

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
MUSKOGEE, OKLAHOMA**

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT  
JUNE 30, 2016**

**JACKSON, FOX and RICHARDSON  
A PROFESSIONAL CORPORATION  
129 'C' ST. NORTHWEST  
P.O. BOX 1171  
ARDMORE, OK 73402**

# EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM

*Year Ended June 30, 2016*

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**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2016  
(Unaudited)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FY16**

**FINANCIAL HIGHLIGHTS**

- **Total Revenue** for the System was **\$5,152,996**. This is a combined total of \$4,991,561 in General Fund and \$161,435 in Special Revenue.
- **Total Expenditures** (before depreciation) were **\$5,142,292**. This is a combined total of \$4,951,283 in General Fund and \$191,009 in Special Revenue.

Total General Fund Revenue increased by 2.7% from the previous year. The primary Revenue source for General Fund, county ad valorem tax, grew 1%. Sequoyah County revenue was down 7.6% from the previous year.

General Fund Expenditures increased by 3%, with Operations expenditures increasing by 23%. Equipment purchases were down 48% from the previous year.

The System tracks money through two accounts.

**General Fund** - Ad valorem taxes, fees, interest and State Aid – same categories but new funds – that come in every year.

**Special Revenue** – Donations, book sales and grants – money given to a specific branch or department. Some branches have larger donation accounts than others.

Special Revenue is not included in the annual budget. Branches are encouraged to purchase food and consumable program supplies from Special Revenue accounts. On June 30, 2016 the total Special Revenue amount was **\$406,958**.

**Investments**

The majority of our Ad Valorem taxes are received in January and February. This money is invested and is used in months when less ad valorem is received. Carryover funds, although tracked separately, are combined to create investments for the System. Interest from the investments is divided based on the percentage of total ad valorem collected.

**Where did the System spend its money?**

Total FY Expenditures include General Fund and Special Revenue.

	<b>FY16</b>		<b>FY15</b>	
<b>Staff</b>	<b>\$3,177,411</b>	<b>62%</b>	<b>3,228,122</b>	<b>62%</b>
<b>Materials</b>	<b>\$ 777,910</b>	<b>15%</b>	<b>678,395</b>	<b>13%</b>
<b>Operations</b>	<b>\$1,071,142</b>	<b>21%</b>	<b>1,129,437</b>	<b>22%</b>
<b>Equipment</b>	<b>\$ 115,492</b>	<b>2%</b>	<b>186,432</b>	<b>3%</b>

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2016  
(Unaudited)**

**... On Staffing- Personnel**

All salaries increased by 5% in January. The Board's Personnel Philosophy says our employees are worth the investment and we need to stay competitive with our identified job markets. Increasing the salary scale by 5% was a good start but hiring masters-level personnel remains a challenge. The Assistant Director position, with a starting salary of \$54,600 remains unfilled. After a year with no full time Branch Manager at Muskogee Public, an internal candidate was selected to fill the position. A change in procedure and an increase in the beginning hourly wage for clerks to \$10.50 have seen an increase in qualified candidates for most branches. Total System expenditures for salaries stayed at 62% but two top tier positions were open most of the fiscal year.

Changes in Overtime rules effective December 1, 2016 will necessitate new procedures and perhaps an increase in the number of staff positions at each branch. Budgeting for overtime will be a challenge in the coming years.

**Performance Management**

Performance evaluations are based on job descriptions, competencies and goals. Performance management allows the System to set expectations, and, through constant evaluation, create consistent results.

Evaluators complete evaluations each April. For the fourth year, the board approved Performance Rewards for people who achieved an "Outstanding" performance rating. These employees were able to choose between a cash reward or three vacation days. The goal is to give an across the board increase to all employees who have achieved "Outstanding" or "Successful" again this year. Rewards will always depend on the revenue. Employees receiving a "Needs Improvement" rating do not receive pay increases.

**...On Materials**

Branches are decreasing their print purchases in favor of digital and audio visual material.

	<u>% of Material Purchased</u>		
PRINT	FY14 = 53%	FY15 = 50%	FY16 = 45%
ONLINE & DOWNLOADABLE	FY14 = 23%	FY15 = 25%	FY16 = 28%
AUDIO VISUAL	FY14 = 23%	FY15 = 25%	FY16 = 27%

Print is paper books and magazines.  
Online and Downloadable are databases and e-books.  
Audio visual is DVD's and Books on CD.

EODLS "circulates" e-books, downloadable audio-books and e-magazines. Downloadable music is available for patrons to check-out and keep. We continue to provide access to a number of databases used for reference services and databases for independent lifelong learning. Some databases are licensed by individual branches, some are purchased by the System for all EODLS card holders and some are provided by the OK Dept. of Libraries who

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2016  
(Unaudited)**

receives money from the state legislature to provide access to everyone in the state. The System is continually evaluating the "Format Formula" and asking, what is the right amount to spend in each category to provide patrons access to the materials they need.

### **...On Operations**

All expenses that are not Staff, Material or Equipment are accounted for in the Operations category. These are the everyday expenses for running the branches. Sub categories include postage, supplies, advertising, insurance, travel, speakers, maintenance, rent, etc.

The continued modernization of the E-rate program has decreased reimbursements for telecommunications costs. Support Staff are exploring telephone options, such as VOIP and new billing programs from vendors. The elimination of free 800 numbers provided by the Oklahoma Corporation Commission has staff looking for other alternatives. Bundling bills will give us a better discount although separating costs internally may become a challenge. All branches provide high speed access to the internet through our fiber network. Discounts for the fiber network range from 70 to 90%.

