

**EASTERN OKLAHOMA LIBRARY SYSTEM  
MUSKOGEE, OKLAHOMA**

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT  
JUNE 30, 2022**

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

# EASTERN OKLAHOMA LIBRARY SYSTEM

*Year Ended June 30, 2022*

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EASTERN OKLAHOMA LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2022  
(Unaudited)

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FY22**

## FINANCIAL HIGHLIGHTS

- **Total Revenue** for the System was **\$6,632,855**. This is a combined total of **\$6,065,601** in General Fund and **\$297,254** in Special Revenue.
- **Total Expenditures** (before depreciation) were **\$5,624,047**. This is a combined total of **\$5,357,142** in General Fund and **\$266,905** in Special Revenue.

Total General Fund Revenue increased by **5%** from the previous year. The primary Revenue source for General Fund, county ad valorem tax, grew **5%**. Muskogee County revenue was up **7.8%** from the previous year, Cherokee County grew by **4.6%** and Delaware County grew by **4.4%**. Sequoyah County revenue grew by **.6%**.

General Fund Expenditures decreased by **3%**. Salary expenditures decreased by almost **6%**. Equipment purchases continued to increase, approximately **14%** over last 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, 2022, the total Special Revenue amount was **\$493,693**.

### Investments

The majority of the System's 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 added into the Total Revenue for the System. Interest from investments made with Special Revenue is added back into the account that earned the interest.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2022  
(Unaudited)**

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

Total FY Expenditures include General Fund and Special Revenue.

	<u>FY22</u>		<u>FY21</u>	
<b>Staff</b>	<b>\$3,455,930</b>	<b>62%</b>	<b>3,668,048</b>	<b>65%</b>
<b>Materials</b>	<b>\$ 896,788</b>	<b>16%</b>	<b>869,247</b>	<b>15%</b>
<b>Operations</b>	<b>\$1,058,194</b>	<b>19%</b>	<b>996,140</b>	<b>18%</b>
<b>Equipment</b>	<b>\$ 200,239</b>	<b>3%</b>	<b>82,738</b>	<b>2%</b>

**... On Staffing – Personnel**

Beginning January 1, 2022, the entire pay scale increased by **5%**. The starting hourly rate for clerks is now **\$11.55**. The change in the Budgeting format made raises possible for all branches. The Board's Personnel Philosophy says our employees are worth the investment and we need to stay competitive with our identified job markets. Area McDonald's are now paying up to **\$19.00** an hour.

The Staff expenditures are down from the previous year because of the many resignations from the System. Muskogee didn't have a Branch Manager for most of the year and the Adult Services department had several staff turnovers. Support Services budgeted for a Marketing Manager, and one was hired in January and 2 months later she resigned "for personal reasons". The position was eventually filled at the end of May with a person who has years of public relations experience. **Four Branch Managers** left the System this year. The Muskogee Manager left to take a position at the University of Tulsa, the long-time Tahlequah manager retired in November, the Haskell/Warner Manager moved to Tulsa and is working in another field and the Westville/Kansas Manager became the Director of the Siloam Springs Public Library in June. The Ft. Gibson/Hulbert Manager has announced her October 1<sup>st</sup> retirement date. The Business Manager left at the end of July, and we were very fortunate to find a qualified candidate as quickly as we did. Finding qualified candidates for all positions has become increasingly difficult. The Muskogee Manager position was vacant most of the fiscal year. Finding and keeping clerks has become a monthly chore. Clerks accept a position and weeks (or even days) later they have resigned. The reasons vary; to take a full-time position, my other part-time job fell through, the demands of the position were more than I was able to handle.

EOLS has no Human Resources Manager. The Business Manager has always been the Benefits Coordinator and the Executive Director has been involved in the entire hiring process. The Manager needing an employee and the Exec. Director interview potential candidates together. Some of these interviews take place via Zoom. Managers check references and the Exec. Director does a background check with an outside company. The cost of the background check has increased 13%. We include an Education Verification, when the job description requires college hours, for an additional fee. The time and effort it takes to complete a new hire is frustrating to everyone when the employee stays less than six months.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2022  
(Unaudited)**

**Performance Management**

Performance evaluations are based on job descriptions, competencies and goals. Performance is rated as Outstanding, Successful or Needs Improvement. If revenue is adequate and the Board approves it, employees receiving an overall rating of Outstanding receive a performance reward.

Spring is normally the time for employee evaluations. Employees do self-evaluations at the end of March and Evaluators complete evaluations in April and May. In May 2022 thirty-seven employees received an Outstanding rating and were given performance rewards. Performance Evaluations were done at the normal time in the spring.

**...On Materials**

The System budgeted **\$900,000 for materials** last year and expended **\$878,219**.

	<u>% of Material - Purchased</u>		
PRINT	FY16 = 45%	FY21 = 41%	FY22 = 39%
ONLINE & DOWNLOADABLE	FY16 = 28%	FY21 = 45%	FY22 = 48%
AUDIO VISUAL	FY16 = 27%	FY21 = 15%	FY22 = 12%

PRINT includes paper books and magazines.

ONLINE & DOWNLOADABLE includes databases and e-books.

AUDIO VISUAL includes DVD's and Books on CD.

EOLS "circulates" e-books, downloadable audiobooks and e-magazines. Downloadable music is no longer available for patrons to check-out and keep, but it is available for a check-out period. Movies and television shows are available. In FY16 the total Materials budget was \$906,169 and 20% was allocated for e-material. In FY22 the total Materials budget was \$900,000 and 42% was allocated to e-material. The System budgeted \$900,000 on Material and spent \$878,219 leaving **2%** of the Materials budget unspent. In FY20, before Centralized Selection, the amount of unspent Materials budget was **13%**.

Board games are very popular at our libraries. Warner and Tahlequah purchased several games, while Muskogee continues to have Family Game night most Tuesdays. Grove and Tahlequah have also purchased yard games for outdoor fun. Non-Traditional collections or a Library of Things continue to be a new area of growth for all libraries.

All database and online subscriptions were paid from the Support Services category. **\$375,000 was allocated to these resources and \$375,000 was spent.** All database subscriptions are available to every EOLS patron, and they can access most of the databases from home. Downloadable e-material can be used on home computers, smart phones, or other devices. The OK. Dept. of Libraries continues to provide access to EBSCO databases and now Brainfuse is also available to everyone in the state.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2022  
(Unaudited)**

**...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. Subcategories include postage, supplies, advertising, insurance, travel, speakers, maintenance, rent, etc. There was a **5.8% increase** in Operations this year. Supplies in general are up **\$14,293** this year.

