

**Perry Public Library**

Financial Statements  
As of December 31, 2024  
Together With  
Independent Auditor's Report

DRAFT

**PERRY PUBLIC LIBRARY**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the  
Perry Public Library  
Perry, NY

### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Perry Public Library as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Perry Public Library's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Perry Public Library, as of December 31, 2024, 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 Perry Public Library, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

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

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In performing an audit in accordance with generally accepted 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 Perry Public 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 Perry Public 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, schedule of revenues, expenditures, and changes in fund balance - budget and actual, schedule of library's proportionate share of the net pension (asset) / liability, and the schedule of the Library's contribution to the state pension plan, as listed in the table of contents, 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.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated **DATE**, on our consideration Perry Public Library's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Perry Public Library's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Perry Public Library's internal control over financial reporting and compliance.

Rochester, New York

**DATE**

**PERRY PUBLIC LIBRARY**  
**Management's Discussion and Analysis**  
**December 31, 2024**

This section of the Perry Public Library's (the Library's) annual financial report presents a discussion and analysis of the Library's financial performance during the fiscal year ended December 31, 2024. Please read it in conjunction with the Library's basic financial statements following this section.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the Library exceeded liabilities and deferred inflows of resources at the close of the 2024 fiscal year by \$846,328 (net position).
- The government's total net position decreased by \$19,995.
- As of December 31, 2024, the Library's governmental funds reported a combined fund balance of \$183,388 a decrease of \$21,437 from the prior year.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$16,088.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of two parts - *Management's Discussion and Analysis* (this section), and the *Basic Financial Statements*.

**Basic Financial Statements**

*Government-Wide Financial Statements* are two statements designed to provide readers with a broad overview of the Library's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all Library assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Library is improving or deteriorating.

The *Statement of Activities* presents information showing how net position changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (i.e., unallocated taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the Library that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Library include general government, public safety, transportation, economic assistance and opportunity, culture and recreation, home and community services, interest and fiscal charges and depreciation.

**The government-wide financial statements can be found on pages 9 - 10 of this report.**

**Fund Financial Statements** are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Library, like other state and local governments, uses fund accounting to ensure and demonstrate finance related legal compliance. All funds of the Library are included in one category: governmental funds.

**PERRY PUBLIC LIBRARY**  
**Management's Discussion and Analysis**  
**December 31, 2024**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

**Basic Financial Statements (continued)**

**Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as, balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a Library's near term financing requirements.

Because of the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the governmental-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Library maintains one individual major governmental fund, the general fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund.

The Library adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

**The basic governmental fund financial statements can be found on pages 11 - 14 of this report.**

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements **and can be found on pages 15 - 27 of this report.**

**PERRY PUBLIC LIBRARY**  
**Management's Discussion and Analysis**  
**December 31, 2024**

**GOVERNMENTAL-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Library, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$846,328 at the close of the most recent fiscal year.

**Condensed Statement of Net Position as of December 31, 2024 and 2023**

	<b>Total Governmental Activities December 31, 2024</b>	<b>Total Governmental Activities December 31, 2023</b>
Current and other assets	\$ 497,828	\$ 467,179
Capital assets, net	714,359	700,886
Total assets	<u>1,212,187</u>	<u>1,168,065</u>
Deferred outflows of resources	68,056	49,506
Total deferred outflows of resources	<u>68,056</u>	<u>49,506</u>
Long-term liabilities	74,691	70,967
Other liabilities	14,203	10,694
Total liabilities	<u>88,894</u>	<u>81,661</u>
Deferred inflows of resources	345,021	269,587
Total deferred inflows of resources	<u>345,021</u>	<u>269,587</u>
Net position:		
Net investment in capital assets	708,860	695,902
Nonspendable	164,287	157,440
Restricted	2,363	2,363
Unrestricted	(29,182)	10,618
Total net position	<u><u>\$ 846,328</u></u>	<u><u>\$ 866,323</u></u>

**GOVERNMENTAL-WIDE FINANCIAL ANALYSIS**

- The largest portion of the Library's total assets represents its investment in capital assets and the capitalized costs of the construction of capital assets (land, buildings, improvements, machinery, equipment and collections). The Library uses these capital assets to provide services and, as such, these assets are not available for future use. Although the Library's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.
- The largest component of liabilities is made up of the Library's proportionate share of the NYS LRS net pension liability, and is included in long-term liabilities on the statement of net position.
- Unrestricted net position may be used to fund Library programs in the next fiscal year. However, this does not mean that the Library has significant surplus resources available pay its bills next year. Rather, it is the result of having long-term commitments that are less than currently available resources.

**PERRY PUBLIC LIBRARY**  
**Management's Discussion and Analysis**  
**December 31, 2024**

**Governmental activities**

Governmental activities reduced the Library's net position by \$19,995.

