined Benefit Pension Plan, Continued

Changes in the Net Pension (Asset) Liability, Continued

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate—The following presents the net pension (asset) liability of the Library calculated using the discount rate of 7.0%, as well as what the Plan's net pension (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
<u>June 30, 2024</u>			
Net pension asset	\$ <u>(2,846,584)</u>	<u>(4,247,713)</u>	<u>(5,452,560)</u>
<u>June 30, 2023</u>			
Net pension liability	\$ <u>4,914,202</u>	<u>3,470,108</u>	<u>2,208,239</u>

The Plan's Fiduciary Net Position—Detailed information about the Plan's fiduciary net position is available in Note 2.

*Pension Expense, Deferred Outflows of Resources, and
Deferred Inflows of Resources Related to Pensions*

For the years ended June 30, 2024 and 2023, the Library recognized pension expense of \$309,612 and \$908,782, respectively.

Pension expense was computed as follows for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Service cost	\$ 81,886	121,395
Interest on total pension liability	1,067,811	1,046,834
Differences in expected and actual experiences	448,036	446,034
Changes in assumptions	(63,513)	(47,803)
Employee contributions	(18,488)	(23,672)
Projected earnings on investments	(1,054,384)	(771,232)
Differences between projected earnings and actual	<u>(151,736)</u>	<u>137,226</u>
	<u>\$ 309,612</u>	<u>908,782</u>

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(6) RETIREMENT PLANS, CONTINUED

Defined Benefit Pension Plan, Continued

*Pension Expense, Deferred Outflows of Resources, and
Deferred Inflows of Resources Related to Pensions, Continued*

At June 30, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>2024</u>		
Differences between expected and actual experience	\$ 491,916	249,646
Changes of assumptions	-	10,309
Net difference between projected and actual earnings on Pension Fund investments	<u>396,039</u>	<u>579,698</u>
	<u>\$ 887,955</u>	<u>839,653</u>
<u>2023</u>		
Differences between expected and actual experience	\$ 1,475,749	57,299
Changes of assumptions	-	73,822
Net difference between projected and actual earnings on Pension Fund investments	<u>1,403,698</u>	<u>1,210,684</u>
	<u>\$ 2,879,447</u>	<u>1,341,805</u>

As of June 30, 2024, amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30,

2025	<u>\$ 48,302</u>
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See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(6) RETIREMENT PLANS, CONTINUED

Defined Contribution Plan

Effective August 29, 2005, the Metropolitan Library System Defined Contribution Plan (the "Contribution Plan") was established. The Contribution Plan is intended to be a governmental plan as defined in Internal Revenue Code Section 414(d), and is to be approved and qualified by the Internal Revenue Service as satisfying the governmental plan requirements of Sections 401(a) and 501(a) and other pertinent provisions of the Internal Revenue Code of 1986. Under the Contribution Plan, the employer's contribution shall be discretionary, to be determined by the employer, and is available to all participants. During both 2024 and 2023, the Library contributed 10% of each participant's compensation. Participants are fully vested in the employer's contributions after 3 years of credited service. Participants may make voluntary contributions of 4% or 6% of compensation before tax. Participants are fully vested in the voluntary contributions. Participants may direct the Contribution Plan's trustee in the investment of their individual account balances. Normal retirement age is the latter of a participant's 65th birthday or the 5th anniversary of the first day of the plan year in which participation in the Contribution Plan commenced. For the years ended June 30, 2024 and 2023, the Library's contribution to the Contribution Plan was \$1,507,426 and \$1,363,488, respectively.

Deferred Compensation Plan

The Library offers its employees a Deferred Compensation Plan as authorized by Section 457 of the Internal Revenue Code, as amended by the Tax Reform Act of 1986, and in accordance with the provisions of Sections 1701 through 1706 of Title 74 of the Oklahoma Statutes.