We held some Zoom meetings this year, but we also began to meet regularly in person. The Public Library Association conference occurs in even numbered years. In FY20, the conference was held in Nashville and eight Managers attended. Travel expenses in FY20 were \$23,875. In FY21, travel costs were \$5,315. This year the **PLA** conference was held in Portland and five Managers attended. **Travel for FY22 was \$20,374.** An increase from FY21 of 283% but a decrease from FY20 of 17%. We also held an in-person Staff Development Day in May. It was postponed twice during the pandemic. It was held at the Shangri-La resort in Delaware County. Along with Travel, the System's expenditures on **Gas have increased 63%** from last year.

Most library programs were held in person this year. Program Speakers were paid **\$18,720** in FY22. Haskell, Jay, Muldrow and Checotah received Health Literacy grants to do programming that will get people moving more and eating better. **Oklahoma Healthy Aging Initiative** led many chair exercises and light yoga programs in most of the branches this year.

We have increased the number of Hotspots we lend, and we are in the process of changing service providers. Hotspot lending at EOLS began in Haskell when the Rieger Memorial Library became the recipient of a grant from OSU. The System then leased approximately 200 units from Sprint/T-Mobile. At the same time the Oklahoma Science Museum was providing some units for a couple of branches from Mobile Citizen. This year, as the units from T-Mobile become obsolete, we hope to switch everyone to Mobile Citizen. The units from Mobile Citizen are about \$100 less per year. Leased Hotspots cost the System **\$39,952** in **FY22.**

**...On Equipment**

This category is for Equipment costing over \$500. Items less than \$500 are considered Equipment Supplies and are in the Operations category. No money was placed in the Equipment budget this year, but equipment was purchased using Reserve Funds.

The System received a grant made possible by the Institute of Museum and Library Services under the provisions of the American Rescue Plan Act, administered by the Oklahoma Department of Libraries for **\$108,079** to purchase equipment that will enable us to serve patrons safely. We requested 82 PCs, 15 laptops, 49 task chairs, eight chairs with laptop arms, a book-drop, a wi-fi extender and some additional hotspots. The grant was successfully completed this month. The requirements for the grant were based on serving patrons remotely or having furniture that could be easily wiped down. It enabled the I.T. department to replace a number of aging computers.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2022  
(Unaudited)**

Outdoor book drops cost \$4,500. Tahlequah requested one through the grant, but Checotah's had to be replaced when an individual ran into it. In FY22, Warner also replaced a book drop after it was vandalized and was no longer secure. Muskogee received \$10,000 from the American Library Association for a Memory Lab to be installed in the Local History/Genealogy department. The equipment purchased with these grant funds include ways to digitize old photos, VHS tapes, audiocassettes and vinyl albums.

The System Delivery van was bid in September, but supply chain issues have us still waiting for its arrival. A used 2020 Chevrolet Express van was found in Glenpool and purchased this spring, with the Board's permission, for \$45,387. The System received \$5,000 for the trade-in of a 2013 van with over 300,000 miles on it.

### **Strategic Planning**

The System's new streamlined plan began July 1, 2019. Our vision: *A welcoming library that inspires imagination and ideas.* Our mission: *We empower people by creating opportunities that enrich their lives with information, activities, and services.*

Our focus areas are:

- Information, Learning and Entertainment
- Fiscal Sustainability
- Community Collaboration
- Welcoming, Safe and Versatile Spaces

In March, it was decided to add one more year to the Strategic Plan. COVID threw a wrench in our plans to become a more Welcoming, Safe and Versatile Space. There continues to be a decrease in print circulation and door counts. People aren't coming back to the library like they did two years ago, but we had good participation in this year's Summer Reading Program, and we hope to see this trend continue.

The goal to "align system revenue with strategic goals" began with a change in the way the budget is created. All revenue is now totaled and from that, each major expenditure category is budgeted. With revenue not allocated by a percentage, percentage-based branch expenditures are eliminated. Costs that cannot be attributed to a specific branch are taken from Support Services. At the end of FY22, the Budget changed again. This time using the population to allocate resources. Discussion of these changes will occur next year.

The System now has its own full-time Marketing Manager. She has re-vamped the System's webpage and created new brochures with updated database information. She has contacted area newspapers for press coverage of library events, and she continues to post on the System's Social media accounts.

Having "safe spaces" is always important to our libraries. We continue bi-monthly safety training, and we are planning some specific live-action safety training this year.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2022  
(Unaudited)**

The Adult Programming Committee and the Youth Programming Committee tried to “create online and interactive programming.” Much work was needed to create online programming with very little viewership. Grab-n-Go craft bags are popular. Keeping the library relevant on social media is never-ending. Scheduled announcement means patrons can see new posts from the System any hour of the day (or night.)

The Sequoyah County Branch Manager and the Exec. Director met with the Executive Director of “everylibrary” to begin the process of gauging the successful outcome for a mill levy vote. “everylibrary” is a company that builds voter support for libraries. This is still in its beginning stages.

### **Budgetary Highlights**

All Revenue received is placed in the Operating Budget. The Operating Budget includes.

**A) Ad Valorem, B) State Aid, C) Miscellaneous revenue, D) Interest, E) City/County Support and F) Carryover.** This is considered the Budgeted Revenue.

After the Total Budgeted Revenue is determined – Expenditures are calculated.

The Operating Budget Expenditures include **A) Emergency Reserve, B) Salaries, C) Materials, D) Operations and E) Equipment.**

General Fund expenses include some operational costs for all branches like property revaluation fees and System-wide E-material. The Emergency Reserve is equal to three months of Operational Expenses. Salaries include all Support Staff and Branch staff. Branch Materials and Operations are determined by size of community served and a three-year history of expenses. Equipment purchases are determined by the Strategic Plan, individual Space Plans, the availability of funds and a history of previous purchases. Grant Funds and Donations are Special Revenue and are tracked and expended by Location.



**EASTERN OKLAHOMA LIBRARY SYSTEM  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2022  
(Unaudited)**

**End of FY22 recap**

	<u>Budget</u>	<u>Expenditures</u>	<u>% Unspent</u>
Stilwell	164,621	150,057	9%
Westville	135,007	126,717	6%
Tahlequah	534,564	494,853	7%
Hulbert	96,602	62,644	35%
Grove	357,163	305,268	15%
Jay	212,744	202,684	5%
Kansas	100,990	73,636	17%
Checotah	237,753	229,443	3%
Eufaula	189,644	169,399	11%
Haskell	85,738	68,618	20%
Muskogee	1,254,390	1,132,554	10%
Ft. Gibson	190,871	181,927	5%
Warner	100,365	80,245	20%
Sallisaw	206,811	181,704	12%
Muldrow	110,272	94,005	15%
Support Services	1,813,355	1,779,431	2%

**Highlights of Service Provided in FY22**

There were no health-related restrictions placed on the public coming or going at any EOLS library this year.