Software and license costs decreased by 56% and 62%, respectively. A large number of new computers were purchased in FY15 that included the purchase of software and maintenance.

Support Services moved to its new location in February. One-time expenses such as the moving vans, a new phone system, exterior signage, some flooring and other miscellaneous items totaled **\$18,965**. Rent and utilities for the new building for March through June equaled **\$21,973**. Expenses for the same months in 2015 at our old location totaled **\$23,543**. The System saved **\$1,570** in Operations while increasing efficiency and floor space by over 2,000 sq. ft.

### **...On Equipment**

With the exception of Jay (who budget no money for equipment), each branch spent at least \$1,432 on computer equipment this year. That included new desktops, laptops, I-pads, Chromebooks and other peripherals. Each branch must continue to budget for technology purchases each year or they run the risk of not staying current. Purchasing personal technology devices is sometimes difficult for a library. Software and security do not always translate to multiple users but staff continue to work on making equipment available to patrons.

### **Long Range Planning**

Our new Strategic Plan was adopted in September, 2016. We continue with our Mission: "EODLS welcomes and supports all people through equal access to information and quality services that build on traditions of the past and innovate for the future in pursuit of enhanced quality of life." Everyone will work on the new Service Initiatives:

- A) Reading, viewing and listening for pleasure and learning
- B) Educational assistance for all students and learners
- C) Comfortable Spaces
- D) Support Technology

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2016  
(Unaudited)**

Support Services has the additional initiatives: E) Increase marketing  
F) Improve system organization.

The new plan asks branches to become more involved with their local schools. Our survey indicated a desire by school administration to work together with public libraries. Branch Managers have planned school visits to meet with teachers and students. STEM and STEAM (Science Technology Engineering Arts & Math) afterschool programs are also planned.

Each branch completed an overall satisfaction survey as well as individual program surveys. When asked, "What do you like most about the public library?" the number one answer for all branches was the helpful staff who go the extra mile to provide patron services. Many also mentioned the good collections and comfortable space the library provides for their community. This is a great platform from which to start on improving areas that still need attention. More and later open hours, more movies and books and more computers lead the requests.

Marketing and public awareness of library services will become the focus in the coming year. Hiring a Marketing consultant to help us create a style book is key to future programming. Surveys revealed an extremely high satisfaction rating by people who know about the library, but a large number are apathetic to what the library has to offer. All patrons will be offered a wide variety of technology instruction and the chance to learn about new equipment. Providing a welcoming, quiet and comfortable space to read, think and learn will keep adults coming back to the library.

**Budgetary Highlights**

How much is the right amount to save each year? The System Emergency Reserve is based on three month's expenses. **Our current Emergency Reserve is \$1,223,433.** We strive to find the balance of serving our patrons to our fullest capacity – but knowing that revenue isn't growing and we also need to save for the future.

	<u>Budget</u>	<u>Expenditures</u>	<u>% Unspent</u>
Stilwell	185,971	176,266	5%
Westville	211,300	210,182	1%
Tahlequah	790,536	685,729	13%
Hulbert	135,908	126,881	7%
Grove	458,528	413,587	10%
Jay	256,932	241,600	6%
Kansas	132,886	120,682	9%
Checotah	293,723	293,373	0%
Eufaula	331,551	302,329	9%

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2016  
(Unaudited)**

Haskell	121,893	110,243	10%
Muskogee	1,794,798	1,583,102	12%
Ft. Gibson	206,698	194,687	6%
Warner	180,615	133,777	26%
Sallisaw	338,842	289,296	15%
Muldrow	176,765	161,497	9%

With the exception of Haskell and Warner, smaller branches spend their money. Branches in larger population areas are able to provide service and save for the future.

### Highlights of Service Provided in FY16

- Summer Reading Programs, traditionally for children and young adults, have expanded to include adults. **415 programs were held for children, 141 for teens and 102 programs were held for adults.** This doesn't include the many wonderful programs offered through the rest of the year. **16,315 patrons** were active in EODLS Summer Reading Programs!
- Over 3,000 library programs are held in the System each year. **3,941 programs** were held last year with **74,637 people** attending. That is a 29% increase in programs held and 4.6% increase in attendance over FY15!
- **WiFi logins are up 56%.** 252,605 users logged in using our WiFi network. Public computer uses are up by 3%.
- **70,382 people** came thru the library doors last year, a **5% increase.**

EODLS is 1 Common Mission, 1 Common Service, 1 Dynamic Library!

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Mary J.S. Moroney, Executive Director

Amanda Spaulding, Business Manager

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
 COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
 BALANCES--BUDGET AND ACTUAL--GENERAL FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016  
 (Unaudited)**