The Deferred Compensation Plan is available to all Library employees. Employees may direct the investment of their contributions in available investment options offered by the Deferred Compensation Plan. All interest, dividends, and investment fees are allocated to employees' accounts. For the years ended June 30, 2024 and 2023, employee contributions to the Deferred Compensation Plan totaled approximately \$134,000 and \$143,000, respectively.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(7) OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Description

The Library participates in a self-insurance health plan (see Note 8), which is a non-trusted single-employer plan that provides for employee and dependent healthcare coverage from the date of retirement, provided the participant was covered by the self-insurance health plan before retiring.

In conjunction with providing the postretirement medical benefits through the self-insurance health plan, the Library determined that an OPEB liability existed. The Library calculated the self-insurance health plan OPEB liability at June 30, 2024 and 2023, and it is reflected in the accompanying financial statements.

The self-insurance health plan provides members with postretirement medical benefits if the retiree and spouse pay the full active premium. Participants in the self-insurance health plan can elect to enroll in special coverage, and surviving spouses may continue in the self-insurance health plan. Contributions to the self-insurance health plan are made by both the participant and the Library on a “pay as you go” basis.

**OPEB Liability, OPEB Expense, Deferred Outflows of Resources, and
Deferred Inflows of Resources Related to OPEB**

At June 30, 2024 and 2023, the Library reported a liability for the self-insurance health plan OPEB. The Library used a measurement date and valuation date of July 1, 2023, and July 1, 2022, to calculate the total self-insurance health plan OPEB liability at June 30, 2024 and 2023, respectively.

As of June 30, 2024 and 2023, the Library reported the following changes in the total OPEB liability:

	<u>2024</u>	<u>2023</u>
Total OPEB liability, beginning	\$ 2,036,300	2,018,659
Changes for the year:		
Service cost	180,841	240,715
Interest	71,271	43,603
Differences between expected and actual experience	(390)	131,826
Changes in assumptions	(28,207)	(249,703)
Estimated benefit payments	(152,400)	(148,800)
Net changes	71,115	17,641
Total OPEB liability, ending	\$ 2,107,415	2,036,300

See Independent Auditors’ Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(7) OTHER POSTEMPLOYMENT BENEFITS, CONTINUED

**OPEB Liability, OPEB Expense, Deferred Outflows of Resources, and
Deferred Inflows of Resources Related to OPEB, Continued**

For the years ended June 30, 2024 and 2023, the Library recognized OPEB expense of \$162,534 and \$201,785, respectively. At June 30, the Library reported deferred outflows of resources and deferred inflows of resources related to the self-insurance health plan OPEB liability from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>2024</u>		
Changes of assumptions	\$ 393,225	289,777
Differences between expected and actual experience	<u>326,955</u>	<u>95,674</u>
	<u>\$ 720,180</u>	<u>385,451</u>
<u>2023</u>		
Changes of assumptions	\$ 452,616	313,825
Differences between expected and actual experience	<u>392,231</u>	<u>104,874</u>
	<u>\$ 844,847</u>	<u>418,699</u>

As of June 30, 2024, amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ending June 30,</u>	
2025	\$ 62,822
2026	62,872
2027	64,230
2028	67,146
2029	67,146
Thereafter	<u>10,513</u>
	<u>\$ 334,729</u>

See Independent Auditors' Report.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(7) OTHER POSTEMPLOYMENT BENEFITS, CONTINUED

Actuarial Methods and Assumptions

The total self-insurance health plan OPEB liability June 30, 2024 and 2023, was determined based on actuarial valuations prepared using a July 1, 2023, and July 1, 2022, measurement date, respectively, using the following actuarial assumptions:

- Investment return—Not applicable, as the self-insurance health plan is unfunded, and benefits are not paid from a qualifying trust
- Mortality rates—Pub-2010 Total General Employee Data Set Headcount Weighted Mortality Table with generational projection of mortality improvements using the MP-2021 Projection Scale
- Salary scale—3% per year
- Plan participation—50% of retired employees are assumed to participate in the self-insurance health plan
- Marital assumptions—None
- Plan entry date is the date of hire
- Actuarial cost method—Entry age normal based upon salary
- Healthcare trend rate—A level 4.00%