- Online patron registration for a library card is very popular.
- **A new Marketing Manager was hired!**
- E-Circulation increased by 11% *again* this year!
- **Over 415,000** patrons entered our libraries. This is a 38% increase from last year!
- We continue to serve people curbside.
- Almost **160,000** people used our Wi-Fi this year, a **70% increase** over FY21.
- **35,000** patrons used our public computers, a **35% increase** over FY21!
- The number of cardholders **increased 5%** from last year.

EOLS: A welcoming library that inspires imagination and ideas!

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Mary J.S. Moroney, Executive Director

**EASTERN OKLAHOMA LIBRARY SYSTEM**  
**COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES--BUDGET AND ACTUAL--GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**  
(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	\$ 4,850,384	\$ 5,038,970	\$ 5,812,307	\$ 773,337
Oklahoma Dept of Libraries State Aid	88,000	88,359	88,467	108
Other Grants/Donations				-
Other Revenues	60,000	80,000	92,176	12,176
Interest Revenue	15,000	14,000	6,543	(7,457)
McIntosh Co Sales Tax/Muldraw City Support/Fort Gibson City Support	123,654	148,362	148,363	1
Total Revenues	<u>5,137,038</u>	<u>5,369,691</u>	<u>6,147,856</u>	<u>778,165</u>
<b><u>EXPENDITURES</u></b>				
Staff Expenditures	3,849,500	3,886,000	3,452,770	433,230
Supplies & Other Expenditures	1,085,000	1,004,888	943,887	61,001
Total Expenditures	<u>4,934,500</u>	<u>4,890,888</u>	<u>4,396,657</u>	<u>494,231</u>
NET INCREASE (DECREASE)	202,538	478,803	1,751,199	1,272,396
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Capital outlay				
Informational materials (books)	(900,000)	(900,000)	(878,522)	21,478
Equipment and furnishings	(50,000)	-	(82,255)	(82,255)
FY21 Revenue carryover	747,462	421,197	960,777	539,580
Total Other Financing Sources	<u>(202,538)</u>	<u>(478,803)</u>	<u>0</u>	<u>478,803</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,751,199</u>	<u>\$ 1,751,199</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.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
GASB 68 PENSION SCHEDULES AND RELATED RATIOS  
FOR THE YEAR ENDED JUNE 30, 2022**

Schedule 1  
Schedule of Proportionate Shares

	2021	2020	2019	2018	2017	2016	2015	2014
Library proportion of the net pension liability	0.11661584%	0.11404371%	0.12622963%	0.11081704%	0.11381894%	0.10044798%	0.10563111%	0.10898829%
Library proportional share of the net pension liability	\$ (1,565,172)	\$ 1,017,456	\$ 168,123	\$ 216,141	\$ 615,377	\$ 996,676	\$ 379,938	\$ 1,214,500
Library covered-employee payroll	2,013,763	2,066,964	2,006,290	1,959,767	1,863,503	1,805,796	1,700,031	1,835,549
Library proportionate share of the net pension liability as a percentage of covered payroll	-77.72%	49.22%	8.38%	11.03%	33.02%	55.19%	22.35%	66.17%
OPERS fiduciary net position as a percentage of the total pension liability	112.51%	91.59%	98.63%	97.96%	94.28%	89.48%	96.00%	97.90%

Schedule 2  
Schedule of Contributions

	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 320,436	\$ 312,766	\$ 332,226	\$ 286,334	\$ 306,169	\$ 297,751	\$ 308,106	\$ 304,667
Contributions in relation the contractually required contributions	318,495	315,343	329,378	287,460	309,563	299,644	305,860	306,502
Contribution deficiency (excess)	1,941	(2,577)	2,848	(1,126)	(3,394)	(1,893)	2,246	(1,835)
Library's covered employee payroll	2,013,763	2,066,964	2,006,290	1,959,767	1,863,503	1,805,796	1,700,031	1,835,549
Contributions as a percentage of covered employee payroll	15.82%	15.26%	16.42%	14.67%	16.61%	16.59%	17.99%	16.70%

Notes to schedule:

GASB Statement 68 requires the information presented in the above schedules cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement 68 and is the latest information available.

Benefit Changes: Information to present a 10-year history is not readily available

Changes in Actuarial Assumptions: Information to present a 10-year history is not readily available

**EASTERN OKLAHOMA LIBRARY SYSTEM  
GASB 75 OPEB SCHEDULES AND RELATED RATIOS  
FOR THE YEAR ENDED JUNE 30, 2022**

Schedule 1

Schedule of Proportionate Shares

	2021	2020	2019	2018	2017
Library proportion of the OPEB liability	0.11661584%	0.11404371%	0.12622963%	0.11081704%	0.11381894%
Library proportional share of the OPEB liability	\$ (160,326)	\$ (53,467)	\$ (49,073)	\$ (14,341)	\$ 13,037
Library covered-employee payroll	2,013,763	2,066,964	2,006,290	1,959,767	1,805,796
Library proportionate share of the OPEB liability as a percentage of covered payroll	-7.96%	-2.59%	-2.45%	-0.73%	0.72%
OPERS fiduciary net position as a percentage of the total OPEB liability	142.87%	114.27%	112.11%	103.94%	96.50%

Schedule 2

Schedule of Contributions

	2021	2020	2019	2018	2017
Contractually required contribution	\$ 20,613	\$ 21,937	\$ 23,660	\$ 21,144	\$ 21,430
Contributions in relation the contractually required contributions	22,339	22,458	24,322	20,120	21,667
Contribution deficiency (excess)	(1,726)	(521)	(662)	1,024	(237)
Library's covered employee payroll	2,013,763	2,066,964	2,006,290	1,959,767	1,805,796
Contributions as a percentage of covered employee payroll	1.11%	1.09%	1.21%	1.03%	1.20%

Notes to schedule:

GASB Statement 75 requires the information presented in the above schedules cover the 10 most recent fiscal years. The information above covers the period retroactive to the adoption of GASB Statement 75 and is the latest information available.