	<b>Proposed Budget</b>	<b>Approved Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b><u>REVENUES</u></b>				
Ad Valorem, Sales Tax & City Support	\$ 4,072,919	\$ 4,169,249	\$ 4,677,086	\$ 507,837
Oklahoma Dept of Libraries State Aid	100,000	100,000	110,794	10,794
Other Grants/Donations				-
Other Revenues	143,617	147,273	155,051	7,778
Interest Revenue	12,000	13,001	16,342	3,341
McIntosh Co Sales Tax/Muldrow City Support/Fort Gibson City Support	99,328	107,120	106,251	(869)
Total Revenues	<u>4,427,864</u>	<u>4,536,643</u>	<u>5,065,524</u>	<u>528,881</u>
<b><u>EXPENDITURES</u></b>				
Staff Expenditures	2,789,191	2,790,960	3,171,511	(380,551)
Supplies & Other Expenditures Operations	729,503	818,804	930,525	(111,721)
	930,403	1,010,231	941,118	69,113
Total Expenditures	<u>4,449,097</u>	<u>4,619,995</u>	<u>5,043,154</u>	<u>(423,159)</u>
NET INCREASE (DECREASE)	(21,233)	(83,352)	22,369	105,721
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Capital outlay				
Informational materials (books)	(681,132)	(723,938)	(777,572)	(53,634)
Equipment and furnishings	(165,699)	(273,013)	(73,963)	199,050
FY15 Revenue carryover	454,064	1,080,303	851,535	(228,768)
Total Other Financing Sources	<u>(392,767)</u>	<u>83,352</u>	<u>0</u>	<u>(83,352)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (414,000)</u>	<u>\$ -</u>	<u>\$ 22,369</u>	<u>\$ 22,369</u>

Revenue carryovers and grant funding cover budget deficiencies.

The above budget to actual does not include depreciation expense, but rather budgets actual capital outlays.



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## BASIC FINANCIAL STATEMENTS

# **JACKSON, FOX and RICHARDSON**

**A Professional Corporation**

*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Eastern Oklahoma District Library System  
Muskogee, Oklahoma

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Eastern Oklahoma District Library System (the Library), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Eastern Oklahoma District Library System's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

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 Eastern Oklahoma District Library System as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

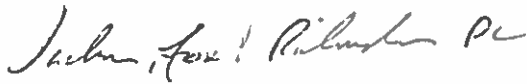
#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis pages 3-8 and the Statement of Revenues and Expenses-General Fund-Budget to Actual on page 9, be presented to supplement the basic financial statements. Such information, although not a part of

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Library's basic financial statements. The Schedule of State Financial Assistance and Schedules of Combined Expenditures are presented for purposes of additional analysis and is not a required part of the basic financial statements



Ardmore, Oklahoma  
September 21, 2016

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM**  
**COMBINED GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**  
**STATEMENT OF NET POSITION AND GOVERNMENT FUNDS BALANCE SHEET**  
**June 30, 2016**

<u>ASSETS AND OTHER DEBITS</u>	General	Other Funds	Totals
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 2,956,988	\$ 506,185	\$ 3,463,173
Receivables:			-
Ad Valorem Tax	113,306		113,306
Prepaid Expenditures	33,877		33,877
Due from Other Funds			-
Property, Plant and Equipment:			-
Materials Collection	9,860,513	69,742	9,930,255
Equipment and Furniture	2,244,620		2,244,620
Less: Accum Depreciation	(9,412,722)	(42,346)	(9,455,068)
Fine Art	87,046		87,046
Deferred outflow of resources			-
Total Assets and Other Debits	<u>\$ 5,883,628</u>	<u>\$ 533,581</u>	<u>\$ 6,417,209</u>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 8,070	\$ 598	\$ 8,668
Compensated Absences Payable	95,663		95,663
Accrued Payroll and Related Costs	131,578		131,578
Due to Other Funds			-
Total Liabilities	<u>235,311</u>	<u>598</u>	<u>235,909</u>
Deferred inflow of resources			
<b>Equity and Other Credits:</b>			
Net investment in capital assets	2,779,457	27,396	2,806,853
Restricted funds		505,587	505,587
Unrestricted net position	2,749,899		2,749,899
Committed	118,961		118,961
Net Position	<u>5,648,317</u>	<u>532,983</u>	<u>6,181,300</u>
Total Liabilities and Net Position	<u>\$ 5,883,628</u>	<u>\$ 533,581</u>	<u>\$ 6,417,209</u>

The accompanying notes to financial statements are an integral part of this statement.

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM**  
**COMBINED GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS - STATEMENT OF**  
**ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Total</u>
<b><u>EXPENDITURES</u></b>			
Current-			
Staff Expenditures	\$ 3,171,511	\$ 5,900	\$ 3,177,411
Supplies & Other Expenditures	199,464	52,288	251,752
Materials	109,161		109,161
Operations	730,874	86,771	817,645
Depreciation	841,269	337	841,606
<b>Total Expenditures</b>	<b>5,052,279</b>	<b>145,296</b>	<b>5,197,575</b>
<b><u>REVENUES</u></b>			
Ad Valorem, Sales Tax & City Support	4,783,337		4,783,337
Oklahoma Dept of Libraries State Aid	110,794		110,794
Other Grants/Donations	320	112,091	112,411
Other Revenues	154,731	46,572	201,303
Interest Revenue	16,342	2,771	19,113
Gain(loss) on asset disposal			-
<b>Total Revenues</b>	<b>5,065,524</b>	<b>161,434</b>	<b>5,226,958</b>
<b>CHANGE IN NET POSITION</b>	<b>13,245</b>	<b>16,138</b>	<b>29,383</b>
<b>Interfund Transfers</b>	<b>41,529</b>	<b>(41,529)</b>	<b>-</b>
<b>Adjustments and reclassifications</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE, JULY 1, 2015</b>	<b>5,593,543</b>	<b>558,374</b>	<b>6,151,917</b>
<b>FUND BALANCE JUNE 30, 2016</b>	<b>\$ 5,648,317</b>	<b>\$ 532,983</b>	<b>\$ 6,181,300</b>

The accompanying notes to financial statements are an integral part of this statement.

