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**MVLS/SALS JOINT AUTOMATION PROJECT
SCHENECTADY, NEW YORK**

FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

MVLS/SALS JOINT AUTOMATION PROJECT

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Joint Automation Council
MVLS/SALS Joint Automation Project
Schenectady, NY

We have reviewed the accompanying financial statements of MVLS/SALS Joint Automation Project (the Project), which comprise the statements of assets, liabilities and net assets-cash basis as of December 31, 2024 and 2023 and the related statements of support and revenue, expenses, and changes in net assets – cash basis and functional expenses – cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of MVLS/SALS Joint Automation Project and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the cash basis of accounting.

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Joint Automation Council
MVLS/SALS Joint Automation Project

Basis of Accounting

We draw your attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

July 31, 2025
Albany, New York

**MVLS/SALS JOINT AUTOMATION PROJECT
STATEMENTS OF ASSETS, LIABILITIES AND
NET ASSETS - CASH BASIS
DECEMBER 31, 2024 AND 2023**

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A S S E T S

	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
Cash	\$ <u>996,382</u>	\$ <u>892,380</u>
TOTAL ASSETS	<u><u>\$ 996,382</u></u>	<u><u>\$ 892,380</u></u>

L I A B I L I T I E S A N D N E T A S S E T S

NET ASSETS		
Without Donor Restrictions	\$ <u>996,382</u>	\$ <u>892,380</u>
Total Net Assets	<u>996,382</u>	<u>892,380</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 996,382</u></u>	<u><u>\$ 892,380</u></u>

**MVLS/SALS JOINT AUTOMATION PROJECT
STATEMENTS OF SUPPORT AND REVENUE, EXPENSES
AND CHANGES IN NET ASSETS - CASH BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

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	<u>2024</u>	<u>2023</u>
UNRESTRICTED SUPPORT AND REVENUE:		
Member Library Fees	\$ 707,756	\$ 689,302
Member Library Purchase Reimbursements	142,596	290,378
State Automation	273,371	261,295
Cataloging Fees	22,444	21,790
Miscellaneous Income	12,894	600
Interest	<u>22,564</u>	<u>1,043</u>
 Total Unrestricted Support and Revenue	 <u>1,181,625</u>	 <u>1,264,408</u>
 EXPENSES		
Program Services	897,559	977,837
Management and General	<u>180,064</u>	<u>169,443</u>
 Total Expenses	 <u>1,077,623</u>	 <u>1,147,280</u>
 INCREASE IN NET ASSETS	 104,002	 117,128
 NET ASSETS - BEGINNING OF YEAR	 <u>892,380</u>	 <u>775,252</u>
 NET ASSETS - END OF YEAR	 <u>\$ 996,382</u>	 <u>\$ 892,380</u>

**MVLS/SALS JOINT AUTOMATION PROJECT
STATEMENTS OF FUNCTIONAL EXPENSES - CASH BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023**

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	2024			2023		
	Program Services	Management And General	2024 Totals	Program Services	Management And General	2023 Totals
Salaries and Related Expenses	\$ 356,107	\$ 118,702	\$ 474,809	\$ 339,320	\$ 113,106	\$ 452,426
Employee Benefits	144,356	48,119	192,475	132,449	44,149	176,598
Member Library Purchases	156,673	-	156,673	256,474	-	256,474
Software and Software Maintenance	100,839	-	100,839	100,361	-	100,361
Polaris Hosting	48,919	-	48,919	47,494	-	47,494
Telephone Circuits and Installations	11,890	-	11,890	11,167	-	11,167
Cataloging	22,444	-	22,444	21,790	-	21,790
Other Professional Fees	21,967	7,322	29,289	14,047	4,682	18,729
Equipment Purchases	4,104	-	4,104	20,076	-	20,076
Syndetics Content	12,502	-	12,502	12,138	-	12,138
Utilities	6,825	2,275	9,100	8,742	2,914	11,656
Hardware Maintenance	-	-	-	-	-	-
Travel	2,980	994	3,974	4,561	1,520	6,081
Insurance	2,906	969	3,875	5,771	1,923	7,694
Building Repairs and Maintenance	4,036	1,346	5,382	2,320	773	3,093
Office and Library Supplies	75	25	100	191	64	255
Bank Fees	771	257	1,028	771	257	1,028
Membership Dues	165	55	220	165	55	220
Total Expenses	\$ 897,559	\$ 180,064	\$ 1,077,623	\$ 977,837	\$ 169,443	\$ 1,147,280