Benefit Changes: Information to present a 10-year history is not readily available

Changes in Actuarial Assumptions: Information to present a 10-year history is not readily available

# JACKSON, FOX and RICHARDSON

## A Professional Corporation

### *Certified Public Accountants*

PO Box 1171 \* 129 C Northwest  
Ardmore, Oklahoma 73402-1171  
Donald L. Jackson (1948-2015)  
Kathy A. Fox CPA  
Gabriel M. Richardson CPA EA

Phone (580) 223-1877 Fax (580) 223-1880  
www.cpa-ok.com

kathy@cpa-ok.com  
gabe@cpa-ok.com

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Eastern Oklahoma Library System  
Muskogee, Oklahoma

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Eastern Oklahoma Library System (the Library), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Eastern Oklahoma Library System'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 and each major fund of the Eastern Oklahoma Library System, as of June 30, 2022, 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.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Library and to meet our 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 opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are

considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-9, the Statement of Revenues and Expenses-General Fund-Budget to Actual on page 10, and the Pension/OPEB Schedules on pages 11-12 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Change in Accounting Principle***

As described in Note 2 to the financial statements, in 2022, the Library adopted new accounting guidance, *GASB Statement No. 87, Leases*. Our opinion is not modified with respect to this matter.

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The Schedule of State Financial Assistance and Schedules of Combined Expenditures are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

#### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial



**EASTERN OKLAHOMA LIBRARY SYSTEM**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

<u>ASSETS AND OTHER DEBITS</u>	General	Special Revenue	Totals
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 4,362,798	\$ 789,436	\$ 5,152,234
Receivables			
Ad Valorem Tax	110,030		110,030
Prepaid Expenditures	-		-
OPEB Asset	160,327		160,327
Net Pension Asset	1,565,172		1,565,172
Property, Plant and Equipment:			
Informational materials	11,125,134	143,748	11,268,882
Furniture and equipment	2,692,113		2,692,113
Leased asset	208,474		208,474
Fine Art	87,046		87,046
Less: Accumulated depreciation	(10,765,087)	(116,353)	(10,881,440)
Less: Accumulated amortization	(52,118)		(52,118)
Total Assets and Other Debits	<u>\$ 9,493,889</u>	<u>\$ 816,831</u>	<u>\$ 10,310,720</u>
Deferred Outflows of Resources	<u>\$ 465,387</u>	<u>\$ -</u>	<u>\$ 465,387</u>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 9,642	\$ 1,320	\$ 10,962
Compensated Absences Payable	138,959		138,959
Accrued Payroll and Related Costs	148,930		148,930
Leased liability	150,325		150,325
Total Liabilities	<u>\$ 447,856</u>	<u>\$ 1,320</u>	<u>\$ 449,176</u>
Deferred Inflow of Resources	<u>\$ 1,881,288</u>	<u>\$ -</u>	<u>\$ 1,881,288</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	3,139,207	27,395	3,166,602
Restricted		788,116	788,116
Unrestricted	4,490,925		4,490,925
Total Net Position	<u>\$ 7,630,132</u>	<u>\$ 815,511</u>	<u>\$ 8,445,643</u>

The accompanying notes are an integral part of this financial statement



**EASTERN OKLAHOMA LIBRARY SYSTEM  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022**

		Program Revenues		Net (Expense) Revenue and Change in Net Assets
Primary Government	Expenses	Charges for Services	Grants and Donations	Governmental Activities
Governmental Activities				
Operating Expenses	\$ 759,733	\$ 104,160	\$ 247,508	\$ (408,065)
Personnel Services	2,985,167			(2,985,167)
Supplies & Other Expenses	243,233			(243,233)
Materials	156,607			(156,607)
Depreciation & Amortization	788,785			(788,785)
Total Governmental Activities	\$4,933,525	\$ 104,160	\$ 247,508	\$ (4,581,857)
General Revenue				
Ad Valorem, Sales Tax, and City Support				5,963,047
State Aid Support				216,192
Interest				7,172
Miscellaneous				13,306
Gain/(Loss) on Sale				1,353
Total General Revenue				\$ 6,201,070
Change in Net Assets				\$ 1,619,213
Net Position, July 1, 2021				6,826,430
Net Position, June 30, 2022				\$ 8,445,643

The accompanying notes are an integral part of this financial statement

**EASTERN OKLAHOMA LIBRARY SYSTEM  
BALANCE SHEET-GOVERNMENTAL FUNDS  
JUNE 30, 2022**

<u>ASSETS AND OTHER DEBITS</u>	General	Special Revenue	Totals
Cash and Cash Equivalents	\$ 4,362,798	\$ 789,436	\$ 5,152,234
Ad Valorem Tax Receivables	110,030		110,030
Prepaid Expenditures			-
<b>Total Assets</b>	<b>\$ 4,472,828</b>	<b>\$ 789,436</b>	<b>\$ 5,262,264</b>
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts Payable	\$ 9,642	\$ 1,320	\$ 10,962
Compensated Absences Payable	138,959		138,959
Accrued Payroll and Related Costs	148,930		148,930
<b>Total Liabilities</b>	<b>\$ 297,531</b>	<b>\$ 1,320</b>	<b>\$ 298,851</b>
 Fund Balances			
Assigned			-
Committed	224,291		224,291
Unassigned	3,951,006	788,116	4,739,122
<b>Fund Balances, end of year</b>	<b>\$ 4,175,297</b>	<b>\$ 788,116</b>	<b>\$ 4,963,413</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 4,472,828</b>	<b>\$ 789,436</b>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in assets in governmental funds. The costs of these assets are \$14,256,515 and the accumulated depreciation is \$10,933,558	3,322,957
Long-term liabilities that pertain to governmental funds are not due and payable in the current period and therefore are not reported as fund liabilities.	
Lease liability	(150,325)
Net pension liability	1,565,172
Other Post-Employment Benefits liability (OPEB liability)	160,327
Deferred outflows of resources related to net pension liability/OPEB liability	465,387
Deferred inflows of resources related to net pension liability/OPEB liability	(1,881,288)
<b>Total Net Position - Governmental Activities</b>	<b>\$ 8,445,643</b>

The accompanying notes are an integral part of this financial statement

**EASTERN OKLAHOMA LIBRARY SYSTEM  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	General Fund	Special Revenue	Governmental Funds
<b>Revenues</b>			
Ad Valorem, Sales Tax & City Support	\$ 5,960,669	\$ 2,377	\$ 5,963,046
State Aid	88,467	127,725	216,192
Grants/Donations		247,508	247,508
Other Revenues	92,176	25,290	117,466
Interest Revenue	6,543	629	7,172
			-
<b>Total Revenues</b>	<b>\$ 6,147,855</b>	<b>\$ 403,529</b>	<b>\$ 6,551,384</b>
<b>Expenditures</b>			
Staff Expenditures	\$ 3,457,659	\$ 2,660	\$ 3,460,319
Supplies and Other Expenditures	200,763	42,470	243,233
Materials	876,447	16,356	892,803
Furniture and Equipment	200,239		200,239
Operations	745,196	72,686	817,882
			-
<b>Total Expenditures</b>	<b>5,480,304</b>	<b>134,172</b>	<b>5,614,476</b>
<b>Net Change in Fund Balance</b>	<b>\$ 667,551</b>	<b>\$ 269,357</b>	<b>\$ 936,908</b>
<b>Beginning Fund Balance</b>	<b>3,389,762</b>	<b>636,743</b>	<b>4,026,505</b>
<b>Interfund Transfers</b>	<b>117,984</b>	<b>(117,984)</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$ 4,175,297</b>	<b>\$ 788,116</b>	<b>\$ 4,963,413</b>
<b>Total net changes in fund balances - governmental funds</b>			<b>\$ 936,908</b>

The change in net assets reported in the statement of activities is different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement allocated over their estimated useful lives as annual depreciation expenses. This is the amount by which capital outlays exceeds depreciation during the period.