The following table indicates the changes in net position for the year end December 31:

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
<b>Revenues:</b>		
<b>Program revenues:</b>		
Charges for services	\$ 2,592	\$ 2,151
Operating grants and contributions	12,319	29,982
<b>General revenues:</b>		
Real property taxes	251,660	230,880
Interest income	11,607	5,561
Gifts and donations	4,329	13,275
Total revenues	<u>282,507</u>	<u>281,849</u>
<b>Expenses:</b>		
Culture and recreation	<u>302,502</u>	<u>293,303</u>
Total expenses	<u>302,502</u>	<u>293,303</u>
Change in net position	(19,995)	(11,454)
Net position - beginning	<u>866,323</u>	<u>877,777</u>
Net position - ending	<u>\$ 846,328</u>	<u>\$ 866,323</u>

**FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS**

As noted earlier, the Library uses *fund accounting* to ensure and demonstrate compliance with finance related legal requirements.

**Governmental Funds.** The general governmental functions are contained in the General Fund. The focus of the Library's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Library's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At December 31, 2024, the Library's governmental funds reported fund balances of \$183,388, a decrease of \$21,437 in comparison with the prior year. Of the combined fund balances, \$16,088 was *unassigned fund balance*, which is available to meet the Library's current and future operational and capital needs. There were no amounts classified as *Assigned fund balance*, which represents amounts designated for subsequent years' expenditures. *Restricted fund balance* at the close of the current year amounted to \$2,363. *Non-spendable fund balance* represents reserves for prepaid expenditures and cash balances that must remain intact in the amount of \$164,287.



**PERRY PUBLIC LIBRARY**  
**Management's Discussion and Analysis**  
**December 31, 2024**

**REVENUE CLASSIFIED BY SOURCE**

**Governmental Funds**

The following table presents the amount of revenues from various sources, as well as increases or decreases from the prior year:

	Total Governmental December 31, 2024 Amount	Percent of Total	Total Governmental December 31, 2023 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
<b>Revenues:</b>					
Property taxes	\$ 251,660	89%	\$ 230,880	\$ 20,780	9%
Book rental, sales and fines	2,592	1%	2,151	441	21%
Gifts and donations	13,275	5%	13,275	-	0%
Interest income	11,607	4%	5,561	6,046	109%
Grants from local governments	1,593	1%	28,389	(26,796)	-94%
Other	1,780	1%	1,593	187	12%
<b>Total revenues</b>	<u>\$ 282,507</u>		<u>\$ 281,849</u>	<u>\$ 658</u>	

The following provides an explanation of revenues by source that changed significantly over the prior year:

- Property taxes increased over the prior year due to an annual increase in the tax levy.
- Grants decreased from the prior year due to availability of funds from granting sources for improvements.

**EXPENDITURES BY FUNCTION**

**Governmental Funds**

The following table presents expenditures, by function, compared to prior year amounts:

	Total Governmental December 31, 2024 Amount	Percent of Total	Total Governmental December 31, 2023 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
<b>Expenditures:</b>					
Culture and recreation	\$ 264,308	86.5%	\$ 225,817	38,491	17.0%
Employee benefits	41,410	13.5%	31,886	9,524	29.9%
<b>Total Expenditures</b>	<u>\$ 305,718</u>		<u>\$ 257,703</u>	<u>\$ 48,015</u>	

The following provides an explanation of the expenditures by function that changed significantly over the prior year:

- The increase in culture and recreation includes capital expenditures made with aid received in previous period.
- The increase in salaries and fringe benefits its due to annual increases in salary and cost of benefits combined with some employee turnover

**PERRY PUBLIC LIBRARY**  
**Management's Discussion and Analysis**  
**December 31, 2024**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The Library's investment in capital assets for its governmental activities as of December 31, 2024, amounted to \$714,359 (net of accumulated depreciation and amortization). This investment in capital assets includes land, infrastructure, buildings, vehicles, equipment (including those under operating lease agreements), and books and circulation materials. All depreciable capital assets were depreciated under the straight-line method using half-year convention where applicable.

Capital assets net of depreciation and amortization are presented below:

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Land	\$ 210,212	\$ 210,212
Building and improvements	791,805	757,016
Furniture and equipment	15,703	15,703
Books and circulation materials	89,482	95,323
Right-of-use assets	8,054	6,280
Less: accumulated depreciation	(398,342)	(382,353)
Less: accumulated amortization	(2,555)	(1,295)
Total capital assets, net	<u>\$ 714,359</u>	<u>\$ 700,886</u>

**Long-term Debt**

At December 31, 2024 and 2023, the Library's only long-term debt consisted of lease liabilities totaling \$5,499 and \$4,985 as of December 31, 2024 and 2023, respectively. During the year ended December 31, 2024 the Library retired \$1,260 and acquired \$1,774 of lease liabilities.

**Request for Information**

This financial report is designed to provide a general overview of the Library's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Perry Public Library, 70 N Main St, Perry, NY 14530.