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Eastern Oklahoma District Library System (EODLS) conform to generally accepted accounting principles, as applicable to governmental units. The *Governmental Accounting Standards Board* is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of EODLS's accounting policies are described below.

The Financial Reporting Entity – The Eastern Oklahoma District Library System is an independent special purpose district established under Title 65 Article 4, Public Library Systems, of the Oklahoma statutes. These statutes authorize and empower counties, cities and towns to join in the creation, development, and operation and maintenance of public libraries systems to serve multi-county districts. Title 65 authorizes special tax levies for the support of library systems to serve multi-county systems established under this act. The System includes fifteen branch libraries. Board members are appointed by various governmental entities within the counties of Adair, Cherokee, Delaware, McIntosh, Muskogee and Sequoyah. Under *Governmental Accounting Standards Board (GASB) No. 14*, the system is defined as a Special—Purpose Governmental Unit As such, its accounting conforms to the particular operations of EODLS.

Basis of Presentation—Fund Accounting – EODLS uses funds to report on its financial position and results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts.

The following fund types are used by the system:

**\*\*Governmental Funds:**

- General Fund – To account for all financial resources except those required to be accounted for in another fund.
- Special Revenue Funds – To account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally, contractually, or by agreement restricted to expenditures for specified purposes/

The Combined Government-Wide and Fund Financial Statements – Statement of Net Position and Governments Funds Balance Sheet (Government-Wide Statement of Net Position) along with the Statement of Activities and Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances (Government-Wide Statement of Activities) display information about the reporting government as a whole, recognizing the General Fund separately from the Special Revenue Fund.

Basis of Accounting – The Government Funds Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. The Government-Wide Statement of Net Position and Statement of Activities are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2016 - CONTINUED**

EODLS considers property taxes and other County/City support as available if they are collected within 60 days after year-end. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded when earned since they are measurable and available. Donations and grant funds are considered earned when received, unless subject to forfeiture, in which case when received they are recorded as deferred revenues until earned.

Expenditures are recorded when the related fund liability is incurred.

Budgets – EODLS is required by state law to adopt an annual budget. The budget adopted by the Board of Trustees is a non-appropriated budget in that it is a financial plan approved in a manner authorized by statute but not created by an appropriations bill, which is signed into law.

Annual budgets are adopted for the General Fund on a basis consistent with generally accepted accounting principles. The annual budget is prepared by fund, function and department/branch. The department and branch managers may make transfers of budgeted amounts between expense functions without approval of the Board of Trustees, however management approval is required.

Cash and Cash Equivalents – Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within twelve months of the date acquired by EODLS. The investment policy of EODLS authorizes management to invest in U.S. Treasury bills, certificates of deposit fully covered by F.D.I.C, and U.S. government project notes in amounts up to \$250,000. Investments are stated at cost, which approximates market value. Collateral agreements from financial institutions are required when deposits exceed F.D.I.C. limits. Currently EODLS has a collateral agreement with the Firststar Bank of Muskogee.

Interfund Receivables and Payables – During the course of operations, some transactions occur between funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the Government-Wide Statement of Net Assets.

Ad Valorem Tax Receivable – Included in ad valorem tax receivable is the uncollected portion of EODLS’s share of prior year’s property tax assessments for EODLS’s six counties

Prepaid Expenditures – Payments made to vendors for services that will benefit periods beyond June 30, 2016 are recorded as prepaid expenditures.

Library Materials – Because library materials (books, periodicals, audio visual, etc.) purchased by EODLS have useful lives of greater than one year and in accordance with *Governmental Accounting Standards Board (GASB) Statements No. 34*, such acquisitions are capitalized and reported in the fund in which they are acquired at historical cost except for donated materials which are recorded at their estimated fair value.

Fixed Assets – In the Government-Wide financial statements and in accordance with *Governmental Accounting Standards Board (GASB) Statements No. 34*, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation.

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2016 - CONTINUED**

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Government-Wide Statement of Activities, with accumulated depreciation reflected in the Government-Wide Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Office equipment	5 to 10 years
Furniture	10 to 20 years
Computer equipment	3 to 5 years
Vehicles	3 to 5 years
Other fixed assets	3 to 20 years

Compensated Absences – Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources are reported as expenditures and a fund liability of the general fund.

Fund Balances

EODLS adopted Governmental Accounting Standards Board (GASB) Statement No 54 which redefines the classifications of fund equities.

- *Nonspendable*. Fund balances that cannot be spent because they are either:

- *Not in Spendable Form*—generally, amounts that are not expected to be converted to cash, such as inventories or prepaid amounts. This classification also includes some long-term amounts such as property acquired for resale or the long-term portion of loans receivable. (However, if the eventual proceeds or collections from these would be restricted, committed, or assigned, these amounts would be included in that other classification.)

- *Legally or Contractually Required to be Maintained Intact*—amounts that are required to be maintained intact, such as the principal of a permanent fund.

- *Restricted*—amounts that can be used only for specific purposes because of (a) constitutional provisions or enabling legislation or (b) externally imposed constraints. (External constraints might be imposed by creditors, grantors, contributors, or even the laws or regulations of other governments.)