At June 30, 2024 and 2023, the self-insurance health plan had total participants of 302 and 270, respectively, consisting of 281 and 250 active participants, respectively, and 21 and 20 retirees or surviving spouses, respectively.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.65% and 3.50% for June 30, 2024 and 2023, respectively. The discount rate was determined using a 20-year Municipal Bond AA rate.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(7) OTHER POSTEMPLOYMENT BENEFITS, CONTINUED

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and
Healthcare Trend Rate**

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate—The following presents the total self-insurance health plan OPEB liability of the Library calculated using the discount rate of 3.65% and 3.50% for 2024 and 2023, respectively, as well as what the Library's total self-insurance health plan OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
<u>June 30, 2024</u>			
Total OPEB liability	\$ 2,387,660	2,107,415	1,889,692
	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
<u>June 30, 2023</u>			
Total OPEB liability	\$ 2,307,088	2,036,300	1,825,924

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate—The following presents the total OPEB liability calculated using the healthcare trend rate of 4.00% for both 2024 and 2023, as well as what the liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease in Healthcare Trend Rate (3.00%)	Current Healthcare Trend Rate (4.00%)	1% Increase in Healthcare Trend Rate (5.00%)
<u>June 30, 2024</u>			
Total OPEB liability	\$ 1,891,501	2,107,415	2,361,385
<u>June 30, 2023</u>			
Total OPEB liability	\$ 1,827,672	2,036,300	2,281,700

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(8) SELF-INSURANCE RISK OF LOSS

The Library operates a self-insurance plan to fund its employee health benefits. The Library purchased insurance policies to limit its maximum possible benefit cost on both an employee basis and an aggregate basis. The Library has a contract with a third-party administrator to operate the self-insurance plan. For the years ended June 30, 2024 and 2023, the Library has limited its risk of loss by purchasing insurance to pay an individual's claim in excess of \$120,000.

The carrying amount of liabilities for unpaid claims is equal to the amount of claims unpaid but due at year-end. This amount has been determined by the third-party administrator.

Changes in the claims liability amounts for the years ended June 30 were:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 312,685	504,896	432,776
Current year claims	4,314,102	3,384,672	3,877,751
Claim payments	<u>(4,165,483)</u>	<u>(3,576,883)</u>	<u>(3,805,631)</u>
Balance, end of year	<u>\$ 461,304</u>	<u>312,685</u>	<u>504,896</u>

(9) RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; or natural disasters for which the Library carries commercial insurance. There have been no significant reductions in coverage from the prior year, and settlements have not exceeded coverage in the past 3 years.

(10) COMMITMENTS AND CONTINGENCIES

Leases

The Library leases 19 branch buildings from the area cities and Oklahoma City. As of June 30, 2024, all the branch buildings are leased for \$1 per year or no rent is charged, which are considered to be non-exchange transactions. The terms of the non-exchange transaction leases are for periods of 1 year and automatically renew each year unless written notice is given by either party of its intent not to renew. The total number of lease years varies by lease contract. Under the leases, the Library generally provides for maintenance, utilities, repairs, and liability insurance; however, certain municipalities cost share with the Library on repairs and maintenance costs. During 2024 and 2023, the Almonte Shopping Center library location was being leased annually for approximately \$16,000 and \$109,000, respectively. The Almonte Shopping Center library location lease expired in May 2024. The City of Oklahoma City reimbursed the Library for the Almonte Shopping Center library location lease, which is included in other revenues on the governmental funds statement of revenues, expenditures, and changes in fund balance and included in administrative charges for services on the government-wide statement of activities.

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(10) COMMITMENTS AND CONTINGENCIES, CONTINUED

Leases, Continued

The Library's non-exchange leases do not meet the definition of a lease under GASB 87, and are therefore scoped out of the standard. The Almonte Shopping Center lease did meet the GASB 87 scope; however, the Library did not record a lease asset or lease liability for such lease as of June 30, 2023, in its government-wide financial statement of net position, as the respective amounts were considered to be immaterial. The Library expenses its leases as the leases are incurred. Total lease expense for the years ended June 30, 2024 and 2023, approximated \$16,000 and \$109,000, respectively.