## BASIC FINANCIAL STATEMENTS

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**PERRY PUBLIC LIBRARY**  
**Statement of Net Position**  
**December 31, 2024**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 332,891
Restricted cash and cash equivalents	157,440
Prepaid items	7,497
Property and equipment, net	708,860
Right-of-use assets, net	5,499
Total assets	<u>1,212,187</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred pension outflows	68,056
Total deferred outflows of resources	<u>68,056</u>
<b>Total assets and deferred outflows of resources</b>	<u><u>\$ 1,280,243</u></u>
<b>LIABILITIES</b>	
Accrued liabilities	\$ 237
Due to retirement system	14,203
Long-term liabilities:	
Due and payable within one year	1,568
Due and payable after one year	72,886
Total liabilities	<u>88,894</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - property taxes	300,000
Deferred pension inflows	45,021
Total deferred inflows of resources	<u>345,021</u>
<b>NET POSITION</b>	
Net investment in capital assets	708,860
Nonspendable	164,287
Restricted	2,363
Unrestricted	(29,182)
Total net position	<u>846,328</u>
<b>Total liabilities, deferred inflows of resources and net position</b>	<u><u>\$ 1,280,243</u></u>

The accompanying notes are an integral part of the financial statements

**PERRY PUBLIC LIBRARY**  
**Statement of Activities**  
**December 31, 2024**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants</b>	<b>Capital Grants</b>	<b>Net (Expense) Revenue and Changes in Net Position</b>
<b>Primary Government:</b>					
<b>Governmental Activities:</b>					
Culture and recreation	\$ 302,502	\$ 2,592	\$ 12,319	\$ -	\$ (287,591)
	<u>\$ 302,502</u>	<u>\$ 2,592</u>	<u>\$ 12,319</u>	<u>\$ -</u>	<u>(287,591)</u>
			General revenues:		
			Property taxes and tax items		251,660
			Use of money and property		11,607
			Gift and donations		<u>4,329</u>
			Total general revenues		<u>267,596</u>
			Change in net position		(19,995)
			Net position, beginning		<u>866,323</u>
			Net position, ending		<u><u>\$ 846,328</u></u>

The accompanying notes are an integral part of the financial statements

**PERRY PUBLIC LIBRARY**  
**Balance Sheet - Governmental Funds**  
**December 31, 2024**

	<b>General Fund</b>	<b>Permanent Fund</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 332,891	\$ 157,440	\$ 490,331
Prepaid items	7,497	-	7,497
<b>Total assets</b>	<b>\$ 340,388</b>	<b>\$ 157,440</b>	<b>\$ 497,828</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
Accrued liabilities	\$ 237	\$ -	\$ 237
Due to retirement system	14,203	-	14,203
<b>Total liabilities</b>	<b>14,440</b>	<b>-</b>	<b>14,440</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	300,000	-	300,000
<b>Total deferred inflows of resources</b>	<b>300,000</b>	<b>-</b>	<b>300,000</b>
<b>FUND BALANCE</b>			
Nonspendable	7,497	156,790	164,287
Restricted	2,363	-	2,363
Assigned	-	650	650
Unassigned	16,088	-	16,088
<b>Total fund balance</b>	<b>25,948</b>	<b>157,440</b>	<b>183,388</b>
<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 340,388</b>	<b>\$ 157,440</b>	<b>\$ 497,828</b>

The accompanying notes are an integral part of the financial statements

**PERRY PUBLIC LIBRARY**  
**Reconciliation of Governmental Fund Balances to**  
**Government-Wide Net Position**  
**Year Ended December 31, 2024**

<b>Fund Balances - Total Governmental Funds</b>	<b>\$ 183,388</b>
<b>Total net position reported for governmental activities in the statement of net position if different because:</b>	
Capital assets and right-of-use assets used in governmental activities are not financial resources and therefore not reported in the governmental funds, net of depreciation and amortization.	714,359
Net pension liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(61,014)
Operating lease liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(5,498)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds:	
Deferred outflows of resources	68,056
Deferred inflows of resources	(45,021)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(7,942)
<b>Net position of governmental activities</b>	<b><u>\$ 846,328</u></b>

