

**ALDRICH PUBLIC LIBRARY
ACCOUNTANTS' REVIEW REPORT
AND FINANCIAL STATEMENTS
JUNE 30, 2019**

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Trustees,
Aldrich Public Library
Barre, Vermont

We have reviewed the accompanying financial statements of Aldrich Public Library (a Vermont non-profit organization) which comprise the statement of financial position as of June 30, 2019, and the related statements of revenue, expenses and changes in nets assets, functional expenses and cash flows for the year 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 the organization's 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 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 the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services issued 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 accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

ALDRICH PUBLIC LIBRARY
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2019

ASSETS

CURRENT ASSETS:

Cash	
General checking account (NSB)	\$ 178,752
Book fund checking account (Com. Natl Bank)	7,041
Incentive fund - savings (VSECU)	26
Fines and fees (petty cash)	115
Total cash	185,934
Prepaid expense	13,805
Total current assets	199,739

OTHER ASSETS:

Land, buildings, improvements, furnishings and equipment	2,553,805
Accumulated depreciation	(557,215)
Net land, buildings, improvements, furnishings and equipment	1,996,590
Pickwick sculpture (at cost)	25,000
Investments	
Aldrich Public Library Trust	918,213
Ronald York Fund	1,425,430
Total assets at fair market value	2,343,643
Total investments	4,365,233

TOTAL ASSETS \$ 4,564,972

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	\$ 90,322
Accrued expenses	55,030
Total current liabilities	145,352

NET ASSETS:

Without donor restrictions	
Undesignated	54,387
Designated by the Board for operating reserve	1,425,430
Designated by the Board per APL investment policy (Note 6)	660,260
Invested in property and equipment, net of related debt	2,021,590
Total net assets without donor restrictions	4,161,667
With donor restrictions	
Perpetual in nature	244,000
Purpose restrictions	13,953
Total net assets with donor restrictions	257,953

TOTAL NET ASSETS 4,419,620

TOTAL LIABILITIES AND NET ASSETS \$ 4,564,972

See accompanying notes and independent accountants' review report.

ALDRICH PUBLIC LIBRARY
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS
FOR YEAR ENDED JUNE 30, 2019

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	2019 <u>Total</u>
OPERATING REVENUE:			
City and Town support	\$ 386,000	\$ -	\$ 386,000
Public support	391,625	-	391,625
Circulation desk	6,253	-	6,253
Rental income	500	-	500
Satisfaction of temporary restrictions	27,253	(27,253)	-
Total unrestricted operating revenue	<u>811,631</u>	<u>(27,253)</u>	<u>784,378</u>
OPERATING EXPENSES:			
Library operations:			
Payroll and payroll taxes	367,925	-	367,925
Employee insurance	29,333	-	29,333
Employee retirement	7,967	-	7,967
Publicity	1,900	-	1,900
Office supplies, postage and miscellaneous	11,847	-	11,847
Books and media	42,197	-	42,197
Accounting and attest services	16,683	-	16,683
Technology expense	8,726	-	8,726
Library program expenses	7,058	-	7,058
Licenses, dues and memberships	1,614	-	1,614
Professional development	343	-	343
Fundraising expenses	9,008	-	9,008
Library buildings:			
Heat, electricity, water, telephone	41,726	-	41,726
Insurance	6,718	-	6,718
Contracted cleaning	21,066	-	21,066
Repair and maintenance	18,357	-	18,357
Depreciation	30,740	-	30,740
Grant expense	362	-	362
Total operating expenses	<u>623,570</u>	<u>-</u>	<u>623,570</u>
OPERATING INCOME (LOSS)	<u>188,061</u>	<u>(27,253)</u>	<u>160,808</u>
OTHER REVENUE:			
Interest, dividends and realized gains or losses (net of investment expense)	40,208	-	40,208
Additional contribution received from E. Campbell Fund	26,856	-	26,856
Market value (losses)/gains on investments	77,523	-	77,523
Net other revenue	<u>144,587</u>	<u>-</u>	<u>144,587</u>
INCREASE OR (DECREASE) IN NET ASSETS	332,648	(27,253)	305,395
NET ASSETS - beginning of year	<u>3,829,019</u>	<u>285,206</u>	<u>4,114,225</u>
NET ASSETS - end of year	<u>\$ 4,161,667</u>	<u>\$ 257,953</u>	<u>\$ 4,419,620</u>

See accompanying notes and independent accountants' review report.