Legal

From time to time, the Library is involved in certain legal proceedings arising in the normal course of business. In the opinion of management and counsel, the ultimate disposition of such proceedings will not have a material effect on the Library's financial statements.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**SUPPLEMENTARY INFORMATION REQUIRED BY
GOVERNMENTAL ACCOUNTING STANDARDS BOARD
STATEMENT NO. 34**

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

Schedule I

BUDGETARY COMPARISON SCHEDULE—GENERAL FUND (UNAUDITED)

Year Ended June 30, 2024

	Budgeted Amounts— <u>Original</u>	Budgeted Amounts— <u>Final</u>	Actual Amounts— Modified <u>Accrual Basis</u>	Modified Accrual to Budgetary Basis <u>Adjustments</u>	Actual Amounts— Budgetary <u>Basis</u>	Variance with Final Budget— Positive <u>(Negative)</u>
Budgetary fund balance, beginning of year:						
Carryover funds, restated	\$ 12,677,762	16,095,743	17,343,872	(681,077)	18,024,949	1,929,206
Capital reserve	28,999,967	28,999,967	28,999,967	-	28,999,967	-
	<u>41,677,729</u>	<u>45,095,710</u>	<u>46,343,839</u>	<u>(681,077)</u>	<u>47,024,916</u>	<u>1,929,206</u>
Resources (inflows):						
Property taxes	41,291,803	44,338,734	48,769,781	221,016	48,548,765	4,210,031
Collections on book fines and copy services	87,598	111,403	432,709	11,086	421,623	310,220
State revenue	178,663	178,662	200,195	-	200,195	21,533
Investment earnings	-	-	2,406,810	-	2,406,810	2,406,810
Other	-	-	230,921	-	230,921	230,921
Total resources (inflows)	<u>41,558,064</u>	<u>44,628,799</u>	<u>52,040,416</u>	<u>232,102</u> ⁽¹⁾	<u>51,808,314</u>	<u>7,179,515</u>
Charges to appropriations:						
Personnel services	31,766,283	37,036,527	32,374,911	123,221	32,251,690	4,784,837
Maintenance and operations:						
Contractual services	8,612,751	9,306,826	6,304,572	60,000	6,244,572	3,062,254
Commodities	1,277,096	1,340,141	1,257,147	-	1,257,147	82,994
Capital outlays—operations	<u>12,802,235</u>	<u>13,041,048</u>	<u>9,874,509</u>	<u>-</u>	<u>9,874,509</u>	<u>3,166,539</u>
Total charges to appropriations	<u>54,458,365</u>	<u>60,724,542</u>	<u>49,811,139</u>	<u>183,221</u> ⁽²⁾	<u>49,627,918</u>	<u>11,096,624</u>
Net changes in budgetary fund balance	(12,900,301)	(16,095,743)	2,229,277	48,881	2,180,396	18,276,139
Budgetary fund balance, end of year:						
Carryover funds	(222,539)	-	19,573,149	(632,196)	20,205,345	20,205,345
Capital reserve	<u>28,999,967</u>	<u>28,999,967</u>	<u>28,999,967</u>	<u>-</u>	<u>28,999,967</u>	<u>-</u>
See Independent Auditors' Report.	<u>\$ 28,777,428</u>	<u>28,999,967</u>	<u>48,573,116</u>	<u>(632,196)</u>	<u>49,205,312</u>	<u>20,205,345</u>