Depreciation expense	\$ (788,785)	
Capital outlays	988,553	199,768

Disposals of capital assets are not considered to be expenditures in the governmental funds. They are however, recorded as a gain in the statement of activities. Some expenses reported in that Statement do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

	1,353
Change in expenditures related to leased asset:	6,032
Change in pension expense per actuarial calculation:	475,152
<b>Change in net position of governmental activities</b>	<b>\$ 1,619,213</b>

The accompanying notes are an integral part of this financial statement

**EASTERN OKLAHOMA LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Eastern Oklahoma Library System (EOLS) 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 EOLS's accounting policies are described below.

The Financial Reporting Entity – The Eastern Oklahoma 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 EOLS.

Basic Financial Statements – Government-Wide Statements –

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.

The Library's net assets are reported in three parts – investment in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

Basic Financial Statements – Fund Statements –

Fund financial statements report detailed information about the Library. The focus of governmental fund financial statements is on major funds rather than reporting funds by type.

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 collectible 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, is recognized when due.

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.

Fund Balances

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

**EASTERN OKLAHOMA LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 – CONTINUED**

Fund Balance - In the government-wide financial statements, equity is classified as net assets and displayed in three components:

1. Investment in capital assets – consists of capital assets, net of accumulated depreciation.
2. Restricted – consists of net assets with constraints placed on the use either by external groups, such as grantors or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
3. Unrestricted – All other assets that do not meet the definition of restricted or investment in capital assets.

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

1. 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.
2. 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.)
3. 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.)
4. 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
5. 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.

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.

EOLS 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 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.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 - CONTINUED**

Expenditures are recorded when the related fund liability is incurred.

Budgets – EOLS 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 EOLS. The investment policy of EOLS 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 EOLS has a collateral agreement with the Firststar Bank of Muskogee.

Interfund Transfers – 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 “Interfund transfers.” These transfers between funds within governmental activities are eliminated in the Government-Wide Statement of Activities.

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

Prepaid Expenditures – Payments made to vendors for services that will benefit periods beyond June 30, 2022, are recorded as prepaid expenditures. For 2022, the Library had zero prepaid expenditures.

Library Materials – Because library materials (books, periodicals, audio visual, etc.) purchased by EOLS 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.

Deferred Outflows and Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position or fund balance that applies to a future period and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position or fund balance that applies to a future period and thus, will not be recognized as an inflow of resources (revenue) until then. SEE NOTE 4

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 LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 - 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.

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

Cash and Cash Equivalents

There are three categories of credit risk that apply to EOLS'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 EOLS'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 EOLS's name; or collateralized with no written or approved collateral agreement

EOLS'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 EOLS 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	\$ 2,022,148		\$ 2,272,148
Certificates of Deposit	2,650,664	9,142		2,659,806
<b>Totals</b>	<b>\$ 2,900,664</b>	<b>\$ 2,031,290</b>	<b>\$ -</b>	<b>\$ 4,931,954</b>

Accounts Receivable – EOLS'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 \$110,030 for the year ended June 30, 2022.

For the year ended June 30, 2022, the total property tax levy collected for EOLS was \$5,812,307 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 LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022 – 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	Leased Asset	Fine Art
Asset Balances, 7/1/21	\$ 2,497,903	\$ 11,085,614	\$ -	\$ 87,046
Purchases/Donations	200,238	737,549	208,474	-
Disposals/Adjustments	(6,029)	(554,280)	-	-
Asset Balances, 6/30/22	<u>\$ 2,692,112</u>	<u>\$ 11,268,883</u>	<u>\$ 208,474</u>	<u>\$ 87,046</u>

  

	Accumulated Depreciation			
	Equipment/ Furnishings	Informational Materials	Leased Asset	Fine Art
Asset Balances, 7/1/21	\$ 2,462,799	\$ 8,155,238	\$ -	\$ 87,046
Depreciation Expense	98,647	638,020	52,118	-
Disposals/Adjustments	(6,029)	(554,281)	-	-
Asset Balances, 6/30/22	<u>\$ 2,555,417</u>	<u>\$ 8,238,977</u>	<u>\$ 52,118</u>	<u>\$ 87,046</u>
Depreciation Expense	<u>\$ 98,647</u>	<u>\$ 638,020</u>	<u>\$ 52,118</u>	

Leases – During the year, the Library implemented a new change in accounting principle, GASB Statement No. 87, *Leases*. This Statement requires lessees to recognize a lease asset associated with their lease agreements. Together with this lease asset, GASB 87 requires lessees to recognize a lease liability associated with their lease agreements, measured as the present value of the remaining lease payments.



**EASTERN OKLAHOMA LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022– CONTINUED**

The Library entered into a ten-year lease effective November 2015, with renewal options on property located at 14 E Shawnee Bypass, Muskogee, Oklahoma for the administrative offices. Since the lease before implementation of GASB 87 did not have an expressed interest rate, the Library decided to use the market interest rate of 6.5%. The present value of the future lease payments was \$208,474

	Present value of building	\$ 208,474			
	Interest rate	6.50%			
	Principal Payments	Interest Expense	Total	amortization expense	accum amortization
2022	\$ 58,149	\$ 13,551	\$ 71,700	\$ 52,118	\$ 52,118
2023	61,929	9,771	71,700	52,118	104,237
2024	65,954	5,746	71,700	52,118	156,355
2025	22,441	1,459	23,900	52,118	208,474
	\$ 208,474	\$ 30,526	\$ 239,000		

**3. OTHER NOTES**

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

Risk Management – EOLS 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. EOLS 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 EOLS. 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 EOLS 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 EOLS’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 EOLS. EOLS does not appoint members or manage any funds for the entities but is a recipient of gifts and volunteer time.

Subsequent Events - Management has evaluated all events subsequent to the balance sheet date of June 30, 2022, through the date of issuance of these financial statements, September 16, 2022, and has determined that there are no subsequent events that require disclosure under generally accepted accounting principles.