The accompanying notes are an integral part of the financial statements

**PERRY PUBLIC LIBRARY**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**December 31, 2024**

	<b>General Fund</b>	<b>Permanent Fund</b>	<b>Total Governmental Funds</b>
<b>REVENUES:</b>			
Property taxes and tax items	\$ 251,660	\$ -	\$ 251,660
Departmental income	2,592	-	2,592
Use of money and property	3,777	7,830	11,607
Local grants	1,593	-	1,593
Gift and donations	15,055	-	15,055
<b>Total revenues</b>	<b>274,677</b>	<b>7,830</b>	<b>282,507</b>
<b>EXPENDITURES:</b>			
Culture and recreation	264,308	-	264,308
Employee benefits	41,410	-	41,410
<b>Total expenditures</b>	<b>305,718</b>	<b>-</b>	<b>305,718</b>
Excess of revenue over expenditures	(31,041)	7,830	(23,211)
<b>OTHER FINANCING SOURCES:</b>			
Leases commenced	1,774	-	1,774
Interfund transfers - in	9,000	-	9,000
Interfund transfers - out	-	(9,000)	(9,000)
<b>Total other financing sources</b>	<b>10,774</b>	<b>(9,000)</b>	<b>1,774</b>
Net change in fund balances	(20,267)	(1,170)	(21,437)
Fund balance, beginning	46,215	158,610	204,825
Fund balance, ending	<u><u>\$ 25,948</u></u>	<u><u>\$ 157,440</u></u>	<u><u>\$ 183,388</u></u>

The accompanying notes are an integral part of the financial statements



**PERRY PUBLIC LIBRARY**  
**Reconciliation of Statement of Revenue, Expenditures, and Changes in**  
**Fund Balance - Governmental Funds to Statement of Activities**  
**Year Ended December 31, 2024**

**Net change in fund balance - total governmental funds** \$ (21,437)

**Amounts reported for governmental activities in the Statement of Activities are different because:**

Governmental funds report capital outlays as expenditures. Such expenditures are not recorded in the statement of activities because they are recorded as capital assets. 36,563

Depreciation is recorded in the statement of activities, but not recorded as a change in fund balance of the governmental funds. (21,830)

Right-of-use assets and operating lease liabilities resulting from long-term lease agreements are capitalized in the government-wide financial statements. Resulting amortization on right-of-use assets and interest incurred on operating lease liabilities are not recorded in the funds while lease payments are expensed as paid in the funds:

Amortization of right-of-use assets	(1,260)
Principal payments applied to operating lease liabilities	1,260
Proceeds of leases	(1,774)

Changes in the Library's proportionate share of the net pension liability have no effect on the current financial resources and, therefore, are not reported in the governmental funds. In addition, changes in the Library's deferred outflows and deferred inflows of resources related to pensions do not effect current financial resources and are, also, not reported in the governmental funds:

Employees' retirement system	(9,040)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures and are accrued as liabilities in the governmental funds:

Change in compensated absences accrual	(2,477)
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<b>Change in net position of governmental activities</b>	<b>\$ (19,995)</b>
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The accompanying notes are an integral part of the financial statements

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 1 - Summary of Significant Accounting Policies**

The basic financial statements of the Perry Public Library (the "Library") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Library's significant accounting policies are described below.

**A. Financial Reporting Entity**

The Library was incorporated under New York State charter as a public library to continually assure access to resources and services that meet the educational, informational and recreational needs of its community in a safe and comfortable environment. The Library is an independent entity governed by the Education Law and other laws of the State of New York. The Library is governed by an elected board of trustees consisting of not less than five but not more than fifteen members. The Board has oversight over all aspects of the management of the Library, as well as the responsibility to ensure that financial resources are being used efficiently and effectively toward meeting the library's goals.

**B. Basis of Presentation**

**1. Government-Wide Statements:**

The Library presents financial information on both a fund basis and entity-wide basis. The Statement of Net Position and the Statement of Activities present financial information about the Library's governmental activities. These statements include the financial activities of the Library in its entirety, except those that are fiduciary, if applicable. Governmental activities generally are financed through property taxes and other exchange and nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues of the Library's governmental activities. Program revenues include charges paid by the recipients of goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

**2. Fund Financial Statements:**

The fund financial statements provide information about the Library's funds, including fiduciary funds, if applicable. Separate statements for each fund category – general and fiduciary are presented.

**C. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The entity-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the Library gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. Property taxes are recognized in the fiscal year for which the taxes are levied. Revenue from grants and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Library considers revenues to be available if they are collected within one year of the end of the current fiscal periods with the exception of property taxed, which the period of availability is sixty days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the General Fund.

Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within one year of year end).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within one year of year end). All other revenue items are considered to be measurable and available only when cash is received by the Library.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Cash and Cash Equivalents**

The Library's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

**2. Restricted Assets**

Certain assets are classified on the balance sheet as restricted because their use is limited. Donations to be used towards scholarships or library material in the General Fund are restricted specifically for those purposes.

**3. Investments**

Investments for the Library are reported at fair value (generally based on quoted market prices).

**4. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the entity-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

These assets are classified as nonspendable to signify that portion of fund balance that is not in a spendable form.

**5. Property and Equipment**

Property and equipment are reported only in the entity-wide Statement of Net Position. Property and equipment are reported at actual cost for acquisitions subsequent to June 30, 2004. For assets acquired prior to June 30, 2004, estimated historical costs, based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair market value at the time received. As the Library constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the time or increase its estimated useful life.

