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**MOHAWK VALLEY LIBRARY SYSTEM
SCHENECTADY, NEW YORK**

FINANCIAL STATEMENTS

DECEMBER 31, 2024 AND 2023

MOHAWK VALLEY LIBRARY SYSTEM

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DECEMBER 31, 2024 AND 2023

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Mohawk Valley Library System

We have reviewed the accompanying financial statements of Mohawk Valley Library System (the System), (an educational corporation) 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 Mohawk Valley Library System 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.

Board of Directors
Mohawk Valley Library System

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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

**MOHAWK VALLEY LIBRARY SYSTEM
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		
Unrestricted	\$ 1,301,645	\$ 1,177,540
Restricted	433,435	153,166
Prepaid Expenses	408	116
Total Current Assets	<u>1,735,488</u>	<u>1,330,822</u>
 TOTAL ASSETS	 <u><u>\$ 1,735,488</u></u>	 <u><u>\$ 1,330,822</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:		
Board Designated	131,856	131,856
Undesignated	1,170,197	1,045,800
Total Without Donor Restrictions	<u>1,302,053</u>	<u>1,177,656</u>
With Donor Restrictions	433,435	153,166
Total Net Assets	<u>1,735,488</u>	<u>1,330,822</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 1,735,488</u></u>	 <u><u>\$ 1,330,822</u></u>

MOHAWK VALLEY LIBRARY SYSTEM
STATEMENTS OF SUPPORT AND REVENUE, EXPENSES
AND CHANGES IN NET ASSETS - CASH BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

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	2024				2023			
	Without Donor Restrictions		With Donor	2024	Without Donor Restrictions		With Donor	2023
	Unrestricted	Board Designated	Restrictions	Totals	Unrestricted	Board Designated	Restrictions	Totals
SUPPORT AND REVENUE								
Grants								
State Aid	\$ 1,140,465	\$ -	\$ 365,389	1,505,854	\$ 801,035	\$ -	\$ 186,131	\$ 987,166
Miscellaneous Grants	54,924	-	7,573	62,497	39,972	-	7,738	47,710
JA Reimbursements	253,644	-	-	253,644	352,122	-	-	352,122
Other Support	84,793	-	-	84,793	91,231	-	-	91,231
Interest	71,589	-	-	71,589	11,553	-	-	11,553
Library Reimbursements	(402)	-	402	-	(142)	-	667	525
Miscellaneous Income	-	-	-	-	2,134	-	-	2,134
Net Assets Released								
From Restrictions	93,095	-	(93,095)	-	364,663	(8,141)	(356,522)	-
Total Support and Revenue	1,698,108	-	280,269	1,978,377	1,662,568	(8,141)	(161,986)	1,492,441
EXPENSES								
Program Service	1,378,847	-	-	1,378,847	1,536,177	-	-	1,536,177
Management and General	194,864	-	-	194,864	175,065	-	-	175,065
Total Expenses	1,573,711	-	-	1,573,711	1,711,241	-	-	1,711,241
INCREASE (DECREASE) IN NET ASSETS	124,397	-	280,269	404,666	(48,673)	(8,141)	(161,986)	(218,800)
NET ASSETS - BEGINNING OF YEAR	1,045,800	131,856	153,166	1,330,822	1,094,473	139,997	315,152	1,549,622
NET ASSETS - END OF YEAR	<u>\$ 1,170,197</u>	<u>\$ 131,856</u>	<u>\$ 433,435</u>	<u>\$ 1,735,488</u>	<u>\$ 1,045,800</u>	<u>\$ 131,856</u>	<u>\$ 153,166</u>	<u>\$1,330,822</u>

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MOHAWK VALLEY LIBRARY SYSTEM
STATEMENTS OF FUNCTIONAL EXPENSES - CASH BASIS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Program Services	Management And General	2024 Totals	Program Services	Management And General	2023 Totals
Contractual Costs	\$ 310,935	\$ -	\$ 310,935	\$ 648,997	\$ -	\$ 648,997
Salaries and Related Expenses	374,239	124,747	498,986	335,713	111,905	447,618
Cash Grants to Member Libraries	369,636	-	369,636	210,550	-	210,550
Employee Benefits	154,762	51,588	206,350	131,951	43,984	175,935
Library Materials	113,691	-	113,691	149,328	-	149,328
Building Repairs and Maintenance	10,612	3,538	14,150	10,495	3,498	13,993
Other Professional Fees	7,288	2,429	9,717	5,055	1,685	6,740
Insurance	9,573	3,191	12,764	9,117	3,039	12,156
Utilities	5,026	1,676	6,702	9,783	3,261	13,044
Library Reimbursements	-	-	-	2,105	-	2,105
Membership Dues	6,222	2,074	8,296	5,379	1,793	7,172
Repairs and Maintenance	-	-	-	2,179	726	2,905
Telephone	2,242	747	2,989	2,357	785	3,142
Travel	3,385	1,128	4,513	3,741	1,247	4,988
Postage and Freight	968	323	1,291	221	73	294
Office and Library Supplies	3,976	1,325	5,301	6,308	2,103	8,411
Equipment Purchases	3,277	1,093	4,370	1,739	579	2,318
Printing	18	6	24	1,159	386	1,545
Miscellaneous	2,997	999	3,996	-	-	-
Total Expenses	<u>\$ 1,378,847</u>	<u>\$ 194,864</u>	<u>\$ 1,573,711</u>	<u>\$ 1,536,177</u>	<u>\$ 175,065</u>	<u>\$ 1,711,241</u>