**MVLS/SALS JOINT AUTOMATION PROJECT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

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**NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING AND REPORTING
POLICIES**

Organization

Background Information

The Joint Automation Project (the Project) was established in 1984. That agreement provided the basis of the creation of a joint automation system, governed by a Joint Automation Governance Board. On March 25, 2003, the Mohawk Valley Library System (MVLS) and the Southern Adirondack Library System (SALS) executed a new agreement replacing the 1984 document. The new agreement created a Joint Automation Council governing the Project. The purpose of the Project is to create an equal partnership in the operation of the Joint Automation Project; assure equity of access to all aspects of the computer project by members of both Systems, as well as equity of ownership and direction for the Project; and direct joint automation resources to project purposes. The main funding comes from fees charged to the library members of the MVLS and SALS.

Method Accounting and Presentation

The Project's policy is to prepare its financial statements on the cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred. Fixed assets, payroll taxes, and related liabilities are recognized as expenses when paid. This method of presentation is a comprehensive basis of accounting which is not in accordance with accounting principles generally accepted in the United States of America.

The financial statement presentation follows the recommendation of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, "Financial Statements of Not-for-Profit Organizations". Under FASB ASC 958-205, non-profit organizations are required to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

**MVLS/SALS JOINT AUTOMATION PROJECT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

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**NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING AND REPORTING
POLICIES (Continued)**

Income Taxes

MVLS/SALS Joint Automation Project is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code as part of the Mohawk Valley Library System's status.

Use of Estimates

The preparation of financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

Expenses that are allocated are allocated based on time and effort.

NOTE 2 – NET ASSETS

Net assets without donor restrictions for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Undesignated	<u>\$ 996,382</u>	<u>\$ 892,380</u>
Total	<u><u>\$ 996,382</u></u>	<u><u>\$ 892,380</u></u>

**MVLS/SALS JOINT AUTOMATION PROJECT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

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NOTE 3 – AVAILABILITY AND LIQUIDITY

The following represents the Organization’s financial assets at December 31, 2024 and 2023:

Financial Assets at Year End:	2024	2023
Cash	\$ 996,382	\$ 892,380
Total Financial Assets	996,382	892,380
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ 996,382	\$ 892,380

The Organization’s goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$250,000). As part of its liquidity plan, excess cash is invested in short-term investments including New York Liquid Asset Fund (NYLAF) and Certificate of Deposit Account Registry Service (CDARS) accounts.

NOTE 4 – CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject MVLS/SALS Joint Automation Project to concentrations of credit risk consist principally of cash in financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation limits.

NOTE 5 – RELATED PARTY TRANSACTIONS

At December 31, 2024, the MVLS, SALS Joint Automation Project was involved in various transactions with Southern Adirondack Library System and Mohawk Valley Library System, which are related through a common sharing of office space, personnel, and various administrative costs. Transactions and balances with related parties at December 31, 2024 and 2023 consist of:

	2024	2023
Funds Received From Related Party (MVLS) – Joint Automation Project	\$ 365,651	\$ 496,465
Funds Received From Related Party (SALS) – Joint Automation Project	\$ 755,143	\$ 766,094
Expenses Paid to Related Party (SALS) – Administrative Expenses	\$ 689,498	\$ 653,182

**MVLS/SALS JOINT AUTOMATION PROJECT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

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NOTE 6 – COMMITMENTS AND CONTINGENCIES

Events Occurring After Reporting Date

The Project has evaluated events and transactions that occurred between December 31, 2024 and July 31, 2025 which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.