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Building and improvements	\$ 2,000	straight-line	15 - 40 years
Furniture and equipment	2,000	straight-line	5 - 15 years
Books and other circulation materials	2,000	straight-line	7 years

6. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Library has one item that qualifies for reporting in this category. The deferred amount is related to pension differences between estimated and actual investment earnings, changes in assumptions and other pension related changes.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Library has one item that qualifies for reporting in this category. The Library reports deferred amounts related to pensions.

7. Unearned Revenue

Unearned revenue arises when resources are received by the Library before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the Library has legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

8. Long-Term Liabilities

Long-term obligations represent the Library's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

Retirement incentives and compensated absences are reported as a liability in the financial statements only to the extent that they are due for payment in the current year. Other long-term obligations are recognized as a liability in the fund financial statements when due.

9. Compensated Absences

Sick leave eligibility and accumulation is specified in individual employment agreements. Upon retirement, resignation or death, employees may receive a payment or a credit to be used towards health insurance based on unused accumulated sick leave, in accordance of contractual provisions. These payments are budgeted annually without accrual.

Full-time library employees are granted 20 vacation days per year earned on an accrual basis. Vacation time may be forfeited if not taken within the library's fiscal year. Consistent with GASB Statement No. 16, *Accounting for Compensated Absences*, an accrual for accumulated sick leave is included in the compensated absences liability at year-end in the entity-wide Statement of Net Position. The compensated absences liability is calculated based on contractually negotiated rates in effect at year end. In the fund statements only, the amount of matured vacation time is accrued within the General Fund based on expendable and available financial resources. Sick time is expensed on a pay-as-you-go basis.

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**10. Net Position Flow Assumption**

Sometimes the Library will fund outlays for a particular purpose from both restricted (e.g. grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the entity-wide Statement of Net Position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Library's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

**11. Fund Balance Flow Assumption**

Sometimes the Library will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the General Fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Library's policy that the Library's Board will determine the order of application.

**12. Fund Balance Policies**

Fund balance of the Library's funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Library itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Library's highest level of decision-making authority. The Board is the highest level of decision-making authority for the Library that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Library for specific purposes but do not meet the criteria to be classified as committed. The Board has by resolution authorized the Director to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**E. Use of Estimates in Preparation of Financial Statements**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**F. Income Taxes**

The Library is a public corporation chartered as a public library by New York State Board of Regents whose revenue is derived mostly from property taxes, grants and library charges and is exempt from federal or state income taxes under Section 501 (a) of the Internal Revenue Code.

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 2 – Stewardship, Compliance and Accountability**

By its nature as a local government unit, the Library is subject to various federal, state and local laws and contractual regulations. An analysis of the Library's compliance with significant laws and regulations and demonstration of its stewardship over Library resources follows.

**A. Budget Policies**

Annual (January 1 – December 31) budgets are adopted for all Library funds except reserves. The Board of Trustees is responsible for approving a budget prepared by the Library Director and is responsible for the presentation of the library's fiscal needs to the Town of Perry and the Perry Central School District residents. Funds for library operations are expended under the sole authority of the Library Board of Trustees per New York State Education Law Section 259.

The budget must be balanced for all budgeted funds. Total anticipated revenues should equal total estimated expenditures. In the event anticipated revenues are insufficient to fund anticipated essential expenditures, a portion of the unreserved fund balance from previous years must be used to fund the shortfall. All budgets will be adopted and administered on a basis of accounting consistent with generally accepted accounting principles and with the laws of the State of New York.

If there were to be a ballot change it would have to be determined by March 31. If the ballot amount is not increasing, then April 30 would be the cutoff date for the following year. Currently tax payer hearings are only held when the ballot changes otherwise the budget is adopted at a regular Board meeting which is open to the public.

All modifications of the budget must be approved by the Library board.

**B. Budgetary Basis of Accounting**

Budget(s) are adopted annually on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations authorized for the current year are increases by the amount of encumbrances carried forward from the prior year.

**Note 3 – Cash and Investments**

**A. Deposits**

The Library's investment policies are governed by State statutes. In addition, the Library has its own written investment policy. The Library funds must be deposited in FDIC insured commercial banks or trust companies located within the State. Permissible investments include demand accounts and certificates of deposit, obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

The Library's aggregate bank balances were fully collateralized at December 31, 2024.

Restricted cash represents cash and cash equivalents where use is limited by donor agreements to be reserved for various purposes. There were no amounts classified as Restricted cash as of year-end.

**Investment and Deposit Policy**

The Library follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Director of the Library.

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 3 – Cash and Investments (Continued)**

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Library's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk**

The Library's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The Library's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.
- Obligations of the United States Treasury and United States agencies.
- Obligations of New York State and its localities.

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Library's investment and deposit policy, all deposits of the Library including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The Library restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.