- *Committed*—amounts that can be used only for specific purposes because of a formal action by the government's highest level of decision-making authority. This classification might also include contractual obligations if existing resources have been committed for use in satisfying those contractual requirements. (The formal action to establish constraints should be taken before year-end, even if the amount might not be determined until the subsequent period.)

- *Assigned*—amounts intended to be used for specific purposes but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a finance committee), or by an official to whom that authority has been given. Assigned fund balances represent tentative plans for future use of financial resources. The amounts are decided by the Board and can be reclassified as needed



**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2016 – CONTINUED**

• *Unassigned*—this is the residual classification for the general fund (i.e., everything that is not in another classification or in another fund). The general fund is the only governmental fund that can report a positive unassigned fund balance. Other governmental funds might have a negative unassigned fund balance as a result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

**2. DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS**

Cash and Cash Equivalents

There are three categories of credit risk that apply to EODLS's cash and investments balances:

1. Insured by F.D.I.C. or collateralized with securities held by its agent in its name.
2. Uninsured or collateralized with securities held by the pledging institution's trust department or agent in EODLS's name.
3. Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in EODLS's name; or collateralized with no written or approved collateral agreement

EODLS's bank deposits are categorized below per GASB Statement 3 to give an indication of the level of risk assumed at year end. Deposits of EODLS are carried at cost. The carrying amount of deposits is stated as "cash and cash equivalents" in the financial statements.

Deposits	Risk Category			Total
	1	2	3	Collateral
Demand Deposits	\$ 250,000	\$ 875,369		\$ 1,125,369
Certificates of Deposit	2,495,880	8,697		2,504,577
<b>Totals</b>	<b>\$ 2,745,880</b>	<b>\$ 884,066</b>	<b>\$ -</b>	<b>\$ 3,629,946</b>

Accounts Receivable – EODLS's ad valorem property tax is billed by each of the six participating counties each November 30 on the net assessed value listed as of the prior January 1, for all real and business personal property located in the county. The ad valorem taxes are due on December 31, or one-half by December 31 and one-half by March 31. Accounts receivable represent tax collections measurable and collectible at period end. Generally, this represents July and August collections. This amounted to \$113,306 for the year ended June 30, 2016.

For the year ended June 30, 2016 the total property tax levy collected for EODLS was \$4,783,337, which represented 4 mills in all counties except Delaware and Sequoyah County. Delaware County is 2.09 mills and Sequoyah County is 2 mills.

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2016 – CONTINUED**

Fixed Assets – The following is a summary of changes in the fixed assets account group during the fiscal year:

	Asset Balances		
	Equipment/ Furnishings	Informational Materials	Fine Art
Asset Balances, 7/1/15	\$ 2,132,906	\$ 9,752,229	\$ 87,046
Purchases/Donations	115,492	665,747	-
Disposals/Adjustments	(3,778)	(487,721)	-
Asset Balances, 6/30/16	\$ 2,244,620	\$ 9,930,255	\$ 87,046
	Accumulated Depreciation		
	Equipment/ Furnishings	Informational Materials	Fine Art
Asset Balances, 7/1/15	\$ 1,907,533	\$ 7,110,381	\$ 87,046
Depreciation Expense	175,860	665,747	-
Disposals/Adjustments	(90,824)	(400,676)	-
Asset Balances, 6/30/16	\$ 1,992,569	\$ 7,375,452	\$ 87,046
Depreciation Expense	\$ 175,860	\$ 665,747	

Leases – EODLS entered into a ten year lease effective February 2016, with renewal options on property located at 14 E Shawnee Bypass, Muskogee, Oklahoma for the administrative offices. Estimated lease rental payments under the terms of the lease are as follows:

FY 2017	\$ 59,700
FY 2018	\$ 59,700
FY 2019	\$ 59,700
FY 2020	\$ 59,700
FY 2021	\$ 64,700
FY 2022	\$ 71,700
FY 2023	\$ 71,700
FY 2024	\$ 71,700
FY 2025	\$ 41,825

Employee's Retirement Plan – All of EODLS's eligible employees participate in the Oklahoma Public Employees Retirement System (OPERS), a statewide multiple-employer public employee retirement system. Employees of multi-county libraries are eligible to participate in OPERS under Article 1-106 of Oklahoma statutes. OPERS is a cost sharing public employee retirement system, however, risks are not shared by EODLS, but are the liability of OPERS and the State of Oklahoma. OPERS is funded through employer and employee contributions, but EODLS has no legal obligation for paying benefits.

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2016– CONTINUED**

All employees who work 20 hours/week, 1040 hours/year or more are eligible to participate in OPERS. Normal retirement requires 90 points (age plus years of credited service) however employees who initially became members of OPERS before July 1, 1992 are required to have 80 points. Effective July 1, 1994, all members of the Oklahoma Public Retirement System are required to pay retirement contributions on the gross salary earned (less overtime) up to the maximum annual salary established by statute. Since that time the salary cap has gradually risen and effective July 1, 1998, the cap was waived. EODLS contributed 12.5% of gross compensation and the employee contributes 3.5% of his or her wages.

Effective July 1, 1999, EODLS's contribution rate was adjusted to 10%. During fiscal year ended June 30, 2004, OPERS allowed a new step-up incentive program wherein eligible employees could contribute an additional 2.91%.