**MOHAWK VALLEY LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

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

Organization

The Mohawk Valley Library System (the System), formerly Mohawk Valley Library Association, was chartered by the Board of Regents of the State of New York on December 18, 1959. The Board of Trustees is responsible for the overall operations of the system. Funding for the Mohawk Valley Library System is provided through State aid and Federal grants through the Division of Library Development of the State Education Department. The System provides support services, materials, and grants to improve and enhance member library services.

Method of Accounting and Presentation

The System'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, where by 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.

Income Taxes

Mohawk Valley Library System is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and comparable state laws and has been classified as an organization that is not a private foundation.

**MOHAWK VALLEY LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reporting amounts and disclosures. Accordingly, 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 – RELATED PARTY TRANSACTIONS

At December 31, 2024 and 2023, the System was involved in various transactions with the Joint Automation Project, which is related through a common sharing of office space, personnel, and various administrative costs. Transactions and balances with the related party at December 31, 2024 and 2023 consist of:

	<u>2024</u>	<u>2023</u>
Funds Paid to Related Party for Goods and Services	<u>\$ 278,182</u>	<u>\$ 356,188</u>
TOTAL EXPENSES PAID TO RELATED PARTY	<u><u>\$ 278,182</u></u>	<u><u>\$ 356,188</u></u>

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**MOHAWK VALLEY LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 3 – AVAILABILITY AND LIQUIDITY

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

Financial Assets at Year End:	<u>2024</u>	<u>2023</u>
Cash and Prepaid Expenses	<u>\$ 1,735,488</u>	<u>\$ 1,330,822</u>
Total Financial Assets	<u>1,735,488</u>	<u>1,330,822</u>
Less Net Assets with Purpose Restrictions to be Met in Less Than a Year:		
Donor Restricted	433,435	153,166
Board Restricted	<u>131,856</u>	<u>131,856</u>
	<u>565,291</u>	<u>285,022</u>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>1,170,197</u>	<u>\$ 1,045,800</u>

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$420,000). 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 – NET ASSETS

Net assets with donor restrictions were as follows for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Specific Purpose		
New York State Aid – Member Library Support	\$ 425,460	\$ 144,094
Private Aid – Member Library Support	7,573	8,405
Local System Aid – Member Library Support	<u>402</u>	<u>667</u>
Total	<u>\$ 433,435</u>	<u>\$ 153,166</u>

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

	<u>2024</u>	<u>2023</u>
Undesignated	\$ 1,170,197	\$ 1,045,800
Board Designated:		
Vehicles, Equipment, Automation and Building	111,856	111,856
Unemployment Self-Insurance	<u>20,000</u>	<u>20,000</u>
Total	<u>\$ 1,302,053</u>	<u>\$ 1,177,656</u>

Net assets released from net assets with donor restrictions are as follows:

	<u>2024</u>	<u>2023</u>
New York State Aid – Member Library Support	\$ 93,314	\$ 168,271
Private Aid – Member Library Support	1,054	1,444
Local System Aid – Member Library Support	<u>265</u>	<u>502</u>
Total	<u>\$ 94,633</u>	<u>\$ 170,217</u>

See independent accountant's review report.

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**MOHAWK VALLEY LIBRARY SYSTEM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 5 – EMPLOYEE BENEFITS

Eligible employees participate in the New York State Employees' Retirement System. The Retirement System provides various plans and options, some of which require employee contributions. The Retirement System calculates the cost of retirement benefits based on its fiscal year April 1 to March 31, and bills the Library System in February for the following year. Retirement expenditures during the year ended December 31, 2024 and 2023 totaled \$61,606 and \$49,975, respectively.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

All expenses and revenue claimed as allowable under grants and contracts are subject to government audit and only upon conclusion of such audit can the final amount of revenue and expenses be determined. Any adjustments made in connection with these government audits are recognized in the year they become known.

Events Occurring After Reporting Date

The System 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.

NOTE 7 – INCOME TAXES

The System files Form 990 Return of Organizations Exempt from Income Tax. The System has adopted the provisions of FASB ASC 740-10 and as a result has identified its exemption from income tax under Section 501(c)(3) as a tax position which falls within the scope of this FASB ASC section. The System does not believe this tax position will result in any change to its financial position. These returns are subject to examination by tax jurisdictions (generally for three years from the filing date), and as a result, returns for the years subsequent to the year ended December 31, 2020 remain subject to examination. No interest or penalties related to income taxes have been recognized in the Statement of Financial Position or Statement of Activities.