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

Schedule I, Continued

BUDGETARY COMPARISON SCHEDULE—GENERAL FUND (UNAUDITED), CONTINUED

Year Ended June 30, 2023

	Budgeted Amounts— <u>Original</u>	Budgeted Amounts— <u>Final</u>	Actual Amounts— Modified <u>Accrual Basis</u>	Modified Accrual to Budgetary Basis <u>Adjustments</u>	Actual Amounts— Budgetary <u>Basis</u>	Variance with Final Budget— Positive <u>(Negative)</u>
Budgetary fund balance, beginning of year:						
Carryover funds, restated	\$ 10,005,163	13,253,997	14,021,375	(711,034)	14,732,409	1,478,412
Capital reserve	24,534,260	24,534,260	24,534,260	-	24,534,260	-
	<u>34,539,423</u>	<u>37,788,257</u>	<u>38,555,635</u>	<u>(711,034)</u>	<u>39,266,669</u>	<u>1,478,412</u>
Resources (inflows):						
Property taxes	38,653,116	41,291,803	45,478,617	38,219	45,440,398	4,148,595
Collections on book fines and copy services	90,531	126,275	403,001	1,733	401,268	274,993
State revenue	181,800	127,869	198,514	-	198,514	70,645
Investment earnings	-	-	1,469,050	-	1,469,050	1,469,050
Other	-	-	192,085	-	192,085	192,085
Total resources (inflows)	<u>38,925,447</u>	<u>41,545,947</u>	<u>47,741,267</u>	<u>39,952</u> ⁽¹⁾	<u>47,701,315</u>	<u>6,155,368</u>
Charges to appropriations:						
Personnel services, restated	28,633,500	30,229,418	25,138,090	182,456	24,955,634	5,273,784
Maintenance and operations:						
Contractual services	7,515,038	8,307,262	6,157,718	(142,974)	6,300,692	2,006,570
Commodities	1,260,907	1,276,407	1,247,573	(29,487)	1,277,060	(653)
Capital outlays—operations	<u>10,021,165</u>	<u>10,521,150</u>	<u>7,409,682</u>	<u>-</u>	<u>7,409,682</u>	<u>3,111,468</u>
Total charges to appropriations, restated	<u>47,430,610</u>	<u>50,334,237</u>	<u>39,953,063</u>	<u>9,995</u> ⁽²⁾	<u>39,943,068</u>	<u>10,391,169</u>
Net changes in budgetary fund balance, restated	(8,505,163)	(8,788,290)	7,788,204	29,957	7,758,247	16,546,537
Budgetary fund balance, end of year:						
Carryover funds, restated	1,500,000	4,465,707	21,809,579	(681,077)	22,490,656	18,024,949
Capital reserve	<u>24,534,260</u>	<u>24,534,260</u>	<u>24,534,260</u>	<u>-</u>	<u>24,534,260</u>	<u>-</u>
See Independent Auditors' Report.	<u>\$ 26,034,260</u>	<u>28,999,967</u>	<u>46,343,839</u>	<u>(681,077)</u>	<u>47,024,916</u>	<u>18,024,949</u>

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

BUDGETARY COMPARISON SCHEDULE—GENERAL FUND (UNAUDITED), CONTINUED

<i>Years Ended June 30,</i>	<i>2024</i>	<i>2023</i>
Budget-to-actual reconciliation:		
<hr/>		
(1) Revenues on a budgetary basis are based on cash received rather than the modified accrual basis used for financial reporting, and the Revolving Fund is not reported as part of the General Fund for budgetary purposes.	\$ 232,102	39,952
(2) Expenditures on a budgetary basis are based on cash paid rather than the modified accrual basis used for financial reporting. Under the modified accrual basis, expenditures are recorded when obligations are incurred. In addition, the Revolving Fund is not reported as part of the General Fund for budgetary purposes.	<u>(183,221)</u>	<u>(9,995)</u>
Total budget-to-actual reconciliation	<u>\$ 48,881</u>	<u>29,957</u>

Note: Under the budgetary basis of accounting, revenues are recognized when they are received rather than when they are earned. Purchases of materials, outside services, and capital outlays are recognized as expenditures when the commitment to purchase is made (encumbered).

See Independent Auditors' Report.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**SUPPLEMENTARY INFORMATION REQUIRED BY
GOVERNMENTAL ACCOUNTING STANDARDS BOARD
STATEMENTS NO. 67 AND NO. 68**

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY—
DEFINED BENEFIT PENSION PLAN**