This is an irrevocable option and the employee cannot alter the contribution rate as long as they are an employee of EODLS or a participant in OPERS. Currently twenty employees are enrolled. Effective July 1, 2010, EODLS's rate increased to 16.5%. The employee rate remains at 3.5%

For the year ended June 30, 2016

<u>Total Compensation</u>	<u>Eligible Compensation</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>
\$2,337,014	\$1,700,031	\$ 59,501	\$ 280,505

Additionally, employees participating in the step-up contribution option contributed an additional \$20,872

Additional information can be obtained from the separately issued Oklahoma Public Employees Retirement System Annual Report.

**3. OTHER NOTES**

Participation in Risk Pools – EODLS maintains worker's compensation coverage through the Oklahoma State Insurance Fund, which is classified as a risk pool for this coverage.

Risk Management – EODLS is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee's health and life; natural disaster; and board liability. EODLS manages these various risks of loss by purchasing insurance coverage specific to the risks involved. Management believes such coverage is sufficient to preclude any significant uninsured losses to the EODLS. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles 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.

Concentration of Risk - The operation of EODLS is significantly dependent on the property values of the six counties in Eastern Oklahoma in which it operates. Any material change to the property values and ad valorem tax collections could have a significant impact on EODLS's ability to provide the current level of service.

Related Parties – Friends of the Library - These are separate not-for-profit entities established in the trade area of several branches. Their purpose is to support the local branches of EODLS. EODLS does not appoint members or manage any funds for the entities but is a recipient of gifts and volunteer time.

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2016– CONTINUED**

Subsequent Events - Management has evaluated all events subsequent to the balance sheet date of June 30, 2016 through the date of issuance of these financial statements, September 21, 2016, and has determined that there are no subsequent events that require disclosure under generally accepted accounting principles.

Changes in Accounting Principles – The Government Accounting Standards Board (GASB) issued statements numbers 63 and 65 that change the presentation of net assets and of deferred assets and liabilities. Adopting these statements, the Library now uses the term “Net Position” to refer to net assets. Deferrals are now in a separate presentation known as deferred inflows or outflows of resources.

Income Taxes - No provision is made for income taxes. The Library is exempt from taxes under the Internal Revenue Code under Section 501(c)(3). The Library files a Form 990 with the IRS annually. Generally, income tax returns related to the current and three prior years remain open for examination by taxing authorities.

# JACKSON, FOX and RICHARDSON

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

Board of Directors  
Eastern Oklahoma District Library System

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Eastern Oklahoma District Library System (the Library) as of and for the year ended June 30, 2016, 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 21, 2016.

### 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) to determine 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.

### 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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



Ardmore, Oklahoma  
September 21, 2016

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OTHER SUPPLEMENTARY INFORMATION

**Eastern Oklahoma District Library System**  
**Schedule of State Financial Assistance**  
**Year ended June 30, 2016**  
 (Unaudited)

<u>State of Oklahoma Assistance</u>	<u>Project Amount</u>	<u>Receipts Recognized</u>	<u>Expenses Paid</u>
<b>Oklahoma Department of Library Grants</b>			
Oklahoma Department of Libraries State Aid for the Development and Expansion of Library Services	\$ 110,794	\$ 110,794	\$ 110,794
	<u>\$ 110,794</u>	<u>\$ 110,794</u>	<u>\$ 110,794</u>



**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM**  
**SCHEDULE OF COMBINED EXPENDITURES, GENERAL**  
**AND SPECIAL REVENUE FUNDS – ALL DEPARTMENTS AND BRANCHES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	TOTAL SUPPORT SERVICES	TOTAL LIBRARIES SERVICES	TOTAL
<b><u>STAFF EXPENDITURES</u></b>	<b>\$ 534,640</b>	<b>\$ 2,642,771</b>	<b>3,177,411</b>
Books	16	321,265	321,281
Periodical	523	26,460	26,983
Compact Discs	-	73,967	73,967
Online Subscription	46,683	35,495	82,178
Downloadable Audios	134,872	1,686	136,558
DVD	-	132,481	132,481
Other-Microforms, Kits, Software	91	4,370	4,461
<b><u>LIBRARY MATERIALS</u></b>	<b>182,185</b>	<b>595,725</b>	<b>777,910</b>
Postage	1,476	23,152	24,628
Supplies	13,437	227,302	240,739
Equipment Supplies	3,698	12,987	16,685
Consultants/Speakers/Grants	33,005	76,115	109,120
Printing/Binding	-	3,916	3,916
Inspection Expense	-	135	135
Telephone	(16,866)	61,731	44,865
Insurance	5,552	21,796	27,348
Data Circ Line/Automation	(1,662)	62,302	60,640
AMIGOS/OCLC	30,400	-	30,400
Seminars/Training	2,244	8,340	10,584
Travel/Gasoline	18,561	25,180	43,741
Software/Licenses	1,275	12,689	13,964
Continuing Education	3,019	3,299	6,318
Equip Maint Contracts	10,167	83,827	93,995
Other Maint/Repairs	17,269	67,547	84,816
Recovery Expense	-	24,210	24,210
Fees	-	281	281
Equipment Rent/Lease	-	-	-
Utilities	10,670	255	10,926
Property Revaluation	-	81,830	81,830
Advertising	1,289	18,107	19,396
Memberships	6,154	4,907	11,061
Meals/Food	1,124	23,744	24,868
Rent	67,231	1,933	69,164
Staff Development	423	4,193	4,616
US Data Capture	-	2,267	2,267
Construction Expense	-	-	-
Misc Contract Labor	6,716	2,165	8,881
Miscellaneous	-	3,700	3,700
<b><u>SUPPLIES &amp; OTHER EXP</u></b>	<b>215,184</b>	<b>857,909</b>	<b>1,073,093</b>
<b><u>EQUIPMENT &amp; FURNISHINGS</u></b>	<b>9,109</b>	<b>106,383</b>	<b>115,492</b>
<b><u>TOTAL EXPENDITURES</u></b>	<b>\$ 941,118</b>	<b>\$ 4,202,788</b>	<b>\$ 5,143,905</b>