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 is exempt from filing an annual Form 990 with the IRS.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022– CONTINUED**

**4. PENSION PLAN and OTHER POST-EMPLOYMENT BENEFIT PLANS**

Employee's Retirement Plan – All of EOLS'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 EOLS but are the liability of OPERS and the State of Oklahoma. OPERS is funded through employer and employee contributions, but EOLS has no legal obligation for paying benefits.

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. EOLS contributed 12.5% of gross compensation and the employee contributes 3.5% of his or her wages.

Effective July 1, 1999, EOLS'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 EOLS or a participant in OPERS. Currently 53 employees are enrolled. Effective July 1, 2010, EOLS's rate increased to 16.5%. The employee rate remains at 3.5%. Contributions to OPERS by the Library were \$332,640 for 2022.

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

The net pension liability and OPEB liability were measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The Library's proportion of both the net pension and OPEB liabilities were based on the Board's contributions received by OPERS relative to the total contributions received by OPERS for all participating employers as of June 30, 2021. Based upon this information, the Library's proportion was 0.11661584%.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022– CONTINUED**

For the year ended June 30, 2022, the Library recognized the following related to its proportionate share of the Net Pension Liability:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience		39,355
Changes in assumptions	115,331	
Net difference between projected and actual earnings on pension plan investments		1,745,453
Change in proportion and differences between contributions and proportionate share of contributions	2,505	
Contributions during measurement date		659
Contributions subsequent to measurement date	312,536	
	<u>\$ 430,371</u>	<u>\$ 1,785,467</u>

Net pension asset – (\$1,565,172)

Pension expense – (\$126,101)

Reported deferred outflows of resources of \$312,536 resulting from the Library's contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2023. Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Outflows	Deferred Inflows
2023	149,691	(495,439)
2024	21,268	(434,814)
2025	(6,094)	(421,757)
2026	(47,029)	(433,456)
2027	-	-
Thereafter	-	-
	<u>\$ 117,836</u>	<u>\$ (1,785,466)</u>

**EASTERN OKLAHOMA LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022– CONTINUED**

Actuarial Methods and Assumptions

The total pension liability was determined on an actuarial valuation prepared as of July 1, 2021, using the following actuarial assumptions:

- Investment return – 6.5% for 2021 and 2020 compounded annually net of investment expense and including inflation
- Salary increase – 3.5% to 9.25% for 2021 and 2020.
- Mortality rates – In 2021, Pub-2010 Below Media, General membership Active/Retiree Healthy Mortality Table with base rates projected to 2030 using Scale MP-2019. Male rates are set back one year, and female rates are set forward two years.
- Annual post-retirement benefit increase – none
- Assumed inflation rate – 2.5% for 2021 and 2020.
- Payroll growth rate – 3.25% for 2021 and 2020.
- Actuarial cost method – entry age
- Select period for termination of employment assumptions – 10 years

The actuarial assumptions used in this valuation are based on the results of the most recent actuarial experience study, which covers the 3-year period ending June 30, 2019. The experience study report is dated May 13, 2020.

The target asset allocation and best estimates of geometric real rates of return for each major asset class as of June 30, 2019, are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
US Large Cap Equity	34.0%	4.7%
US Small Cap Equity	6.0%	5.8%
Int's Developed Equity	23.0%	6.5%
Emerging Market Equity	5.0%	8.5%
Core Fixed Income	25.0%	0.5%
Long Term Treasuries	3.5%	0.0%
US TIPS	3.5%	0.3%
	<u>100.0%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 6.5% for the year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and the employers will be made at the current contribution rate as set out in the state statute. Based on those assumptions, OPERS fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

The following presents the net pension liability of the employer calculated using the discount rate of 6.5%, as well as what the Library net pension 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	Current Rate	1% Increase
	5.50%	6.50%	7.50%
Net Pension Liability	\$ (145,307)	\$ (1,565,172)	\$ (2,765,294)

**EASTERN OKLAHOMA LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022– CONTINUED**

Other Post-Employment Benefit Plans

OPERS also administers a health insurance subsidy plan (HISP) as part of its cost-sharing pension plan. This plan is considered OPEB in accordance with the provisions of GASB 75.

For the year ended June 30, 2022, the Library recognized the following related to its proportionate share of the OPEB Liability:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience		51,971
Changes in assumptions	14,254	
Net difference between projected and actual earnings on pension plan investments		45,651
Change in proportion and differences between contributions and proportionate share of contributions	658	
Contributions during measurement date		(1,799)
Contributions subsequent to measurement date	20,104	
	<u>\$ 35,016</u>	<u>\$ 95,823</u>

OPEB asset – (\$160,326)

Reported deferred outflows of resources of \$20,104 resulting from the Library's contributions subsequent to the measurement date will be recognized as a decrease of the OPEB liability in the year ended June 30, 2023.

The same actuarial methods and assumptions were used for the OPEB liability as the net pension liability.

Any other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

	Deferred Outflows	Deferred Inflows
2023	5,778	(27,239)
2024	4,456	(24,467)
2025	3,846	(22,402)
2026	954	(18,600)
2027	(122)	(3,116)
Thereafter	-	-
	<u>14,912</u>	<u>(95,824)</u>

**EASTERN OKLAHOMA LIBRARY SYSTEM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022– CONTINUED**

The discount rate used to measure the total OPEB liability was also 6.5% for the year. The following presents the OPEB liability of the employer calculated using the discount rate of 6.5%, as well as what the Library's 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	Current Rate	1% Increase
	5.50%	6.50%	7.50%
OPEB liability	\$ (120,556)	\$ (160,326)	\$ (194,414)

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

Attorney General opinions as well as the Oklahoma Supreme Court have implied that the State of Oklahoma is legally responsible for any pension liability over the employers' set contribution amount. However, GASB Statement 68 and GASB 75 require that the net pension liability and OPEB liability be accounted for and reported by the entity that created the liability. Therefore, the Library's portion of the State's net pension liability and OPEB liability have been recorded and reported.

# JACKSON, FOX, and RICHARDSON

## A Professional Corporation

### Certified Public Accountants

PO Box 1171 \* 129 C Northwest

Ardmore, Oklahoma 73402-1171

Donald L. Jackson (1948-2015)

Kathy A. Fox CPA

Gabriel M. Richardson CPA EA

Phone (580) 223-1877 Fax (580) 223-1880

www.cpa-ok.com

kathy@cpa-ok.com

gabe@cpa-ok.com

## **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 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 and each major fund of Eastern Oklahoma Library System (the Library) as of and for the year ended June 30, 2022, 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 16, 2022.