Last 10 Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability										
Service cost	\$ 81,886	121,395	135,050	156,600	172,005	203,200	257,595	331,469	379,654	440,000
Interest	1,067,811	1,046,834	1,029,112	1,034,745	1,765,237	1,946,001	2,030,008	2,069,330	2,058,626	1,963,789
Differences between expected and actual experience	(728,144)	68,957	(38,775)	3,792,905	164,347	(415,989)	(1,465,033)	(989,443)	(38,374)	601,322
Changes in assumptions	-	-	(57,669)	(56,532)	(63,444)	(59,513)	-	-	-	125,003
Benefit payments, including refunds of member contributions	(1,010,250)	(864,775)	(764,321)	(1,123,438)	(1,269,792)	(2,040,696)	(2,004,643)	(1,941,568)	(1,793,103)	(1,636,804)
Purchase of annuities	-	-	-	(12,740,632)	(5,201,595)	-	-	-	-	-
Net change in total pension liability	(588,697)	372,411	303,397	(8,936,352)	(4,433,242)	(366,997)	(1,182,073)	(530,212)	606,803	1,493,310
Total pension liability—beginning	<u>15,759,574</u>	<u>15,387,163</u>	<u>15,083,766</u>	<u>24,020,118</u>	<u>28,453,360</u>	<u>28,820,357</u>	<u>30,002,430</u>	<u>30,532,642</u>	<u>29,925,839</u>	<u>28,432,529</u>
Total pension liability—ending (a)	<u>\$ 15,170,877</u>	<u>15,759,574</u>	<u>15,387,163</u>	<u>15,083,766</u>	<u>24,020,118</u>	<u>28,453,360</u>	<u>28,820,357</u>	<u>30,002,430</u>	<u>30,532,642</u>	<u>29,925,839</u>
Plan fiduciary net position										
Contributions—employer	\$ 6,538,094	1,000,000	555,520	242,915	361,946	436,022	1,005,675	624,271	767,210	812,823
Contributions—employees	18,488	23,672	24,815	28,302	31,614	38,545	38,028	55,251	63,791	77,896
Net investment (loss) income	1,582,792	1,192,432	(1,129,052)	3,288,815	671,463	1,670,599	2,010,720	2,593,631	398,368	(119,212)
Benefit payments, including refunds of member contributions and administrative expenses	(1,010,250)	(864,775)	(764,321)	(1,163,104)	(1,327,222)	(2,102,227)	(2,093,216)	(2,046,883)	(1,854,928)	(1,694,684)
Purchase of annuities	-	-	-	(12,740,632)	(5,201,595)	-	-	-	-	-
Net change in plan fiduciary net position	7,129,124	1,351,329	(1,313,038)	(10,343,704)	(5,463,794)	42,939	961,207	1,226,270	(625,559)	(923,177)
Plan fiduciary net position—beginning	<u>12,289,466</u>	<u>10,938,137</u>	<u>12,251,175</u>	<u>22,594,879</u>	<u>28,058,673</u>	<u>28,015,734</u>	<u>27,054,527</u>	<u>25,828,257</u>	<u>26,453,816</u>	<u>27,376,993</u>
Plan fiduciary net position—ending (b)	<u>\$ 19,418,590</u>	<u>12,289,466</u>	<u>10,938,137</u>	<u>12,251,175</u>	<u>22,594,879</u>	<u>28,058,673</u>	<u>28,015,734</u>	<u>27,054,527</u>	<u>25,828,257</u>	<u>26,453,816</u>
Plan's net pension (asset) liability (a) - (b)	<u>\$ (4,247,713)</u>	<u>3,470,108</u>	<u>4,449,026</u>	<u>2,832,591</u>	<u>1,425,239</u>	<u>394,687</u>	<u>804,623</u>	<u>2,947,903</u>	<u>4,704,385</u>	<u>3,472,023</u>

See Independent Auditors' Report.