Please note: This report includes materials expenditure which, under GASB 34 have been reclassified as assets in the Government-Wide Fund Financial Statements

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
SCHEDULE OF COMBINED EXPENDITURES, GENERAL REVENUE FUNDS  
PUBLIC SERVICE BRANCH  
FOR THE YEAR ENDED JUNE 30, 2016**

	Stillwell	Westville	Tahlequah	Hulbert	Grove	Jay	Kansas	Checotah	Eufaula	Haskell	Muskogee	Gibson	Warner	Sallisaw	Muldrow	Total Public Services
<b>STAFF EXPENDITURES</b>	\$96,492	\$108,681	\$336,059	\$60,888	\$198,603	\$140,808	\$62,762	\$151,842	\$162,741	\$61,856	\$881,761	\$98,198	\$58,887	\$144,686	\$72,607	2,636,871
Books	11,391	10,596	39,346	7,843	38,413	12,383	9,469	20,966	24,436	4,245	81,311	14,075	9,186	20,744	16,746	321,149
Periodical	581	1,546	3,568	938	2,943	996	935	1,763	387	6,481	23,029	920	473	1,903	443	26,480
Compact Discs	1,541	1,410	18,163	577	9,604	2,445	1,817	1,336	2,734	1,351	23,029	2,311	2,029	3,564	1,976	73,887
Online Subscription	0	0	2,285	0	3,775	0	0	0	0	0	28,333	0	0	1,102	0	35,495
Downloadable Audios	0	0	0	0	0	0	0	0	0	0	1,186	0	0	0	500	1,686
DVD	3,732	3,390	20,256	3,799	11,509	2,285	3,285	5,109	2,669	2,669	42,005	7,190	4,799	9,330	7,047	132,340
Other-micro, kits, sft w r	96	96	201	46	96	46	46	1,091	46	46	1,562	820	46	91	46	4,370
<b>LIBRARY MATERIALS</b>	17,351	17,037	83,819	13,202	66,340	18,154	15,552	30,858	35,133	8,697	183,906	25,315	16,532	36,734	26,758	595,387
Postage	601	961	3,516	552	834	1,257	624	913	2,728	414	5,991	476	655	2,426	1,205	23,152
Supplies	6,888	5,421	20,768	6,370	16,349	8,492	7,421	11,787	11,935	4,299	36,346	8,486	6,284	11,958	9,507	172,313
Consultants/Speakers	638	1,696	4,978	355	7,919	1,245	1,108	1,822	1,078	1,884	963	5,651	2,165	588	588	42,674
Printing/Binding	38	0	0	0	0	0	0	0	0	0	3,878	0	0	0	0	3,916
Recovery Expense	1,398	1,010	3,888	695	1,403	1,210	663	1,224	1,374	424	6,228	832	784	2,025	1,053	24,210
Telephone	2,681	3,387	9,753	3,496	5,666	4,564	1,522	5,862	4,182	2,285	12,684	2,606	3,044	0	0	61,731
Insurance	796	988	1,669	734	1,840	903	728	1,085	1,150	763	7,257	936	691	1,036	919	21,496
Data Circ	4,818	10,789	3,221	2,720	5,694	4,799	1,062	6,736	1,810	3,120	4,137	1,088	4,113	5,189	3,006	62,302
Line/Automation																
Fees	35	0	0	0	144	102	0	0	0	0	0	0	0	0	0	281
Seminars/Training	280	475	761	347	505	709	327	1,130	195	370	1,601	905	370	188	188	8,355
Travel/Gasoline	1,982	1,757	1,774	1,126	4,566	2,745	1,869	982	1,366	607	1,816	1,618	550	1,475	628	24,859
Software/Licenses	577	672	1,655	486	991	695	513	661	830	498	2,357	539	372	934	908	12,689
Equip Maint/Contracts	2,203	4,175	9,784	1,928	5,247	3,778	1,883	4,789	4,629	1,940	29,462	2,449	3,088	4,406	2,566	82,326
Other Maint/Repairs	0	125	17,933	0	100	0	0	500	201	0	46,757	0	0	0	0	65,616
Equipment Rent/Lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Utilities	-	-	-	-	-	-	255	-	-	-	-	-	-	-	-	255
Property Revaluation	5,974	5,974	17,603	3,106	6,511	4,132	1,878	5,597	5,597	859	13,744	1,460	1,117	5,381	2,898	81,830
Equipment Supplies	354	553	1,641	654	2,663	0	354	1,053	1,047	354	2,246	354	354	708	654	12,987
Advertising	569	1,251	1,795	640	586	50	0	1,548	282	381	8,458	1,120	719	123	127	17,647
Memberships	169	308	551	47	774	575	47	570	580	47	745	256	47	217	106	5,037
Meals/Food	134	267	106	77	98	181	191	631	22	58	124	95	43	5	5	2,036
Rent	0	0	275	0	385	0	0	47	0	0	1,166	0	40	0	0	1,913
Staff Development	213	213	381	126	339	255	169	255	213	126	1,139	213	169	255	128	4,193
US Data Capture Fees	13	0	539	28	536	64	61	138	188	3	548	96	52	0	0	2,267
Construction Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Digitization	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc Contract Labor	0	0	35	0	0	0	0	1,200	0	0	430	0	0	0	0	1,665
Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	135
<b>SUPPLIES &amp; OTHER EXP</b>	30,358	40,022	102,626	23,486	63,149	35,756	20,675	58,529	39,405	18,431	188,211	29,180	24,656	36,914	24,486	735,884
<b>EQUIPMENT &amp; FURNISHINGS</b>	1,548	4,800	8,704	1,432	3,572	0	1,628	3,317	7,302	1,992	14,082	3,252	4,015	5,420	3,794	64,854
<b>TOTAL EXPENDITURES</b>	\$145,749	\$170,540	\$531,207	\$99,008	\$331,664	\$154,718	\$100,614	\$244,545	\$244,582	\$80,975	\$1,267,961	\$155,944	\$104,091	\$223,753	\$127,644	\$4,032,986