### **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) 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.

### **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 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.

*Jason Fox; Richardson PC*

Ardmore, Oklahoma  
September 16, 2022



## OTHER SUPPLEMENTARY INFORMATION

**Eastern Oklahoma Library System**  
**Schedule of State Financial Assistance**  
**Year ended June 30, 2022**  
(Unaudited)

<b>State of Oklahoma Assistance</b>	<b>Project Amount</b>	<b>Receipts Recognized</b>	<b>Expenses Paid</b>
<b>Oklahoma Department of Library State Aid and Other Grants</b>			
Oklahoma Department of Libraries for the Development and Expansion of Library Services			
State Aid	\$ 88,467	\$ 88,467	\$ 88,467
Other Grants	127,725	127,725	127,725
	<u>\$ 216,192</u>	<u>\$ 216,192</u>	<u>\$ 216,192</u>

**EASTERN OKLAHOMA LIBRARY SYSTEM**  
**SCHEDULE OF COMBINED EXPENDITURES, GENERAL**  
**AND SPECIAL REVENUE FUNDS – ALL DEPARTMENTS AND BRANCHES**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
(Unaudited)

	TOTAL SUPPORT SERVICES	TOTAL LIBRARIES SERVICES	TOTAL
<u>STAFF EXPENDITURES</u>	\$ 707,962	\$ 2,747,468	3,455,430
Books	165,486	161,697	327,183
Periodical	297	23,717	24,014
Compact Discs	-	20,077	20,077
Online Subscription	132,593	4,313	136,906
Downloadable Audios	281,913	16,167	298,080
DVD	-	87,342	87,342
Other-Microforms, Kits, Software	305	3,129	3,434
<u>LIBRARY MATERIALS</u>	580,594	316,442	897,036
Postage	1,135	16,457	17,593
Supplies	14,419	223,667	238,087
Equipment Supplies	-	5,145	5,145
Meals/Food	863	13,427	14,289
Advertising	1,274	2,638	3,912
Printing/Binding	-	646	646
Telephone	6,882	40,842	47,723
Insurance	6,415	21,053	27,468
Data Circ Line/Automation	495	-	495
AMIGOS/OCLC	35,306	-	35,306
Internet Access	-	46,308	46,308
Continuing Education	20	6,875	6,895
Seminars/Training	4,474	8,810	13,284
Staff Development	565	4,042	4,606
US Data Capture	-	4,695	4,695
Fees	387	774	1,161
Memberships	3,398	4,745	8,143
Travel	7,203	15,900	23,104
Misc Contract Labor	-	34,850	34,850
Recovery Expense	-	-	0
Consultants/Speakers/Grants	21,175	54,483	75,658
Gasoline, Oil, Etc.	12,124	32	12,155
Software/Licenses	7,105	364	7,469
Maintenance Contracts	134,412	17,446	151,858
Other Maint/Repairs	4,950	88,395	93,344
Utilities	13,372	1,206	14,578
Rent	71,875	820	72,695
Miscellaneous	-	2,200	2,200
Inspection Expense	-	550	550
Property Revaluation	93,619	-	93,619
<u>SUPPLIES &amp; OTHER EXP</u>	441,467	616,369	1,057,836
<u>EQUIPMENT &amp; FURNISHINGS</u>	63,183	137,056	200,239
<u>TOTAL EXPENDITURES</u>	\$ 1,793,207	\$ 3,817,335	\$5,610,541

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

**EASTERN OKLAHOMA LIBRARY SYSTEM  
SCHEDULE OF COMBINED EXPENDITURES, GENERAL REVENUE FUNDS  
PUBLIC SERVICE BRANCH**

**FOR THE YEAR ENDED JUNE 30, 2022**

(Unaudited)

	Stillwell	Westville	Tahlequah	Hulbert	Grove	Jay	Kansas	Checotah	Eufaula	Haskell	Muskogee	Fort Gibson	Warner	Salisaw	Muldrow	Total Public Services
<b>STAFF EXPENDITURES</b>	\$124,415	\$101,521	\$354,649	\$46,041	\$208,720	\$155,899	\$50,574	\$167,398	\$137,019	\$54,085	\$916,532	\$146,030	\$54,652	\$152,748	\$74,526	\$2,744,808
Books	7,919	5,157	22,122	1,979	25,884	11,976	4,637	16,010	8,516	244	26,386	6,412	1,209	11,514	5,311	155,276
Periodical	576	415	4,064	1,134	3,083	1,966	1,225	699	1,772	609	4,735	776	599	1,693	372	23,717
Online Subscription	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Compact Discs	-	1,081	6,004	642	1,858	1,269	618	-	382	367	3,835	1,042	416	1,583	980	20,077
Downloadable Audios	-	1,425	5,942	-	-	-	-	-	-	-	4,077	1,030	1,950	-	-	14,424
DVD	1,911	3,444	21,160	2,259	5,613	498	2,380	795	2,038	1,596	25,187	6,196	8,008	2,331	3,927	87,342
Micro, kits, sftwr, non	-	-	666	-	433	-	-	-	-	-	497	80	399	-	-	2,075
<b>LIBRARY MATERIALS</b>	\$10,405	\$11,522	\$59,958	\$6,015	\$36,871	\$15,709	\$8,860	17,503	\$12,708	\$2,815	\$64,717	\$15,535	\$12,582	\$17,122	\$10,591	\$302,912
Postage	922	406	1,795	301	991	923	407	594	526	487	4,392	1,190	411	1,704	1,402	16,451
Supplies	8,731	4,281	38,119	4,801	24,686	14,155	6,130	13,465	7,474	6,064	31,488	7,860	6,071	4,644	4,595	182,564
Equipment/Supplies	-	415	739	-	549	-	329	399	-	-	777	344	158	-	-	3,710
Meals/Food	186	-	95	27	449	285	64	953	70	-	328	21	12	-	-	2,490
Advertising	-	-	103	-	10	25	-	1,042	1,259	-	-	-	-	-	85	2,524
Printing/Binding	-	-	-	-	-	-	-	-	-	-	645	-	-	-	-	645
Telephone	1,283	1,847	5,642	1,490	3,045	2,482	1,454	6,180	1,731	2,148	9,900	1,944	1,121	-	-	40,267
Insurance	875	939	1,722	666	1,297	877	790	1,088	1,103	706	7,574	943	635	1,003	828	21,046
Computer Software	-	-	87	-	25	-	-	30	-	-	-	-	-	-	-	142
Data Circ Line/Automation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Internet Access	287	1,674	7,556	425	5,392	1,465	1,450	3,324	3,052	-	9,035	3,489	954	1,842	-	39,945
Seminars/Train/Education	481	911	786	371	1,110	641	371	1,110	481	281	1,039	461	281	410	344	8,500
Staff Development	118	184	534	82	322	212	82	258	258	82	1,039	268	138	248	212	4,037
US Data Capture Fees	288	301	363	252	351	289	290	302	325	286	430	311	257	343	300	4,688
Fees	25	10	80	10	61	20	25	38	45	84	221	29	50	21	30	749
Memberships	168	93	807	24	568	256	24	510	558	146	309	201	278	342	229	4,513
Travel	90	971	800	1,117	3,918	1,306	1,708	1,863	237	272	534	113	345	177	139	13,590
Misc Contract Labor	-	-	-	-	516	29	-	-	-	130	23,962	-	125	-	-	24,762
Professional Consultants	525	525	525	525	525	525	525	525	525	525	525	525	525	525	525	7,875
Program Speakers	400	-	406	275	2,785	481	-	9,591	1,500	156	-	1,956	1,166	-	-	18,716
Gasoline, Oil, Etc.	6	-	-	-	-	-	-	-	-	-	20	6	-	-	-	32
Licenses/Copyrights	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Maintenance Contracts	749	1,032	441	216	1,455	1,888	261	2,424	393	346	6,522	637	317	562	194	17,439
Other Maint/Repairs	-	-	19,825	-	11,140	5,125	-	868	-	-	51,346	-	140	-	-	88,444
Utilities	-	-	-	-	-	-	257	-	-	-	949	-	-	-	-	1,206
Rent	60	60	-	-	455	20	-	-	-	-	225	-	-	-	-	820
Miscellaneous	37	-	61	-	45	64	27	-	38	-	550	36	-	-	-	858
Property Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
<b>SUPPLIES &amp; OTHER EXP</b>	\$15,231	\$13,649	\$80,486	\$10,584	\$59,695	\$31,068	\$14,194	\$44,534	\$19,605	\$11,713	\$151,232	\$20,334	\$12,984	\$11,821	\$8,883	\$506,013
<b>EQUIPMENT</b>	\$0	\$331	\$1,820	\$0	\$0	\$331	\$0	\$4,587	\$1,427	\$331	\$14,130	\$331	\$331	\$331	\$0	\$23,950
<b>TOTAL EXPENDITURES</b>	<b>\$150,052</b>	<b>\$127,022</b>	<b>\$496,913</b>	<b>\$62,639</b>	<b>\$305,286</b>	<b>\$203,007</b>	<b>\$73,628</b>	<b>\$234,022</b>	<b>\$170,759</b>	<b>\$68,944</b>	<b>\$1,146,612</b>	<b>\$182,229</b>	<b>\$80,549</b>	<b>\$182,022</b>	<b>\$94,000</b>	<b>\$3,577,682</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.