See accompanying notes to required supplementary information.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**SCHEDULE OF NET PENSION (ASSET) LIABILITY—
DEFINED BENEFIT PENSION PLAN**

Last 10 Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability	\$ 15,170,877	15,759,574	15,387,163	15,083,766	24,020,118	28,453,360	28,820,357	30,002,430	30,532,642	29,925,839
Plan fiduciary net position	<u>19,418,590</u>	<u>12,289,466</u>	<u>10,938,137</u>	<u>12,251,175</u>	<u>22,594,879</u>	<u>28,058,673</u>	<u>28,015,734</u>	<u>27,054,527</u>	<u>25,828,257</u>	<u>26,453,816</u>
Plan's net (asset) pension liability	<u>\$ (4,247,713)</u>	<u>3,470,108</u>	<u>4,449,026</u>	<u>2,832,591</u>	<u>1,425,239</u>	<u>394,687</u>	<u>804,623</u>	<u>2,947,903</u>	<u>4,704,385</u>	<u>3,472,023</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>128.00%</u>	<u>77.98%</u>	<u>71.09%</u>	<u>81.22%</u>	<u>94.07%</u>	<u>98.61%</u>	<u>97.21%</u>	<u>90.17%</u>	<u>84.59%</u>	<u>88.40%</u>
Covered-employee payroll	<u>\$ 776,121</u>	<u>890,423</u>	<u>1,110,192</u>	<u>1,176,716</u>	<u>1,197,737</u>	<u>1,374,258</u>	<u>1,463,754</u>	<u>1,725,494</u>	<u>2,110,020</u>	<u>1,968,884</u>
Plan's net pension (asset) liability as a percentage of covered-employee payroll	<u>(547.30)%</u>	<u>389.71%</u>	<u>400.74%</u>	<u>240.72%</u>	<u>118.99%</u>	<u>28.72%</u>	<u>54.97%</u>	<u>170.84%</u>	<u>222.95%</u>	<u>176.34%</u>

See Independent Auditors' Report.

See accompanying notes to required supplementary information.

METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY

SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER—
DEFINED BENEFIT PENSION PLAN

Last 10 Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 402,224	525,386	554,563	242,915	361,946	436,022	1,005,675	624,271	767,210	812,823
Contributions in relation to the actuarially determined contribution	<u>6,538,094</u>	<u>1,000,000</u>	<u>555,520</u>	<u>242,915</u>	<u>361,946</u>	<u>436,022</u>	<u>1,005,675</u>	<u>624,271</u>	<u>767,210</u>	<u>812,823</u>
Contribution excess (deficiency)	<u>\$ 6,135,870</u>	<u>474,614</u>	<u>957</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	<u>\$ 776,121</u>	<u>890,423</u>	<u>1,110,192</u>	<u>1,176,716</u>	<u>1,197,737</u>	<u>1,374,258</u>	<u>1,463,754</u>	<u>1,725,494</u>	<u>2,110,020</u>	<u>1,968,884</u>
Contributions as a percentage of covered-employee payroll	<u>842.41%</u>	<u>112.31%</u>	<u>50.04%</u>	<u>20.64%</u>	<u>30.22%</u>	<u>31.73%</u>	<u>68.71%</u>	<u>36.18%</u>	<u>36.36%</u>	<u>41.28%</u>

See Independent Auditors' Report.

See accompanying notes to required supplementary information.

**SCHEDULE OF INVESTMENT RETURNS—
DEFINED BENEFIT PENSION PLAN**

Last 10 Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	10.51%	10.82%	(7.67)%	20.57%	2.45%	5.91%	7.23%	9.88%	(5.51)%	(0.65)%

See Independent Auditors' Report.
See accompanying notes to required supplementary information.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