Please note: This report includes materials expenditures which, under GASB 34 have been reclassified as assets in the Government-Wide and Fund Financial Statements  
\*Note: This schedule does not include depreciation expense which is a non-cash item.

**EASTERN OKLAHOMA DISTRICT LIBRARY SYSTEM  
SCHEDULE OF COMBINED EXPENDITURES, SPECIAL REVENUE FUNDS  
PUBLIC SERVICE BRANCH  
FOR THE YEAR ENDED JUNE 30, 2016**

	Fort													Total Public Services		
	Stilwell	Westville	Tahlequah	Hulbert	Grove	Jay	Kansas	Checotah	Eufaula	Haskell	Muskogee	Gibson	Warner		Sallisaw	Muldrow
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,900	\$0	\$0	\$0	\$0	\$5,900
<b>STAFF EXPENDITURES</b>																
Books	-	27	-	-	-	27	-	-	-	-	63	-	-	-	-	116
Periodical	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Compact Discs	-	-	-	-	80	-	-	-	-	-	-	-	-	-	-	80
Online Subscription	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Downloadable Audios	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
DVD	-	-	101	-	-	-	40	-	-	-	-	-	-	-	-	141
Other-Mco, kits, software	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
<b>LIBRARY MATERIALS</b>																
	0	27	101	0	80	27	40	0	0	0	63	0	0	0	0	337
Postage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Supplies	708	2,002	5,221	4,910	4,535	1,361	1,612	4,520	2,845	805	19,718	1,854	603	1,374	2,920	54,989
Consultants/Speakers/Grants	2,402	4,830	615	1,838	33	647	793	4,267	5,672	-	7,453	-	700	1,858	2,333	33,441
Printing/Binding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Insurance	-	-	-	-	-	-	-	-	-	-	300	-	-	-	-	300
Data Circ Line/Automation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
AMGOS/OCLC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Seminars/Training	-	-	65	-	1,223	-	-	-	-	-	1,997	-	-	-	-	3,284
Travel/Gasoline	-	56	48	24	-	-	24	-	56	-	-	-	-	56	56	320
Software/Licenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Equip Maint Contracts	-	-	1,501	-	-	-	-	-	-	-	-	-	-	-	-	1,501
Other Maint/Repairs	-	-	-	-	-	-	-	-	-	-	1,931	-	-	-	-	1,931
Equipment Rent/Lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Property Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Equipment Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Advertising	-	-	-	-	-	-	-	-	20	-	440	-	-	-	-	460
Memberships	-	20	-	-	-	-	-	-	-	-	-150	-	-	-	-	-130
Meals/Food	475	498	712	1,965	3,298	514	3,220	2,558	1,617	68	5,334	771	96	369	214	21,708
Rent	-	-	-	-	-	-	-	-	20	-	-	-	-	-	-	20
Misc Contract Labor	-	-	-	-	-	-	-	500	-	-	-	-	-	-	-	500
Construction Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Miscellaneous	-	-	-	-	-	-	-	-	-	-	3,500	200	-	-	-	3,700
<b>SUPPLIES &amp; OTHER EXP</b>	<b>3,584</b>	<b>7,407</b>	<b>8,161</b>	<b>8,737</b>	<b>9,088</b>	<b>2,522</b>	<b>5,650</b>	<b>11,845</b>	<b>10,230</b>	<b>873</b>	<b>40,523</b>	<b>2,825</b>	<b>1,399</b>	<b>3,657</b>	<b>5,523</b>	<b>122,025</b>
<b>EQUIPMENT &amp; FURNISHINGS</b>	<b>0</b>	<b>0</b>	<b>34,998</b>	<b>1,316</b>	<b>4,416</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>899</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41,529</b>
<b>TOTAL EXPENDITURES</b>	<b>\$3,584</b>	<b>\$7,434</b>	<b>\$43,160</b>	<b>\$10,053</b>	<b>\$13,584</b>	<b>\$2,549</b>	<b>\$5,690</b>	<b>\$11,845</b>	<b>\$10,230</b>	<b>\$873</b>	<b>\$47,384</b>	<b>\$2,825</b>	<b>\$1,399</b>	<b>\$3,657</b>	<b>\$5,523</b>	<b>\$169,792</b>

Please note: This report includes materials expenditures which, under GASB 34 have been reclassified as assets in the Government-Wide and Fund Financial Statements  
\*Note: This schedule does not include depreciation expense which is a non-cash item.