**Note 4 – Capital Assets**

Capital asset activity for the year ended December 31, 2024, was as follows:

	<b>Balance 1/1/2024</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance 12/31/24</b>
<b><u>Capital assets not being depreciated:</u></b>				
Land	\$ 210,212	\$ -	\$ -	\$ 210,212
<b>Total capital assets not being depreciated</b>	210,212	-	-	210,212
<b><u>Capital assets being depreciated:</u></b>				
Building and improvements	757,016	34,789	-	791,805
Furniture and equipment	15,703	-	-	15,703
Books and other circulation materials	95,323	13,096	(18,937)	89,482
<b>Total capital assets being depreciated</b>	868,042	47,885	(18,937)	896,990

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 4 – Capital Assets (Continued)**

	Balance 1/1/2024	Increases	Decreases	Balance 12/31/24
<u>Intangible lease assets:</u>				
Equipment	6,280	1,774	-	8,054
 Total capital assets	 874,322	 49,659	 (18,937)	 905,044
 <u>Less accumulated depreciation:</u>				
Building and improvements	308,499	21,424	-	329,923
Furniture and equipment	14,077	719	-	14,796
Books and other circulation materials	59,777	12,783	(18,937)	53,623
 Total accumulated depreciation	 382,353	 34,926	 (18,937)	 398,342
 <b>Total capital assets being depreciated, net</b>	 485,689	 12,959	 -	 498,648
 <u>Less accumulated amortization:</u>	 1,295	 1,260	 -	 2,555
 <b>Total capital assets being amortized, net</b>	 4,985	 514	 -	 5,499
 <b>Governmental activities capital assets, net</b>	 \$ 700,886	 \$ 13,473	 \$ -	 \$ 714,359

**Note 5 – Long-Term Debt**

The Library had a non-current liability for compensated absences, lease obligations and its proportionate share of the NYS LRS net pension liability. The following is a summary of changes in long-term liabilities for the year ended December 31, 2024:

	Balance 1/1/2024	Additions	Reductions	Balance 12/31/2024	Due Within One Year
Other long-term debt:					
Compensated absences	\$ 5,465	\$ 2,477	\$ -	\$ 7,942	\$ -
Capital lease obligations	4,985	1,774	1,260	5,499	1,568
Net pension liabilities	60,518	496	-	61,014	-
	<u>\$ 70,968</u>	<u>\$ 4,747</u>	<u>\$ 1,260</u>	<u>\$ 74,455</u>	<u>\$ 1,568</u>

Additions/reductions to compensated absences and net pension liabilities are presented net.



**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 5 – Long-Term Debt (Continued)**

Leases

The Library enters into operating lease agreements for certain equipment that are considered long-term leases expiring at various dates through September 2029. The terms provide for minimum monthly payments totaling \$159. During the year ended December 31, 2024, the total lease expense for all operating leases amounted to \$1,902. The Library is not party to any material short-term leases and current leases do not require any variable payments.

Future maturities of operating lease liabilities is as follows for the years ended December 31:

Year	
2025	\$ 1,902
2026	1,902
2027	1,658
2028	437
2029	328
2030 and thereafter	-
Total	<u>6,227</u>
Less: implied interest	<u>728</u>
Lease liability	<u>\$ 5,499</u>

**Note 6 – Pension Obligations**

Plan Description

The Perry Public Library participates in the New York State and Local Employees' Retirement System (ERS). Which is referred to as New York State and Local Retirement System (the System). This is a cost-sharing multiple-employer retirement system. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefit to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transactions of the business of the Systems and for the custody and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Employees' Retirement Systems, 110 State Street, Albany, New York 12236.

Funding Policy

The plan is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976 who contribute 3% of their salary for the first ten years of membership and employees who joined on or after January 1, 2010 who generally contribute 3% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rate expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31.

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 6 – Pension Obligations (Continued)**

Membership, benefits and employer and employee obligations to contribute are described in the NYSRSSL using the tier concept. Pension legislation established tier membership by the date a member last joined the Retirement System. They are as follows:

ERS

- Tier 1 - Those persons who last became members of the System before July 1, 1973.
- Tier 2 – Those persons who last became members on or after July 1, 1973, but before July 27, 1976.
- Tier 3 – Generally those persons who are State correction officers who last became members on or after July 27, 1976, but before January 1, 2010, and all others who last became members on or after July 27, 1976, but before September 1, 1983.
- Tier 4 – Generally, except for correction officers, those persons who last became members on or after September 1, 1983, but before January 1, 2010.
- Tier 5 – Those persons who last became members of the System on or after January 1, 2010, but before April 1, 2012.
- Tier 6 - Those persons who first became members of the System on or after April 1, 2012

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

At December 31, 2024, the Library reported the following liability for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2023. The Library's proportion of the net pension liability was based on a projection of the Library's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS System in reports provided to the Library:

Measurement date		<b><u>March 31, 2024</u></b>
Net pension liability - proportionate share	\$	61,014
Library's proportionate share of the		
Plan's total net pension liability		0.0004144%
Change in proportionate share from the		
prior measurement date		0.0001322%
 Plan pension expense at December 31, 2024	 \$	 17,710

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 6 – Pension Obligations (Continued)**

At December 31, 2024, the Library's reported deferred outflows of resources and deferred inflows of resources related to pensions arose from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 19,653	\$ 1,664
Change of assumptions	23,068	-
Net difference between projected and actual earnings on pension plan investments	-	29,805
Changes in proportion and differences between the Library's contributions and proportionate share of contributions	11,308	13,552
Library's contributions subsequent to the measurement date	14,027	-
	<u>\$ 68,056</u>	<u>\$ 45,021</u>

Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>ERS</u>
Year ended December 31:	
2025	\$ (14,499)
2026	11,033
2027	17,718
2028	(5,245)
2029 and thereafter	-

**Actuarial Assumptions**

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date.

Significant actuarial assumptions used in the valuations were as follows:

Inflation	2.9%
Salary increases	4.4
Investment rate of return (net of investment expense, including inflation)	5.9
Cost of living adjustments	1.5

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 6 – Pension Obligations (Continued)**

The actuarial assumptions used in the April 1, 2023, valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2020.

The long-term rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation.

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

<u>Asset Class:</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	32.0 %	4.00 %
International equity	15.0	6.65
Private equity	10.0	7.25
Real estate	9.0	4.60
Opportunistic / ARC Portfolio	3.0	5.25
Credit	4.0	5.40
Real assets	3.0	5.79
Fixed income	23.0	1.50
Cash	1.0	0.25
Total	<u>100.0 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.90 percent.

The discount rate used to calculate the total pension liability was 5.90%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the system's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption**

The following table presents the Library's proportionate share of the net pension liability calculated using the discount rate of 5.90%, as well as what the Library's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.90%) or 1-percentage point higher (6.90%) than the current rate:

	<u>1.00% Decrease (4.90%)</u>	<u>Current Assumption (5.90%)</u>	<u>1.00% Increase (6.90%)</u>
Employer's proportionate share of the net pension liability (asset)	<u>\$ 191,835</u>	<u>\$ 61,014</u>	<u>\$ (48,248)</u>

**PERRY PUBLIC LIBRARY**  
**Notes to Required Supplementary Information**  
**December 31, 2024**

**Note 6 – Pension Obligations (Continued)**

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employer as of March 31, 2024 were as follows:

Measurement date	(Dollars in Thousands) March 31, 2024
Employer's total pension liability	\$ 240,696,851
Plan net position	<u>225,972,801</u>
Employers' net pension liability	<u>\$ 14,724,050</u>
Ratio of plan net position to the employers' total pension liability	93.88%

Payables to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31, 2024. Accrued retirement contributions as of December 31, 2024, represent the projected employer contribution for the period of April 1, 2024, through December 31, 2024, based on paid wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of December 31, 2024, amounted to \$14,203.

**Note 7 – Net Position and Fund Balance**

1. Net Position

In the entity-wide financial statements, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of the following.

Net investment in capital assets - This category groups all capital assets into one component of net position. Accumulated depreciation and debt used to fund capital asset purchases reduce the balance in this category.

Capital assets, net	\$ 714,359
Deduct:	
Capital lease payable	<u>(5,499)</u>
Net investment in capital assets	<u>\$ 708,860</u>

Restricted – This category represents net position of the Library that is legally restricted for specific purposes.

Unrestricted net position - This category represents net position of the Library not restricted for any project or other purpose.

2. Fund Balance

In the governmental fund financial statements, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The Library's General Fund reports the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

Nonspendable – represents amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balances maintained by the Library at December 31, 2024, include:

- *Prepaid items* - represents miscellaneous items that are applicable to future accounting periods. This balance is nonspendable as the asset does not represent an available resource.
- *Permanent fund* – represents amounts that must remain intact.

**PERRY PUBLIC LIBRARY**  
**Notes to Financial Statements**  
**December 31, 2024**

**Note 7 – Net Position and Fund Balance (Continued)**

Restricted – This category represents amounts that can be spent only for specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changes or listed only with the consent of the resource providers. The Library had restricted funds in the amount of \$2,363 as of December 31, 2024.

Committed – represents amounts that are subject to a purpose constraint imposed by a formal action of the Library's highest level of decision-making authority, the Board. The Library had no committed funds as of December 31, 2024.

Assigned – represents amounts that are constrained by the Library's intent to be used for the specified purposes noted below, but are neither restricted nor committed.

- *Assigned for subsequent years' expenditure* – represents available fund balance being appropriated to meet expenditure requirements in the 2024 fiscal year and carryover encumbrances.
- *Encumbrances* – represent amounts related to unperformed contracts for goods and services.

Unassigned – represents all amounts not included in other spendable classifications.