**EASTERN OKLAHOMA LIBRARY SYSTEM  
SCHEDULE OF COMBINED EXPENDITURES, SPECIAL REVENUE FUNDS  
PUBLIC SERVICE BRANCH**

**FOR THE YEAR ENDED JUNE 30, 2022**

(Unaudited)

	Stillwell	Westville	Tahlequah	Hulbert	Grove	Jay	Kansas	Checotah	Eufaula	Haskell	Muskogee	Fort Gibson	Warner	Sallisaw	Muldrow	Total Public Services
<b>STAFF EXPENDITURES</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,660	\$0	\$0	\$0	\$0	\$0	\$2,660
Books	-	-	-	-	-	-	-	-	-	-	6,018	389	-	-	-	6,407
Periodical	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	0
Compact Discs	-	-	-	-	-	-	-	-	-	-	43	-	-	-	-	43
Online Subscription	-	-	-	-	-	-	-	-	-	-	4,313	-	-	-	-	4,313
Downloadable Audios	-	-	-	-	-	-	-	1,102	-	-	638	-	-	-	-	1,740
DVD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Other-Mfco, kits, softw are	-	-	-	-	-	-	-	-	-	-	205	-	-	-	848	1,053
<b>LIBRARY MATERIALS</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,102	\$0	\$0	\$11,217	\$389	\$0	\$0	\$848	\$13,556
Postage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Supplies	651	2,075	1,565	1,718	2,979	2,044	1,420	5,410	1,400	1,309	13,848	1,428	346	2,020	2,816	41,029
Equipment Supplies	279	-	256	249	-	-	-	247	-	-	399	-	-	-	-	1,430
Meals/Food	138	296	1,220	328	1,951	737	1,215	1,377	48	547	1,557	704	385	234	185	10,922
Advertising	-	-	-	-	-	-	-	-	-	-	111	-	-	-	-	111
Printing/Binding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Telephone	-	-	-	-	-	-	-	-	-	569	-	-	-	-	-	569
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Computer Softw are	-	-	-	-	-	-	-	-	-	-	105	-	-	-	30	135
Data Circ Line/Automation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Internet Access	1,079	-	-	719	-	778	-	-	525	726	-	-	952	-	1,573	6,352
Seminars/Training/Education	-	-	-	-	623	450	-	-	-	-	2,825	-	1,568	1,557	-	7,023
Memberships	-	-	-	-	-	-	-	-	-	-	229	-	-	-	-	229
Travel/Gasoline	-	-	-	370	-	1,520	370	-	-	44	-	-	-	-	-	2,304
Misc Contract Labor	-	-	9,736	-	350	-	-	-	-	-	-	-	-	-	-	10,086
Consultants/Speakers/Grants	548	938	3,103	2,181	200	2,940	1,122	1,437	1,926	3,387	2,927	1,530	1,300	527	3,443	27,509
Licenses/Copyrights	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Maintenance Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Other Maint/Repairs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
Miscellaneous	-	-	-	-	-	-	-	-	-	-	2,200	-	-	-	-	2,200
<b>SUPPLIES &amp; OTHER EXP</b>	\$2,695	\$3,309	\$15,880	\$5,565	\$6,103	\$8,469	\$4,127	\$8,471	\$3,899	\$6,582	\$24,201	\$3,662	\$4,551	\$4,338	\$8,047	\$109,899
<b>EQUIPMENT</b>	\$2,966	\$7,205	\$5,501	\$7,427	\$9,612	\$2,954	\$5,374	\$5,374	\$8,567	\$6,920	\$21,926	\$2,803	\$6,445	\$9,155	\$9,165	\$111,394
<b>TOTAL EXPENDITURES</b>	\$5,661	\$10,514	\$21,381	\$12,992	\$15,715	\$11,423	\$9,502	\$14,947	\$12,466	\$16,162	\$57,344	\$6,854	\$10,996	\$13,493	\$18,060	\$237,509

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