**SUPPLEMENTARY INFORMATION REQUIRED BY
GOVERNMENTAL ACCOUNTING STANDARDS BOARD
STATEMENT NO. 75**

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

Schedule VI

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

Last 7 Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:							
Service cost	\$ 180,841	240,715	297,845	171,424	118,301	95,942	68,738
Interest	71,271	43,603	27,044	27,086	32,239	30,022	24,011
Differences between expected and actual experiences	(390)	131,826	309,928	17,608	(141,674)	-	90,257
Changes of assumptions	(28,207)	(249,703)	353,920	233,708	(68,024)	(36,236)	(91,638)
Estimated benefit payments	<u>(152,400)</u>	<u>(148,800)</u>	<u>(193,797)</u>	<u>-</u>	<u>-</u>	<u>(95,271)</u>	<u>(95,271)</u>
Net change in total OPEB liability	71,115	17,641	794,940	449,826	(59,158)	(5,543)	(3,903)
Total OPEB liability—beginning	<u>2,036,300</u>	<u>2,018,659</u>	<u>1,223,719</u>	<u>773,893</u>	<u>833,051</u>	<u>838,594</u>	<u>842,497</u>
Total OPEB liability—ending	<u>\$ 2,107,415</u>	<u>2,036,300</u>	<u>2,018,659</u>	<u>1,223,719</u>	<u>773,893</u>	<u>833,051</u>	<u>838,594</u>
Covered-employee payroll	<u>\$ 16,390,615</u>	<u>14,045,270</u>	<u>12,943,413</u>	<u>14,978,245</u>	<u>14,541,985</u>	<u>14,653,807</u>	<u>13,260,741</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>12.86%</u>	<u>14.50%</u>	<u>15.60%</u>	<u>8.17%</u>	<u>5.32%</u>	<u>5.68%</u>	<u>6.32%</u>
Discount rate	<u>3.65%</u>	<u>3.50%</u>	<u>2.16%</u>	<u>2.21%</u>	<u>3.50%</u>	<u>3.87%</u>	<u>3.58%</u>

Note to Schedule: Only the last 7 fiscal years are presented because 10-year data is not yet available.

See Independent Auditors' Report.

See accompanying notes to required supplementary information.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2024

**(1) DEFINED BENEFIT PENSION PLAN—ACTUARIAL ASSUMPTIONS
(SCHEDULES II THROUGH V)**

The information presented in Schedule II through Schedule V was determined as part of an actuarial valuation by an independent enrolled actuary (Newport Group) at the dates indicated. Additional information as of the July 1, 2024, valuation follows:

Actuarial cost method:	Entry age normal
Amortization method:	None
Asset valuation method:	5-year smoothed market value
Actuarial assumptions:	
Investment rate of return	7%
Projected salary increases	5%
Cost-of-living adjustment	None

(2) OTHER POSTEMPLOYMENT BENEFIT PLAN—QUALIFYING TRUST

The Library’s self-insurance health plan is “pay as you go” and does not accumulate assets that are administered in a qualifying trust that meets the requirements of GASB Statement No. 75.

**METROPOLITAN LIBRARY COMMISSION OF
OKLAHOMA COUNTY**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION, CONTINUED

**(3) OTHER POSTEMPLOYMENT BENEFIT PLAN—
ACTUARIAL ASSUMPTIONS (SCHEDULE VI)**

The information presented in Schedule VI was determined as part of an actuarial valuation by an independent enrolled actuary (Self-Funding Actuarial). For each fiscal year presented in the schedule the measurement date for the actuarial valuation is July 1 of the previous year. As such, the OPEB liabilities for June 30, 2024 and 2023, were determined based on actuarial valuations prepared using July 1, 2023, and July 1, 2022, measurement dates, respectively, using the following actuarial assumptions:

Mortality rates:	Pub-2010 Total General Employee Data Set Headcount Weighted Mortality Table with generational projection of mortality improvements using the MP-2021 Projection Scale
Actuarial cost method:	Entry age normal based upon salary
Plan participation:	50% of retired employees are assumed to participate
Actuarial assumptions:	
Investment rate of return	Not applicable—unfunded plan
Projected salary increases	3% per year
Discount rate	20-year Municipal Bond AA Rate: 3.65% at June 30, 2024, and 3.50% at June 30, 2023
Healthcare trend rate	A level 4%

See Independent Auditors' Report.

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

To the Commissioners
Metropolitan Library Commission of
Oklahoma County

We have audited, in accordance with the auditing standards generally accepted in the United States 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, each major fund, and the aggregate remaining fund information of the Metropolitan Library Commission of Oklahoma County (the "Library") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements, and have issued our report thereon dated September 28, 2024. Our report includes an explanatory paragraph disclaiming an opinion on required supplementary information.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Library's internal control over financial reporting ("internal control") as a basis for designing the 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 Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the Library'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.

(Continued)


**INDEPENDENT AUDITORS' 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*, CONTINUED**

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Library'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 Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Finley & Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma
September 28, 2024