As of December 31, 2024, fund balances were classified as follows:

	<u>General</u>
<u>Nonspendable</u>	
Prepaid items	\$ 7,497
Must remain intact	156,790
<u>Restricted:</u>	
Restoration	2,363
<u>Assigned:</u>	
Permanent fund	650
<u>Unassigned:</u>	
General Fund	<u>16,088</u>
Total	<u>\$ 183,388</u>

**Note 8 – Risk Management**

The Library is exposed to various risks of loss related to injuries to employees, theft, damages, natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

**Note 9 – Commitments and Contingencies**

**Federal and State Funded Programs**

The Library participates in a number of Federal and New York State grant and assistance programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Library expects such amounts, if any, to be immaterial.

**Note 10 – Subsequent Events**

Management has evaluated subsequent events through **DATE**, which is the date the financial statements are available for issuance.

**PERRY PUBLIC LIBRARY**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Fund Balances - Budget and Actual - General Fund**  
**For the Year Ended December 31, 2024**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Amended Budget</b>
<b>REVENUES:</b>				
Property taxes and tax items	\$ 251,660	\$ 251,660	\$ 251,660	\$ -
Departmental income	2,050	2,050	2,592	542
Use of money and property	150	150	3,777	3,627
Local grants	2,300	2,300	1,593	(707)
Gift and donations	2,265	2,265	15,055	12,790
Use of fund balance and carry over encumbrances	1,085	1,085	-	(1,085)
<b>Total revenues</b>	<u>259,510</u>	<u>259,510</u>	<u>274,677</u>	<u>15,167</u>
<b>EXPENDITURES:</b>				
Culture and recreation	225,735	225,735	264,308	38,573
Employee benefits	33,775	33,775	41,410	7,635
<b>Total expenditures</b>	<u>259,510</u>	<u>259,510</u>	<u>305,718</u>	<u>46,208</u>
Excess of revenue over expenditures	-	-	(31,041)	(31,041)
<b>OTHER FINANCING SOURCES:</b>				
Lease income	-	-	1,774	1,774
Interfund transfers - in	-	-	9,000	9,000
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>10,774</u>	<u>9,000</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(20,267)	<u>\$ (20,267)</u>
Fund balance, beginning			<u>46,215</u>	
Fund balance, ending			<u>\$ 25,948</u>	

The accompanying notes are an integral part of the financial statements

**PERRY PUBLIC LIBRARY**  
**Schedule of the Library's Proportionate Share of the Net Pension Liability (Asset)**  
**For the Year Ended December 31, 2024**

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PENSION PLAN

Measurement date March 31,	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Library's proportion of the net pension liability (asset)	0.0004144%	0.0002822%	0.0003315%	0.0003009%	0.0003777%	0.0002063%	0.0001800%	0.0001890%
Library's proportionate share of the net pension liability (asset)	\$ 61,014	\$ 60,518	\$ (27,102)	\$ 300	\$ 100,021	\$ 14,619	\$ 5,809	\$ 17,761
Library's covered-employee payroll	\$ 126,141	\$ 109,321	\$ 72,929	\$ 83,942	\$ 79,759	\$ 59,406	\$ 74,380	\$ 68,169
Library's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	48.37%	55.36%	-37.16%	0.36%	125.40%	24.61%	7.81%	26.05%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	96.23%	96.27%	98.24%	94.70%

The accompanying notes are an integral part of the financial statements



**PERRY PUBLIC LIBRARY**  
**Schedule of the Library's NYSLRS Pension Contributions**  
**For the Year Ended December 31, 2024**

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PENSION PLAN

Measurement date March 31,	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 14,027	\$ 9,790	\$ 5,931	\$ 8,841	\$ 7,603	\$ 6,005	\$ 9,058	\$ 8,394	\$ 9,770
Contribution in relation to the contractually required contribution	<u>14,027</u>	<u>9,790</u>	<u>5,931</u>	<u>8,841</u>	<u>7,603</u>	<u>6,005</u>	<u>9,058</u>	<u>8,394</u>	<u>9,770</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered employee payroll	\$ 126,141	\$ 109,321	\$ 72,929	\$ 83,942	\$ 79,759	\$ 59,406	\$ 74,380	\$ 68,169	\$ 75,740
Contribution as a percentage of covered employee payroll	11.12%	8.96%	8.13%	10.53%	9.53%	10.11%	12.18%	12.31%	12.90%

The accompanying notes are an integral part of the financial statements



**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**

To the Board of Trustees of the  
Perry Public Library  
Perry, NY

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Perry Public Library, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise Perry Public Library's basic financial statements, and have issued our report thereon dated **DATE**.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Perry Public Library's internal control over financial reporting (internal control) as a basis for designing 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 Perry Public Library's internal control. Accordingly, we do not express an opinion on the effectiveness of Perry Public 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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

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

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**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.

Rochester, NY

DATE

DRAFT