ALDRICH PUBLIC LIBRARY
STATEMENT OF FUNCTIONAL EXPENSES
FOR YEAR ENDED JUNE 30, 2019

	<u>Total</u>	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>
OPERATING EXPENSES:				
Library operations:				
Payroll & paryoll taxes	\$ 367,925	\$ 261,374	\$ 90,730	\$ 15,821
Employee insurance	29,333	20,838	7,234	1,261
Employee retirement	7,967	5,660	1,964	343
Publicity	1,900	1,350	468	82
Office supplies, postage, miscellaneous	11,847	8,416	2,922	509
Books and media	42,197	29,977	10,406	1,814
Accounting and attest services	16,683	11,852	4,114	717
Technology expense	8,726	6,199	2,152	375
Library program expenses	7,058	5,014	1,741	303
Licenses, dues and memberships	1,614	1,147	398	69
Professional development	343	244	84	15
Fundraising expenses	9,008	6,400	2,221	387
Heat, electricity, water, telephone	41,726	29,642	10,290	1,794
Insurance	6,718	4,772	1,657	289
Contracted cleaning	21,066	14,965	5,195	906
Repair and maintenance	18,357	13,041	4,527	789
Depreciation	30,740	21,838	7,580	1,322
Grant expense	362	257	89	16
Total operating expenses	<u>\$ 623,570</u>	<u>\$ 442,986</u>	<u>\$ 153,772</u>	<u>\$ 26,812</u>

See accompanying notes and independent accountants' review report.

ALDRICH PUBLIC LIBRARY
STATEMENT OF CASH FLOWS
JUNE 30, 2019

	<u>2019</u>
Cash flows from operating activities:	
Decrease in net assets for year	\$ 305,395
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Add back:	
Depreciation (a non-cash expense)	30,740
Decrease in accounts receivable	27,949
Increase in prepaid expenses	(12,930)
Increase/(decrease) in accounts payable	67,738
Increase/(decrease) in accrued expenses	33,570
Other revenue and expenses (non-operating, from page 3):	
Cash additions to investments	(148,560)
Unrealized (gains) or losses on investments	(77,523)
Realized loss on investments	713
Reinvested interest and dividends included in income (net of investment expense)	(40,507)
Net cash provided (used) by operating activities	<u>186,585</u>
Cash flow from investing activities:	
Cash payments for the purchase of property	(171,009)
Withdrawals from investment accounts	80,000
Net cash provided by investing activities	<u>(91,009)</u>
Total increase or (decrease) in cash for year	95,576
Cash - beginning of year	<u>90,358</u>
Cash - end of year	<u>\$ 185,934</u>

See accompanying notes and independent accountants' review report.

ALDRICH PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

Aldrich Public Library is a not-for-profit library formed in 1898 and headquartered in Barre, Vermont. The Library serves the residents of Barre City and Barre Town and welcomes all others. Aldrich Public Library is directed by a seven member Board of Trustees, and its mission is to inspire the joy of reading, promote life-long learning, and strengthen community.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements are prepared on the accrual basis of accounting, which recognizes expenses when incurred, and revenues when earned.

Basis of Presentation – The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in accordance with the FASB Accounting Standards Codification. Under these standards, the Library is required to report information regarding its financial position and activities according to two classes of net assets as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor – (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Revenue Recognition – Services, interest and dividends are recognized when earned. Changes in market value of securities are recognized as the market value changes.

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. The Library uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made.

Property and Equipment – All expenditures for property and equipment, and the fair market value of donated assets in excess of \$5,000 and having an economic useful life of greater than one year are capitalized. Depreciation is computed by the straight-line method, beginning in the month of acquisition, at rates based on the following estimated useful lives:

	<u>Years</u>
Site improvements	30-50
Buildings and improvements	5-50
Furniture and equipment	5
Technology	5

ALDRICH PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents – The Library considers cash and highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments – The Library carries investments in marketable securities and all investments in debt securities with readily determinable fair values at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Functional Allocation of Expenses – The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, costs have been allocated among the program and supporting services benefited based on management’s analysis of each employee’s time spent working in activities under the respective functions presented.

Operating Income - In its statement of revenue, expenses, and changes in net assets the Library includes in its definition of “operating income” all revenues and expenses that are an integral part of its programs including operation of the library in Barre, Vermont and a small branch library in East Barre. Other revenue and expense includes investment income and fees, donations made directly to the investment accounts, and interest expense.

Publicity and Fundraising - The “Friends of Aldrich Public Library” hold fundraising events each year, the primary events being a banquet/auction and a book sale. Proceeds of these events are given to the Library. Additionally, the Library solicits funds in an “annual appeal” each year. Fundraising and publicity costs are expensed when incurred.

Collections - Library books and magazines are expensed each year as purchased. With the exception of the Pickwick sculpture purchased in 2015, the Library has elected, as permitted by accounting standards under ASC 958-360-25-3, not to report in its financial statements works of art, historical treasures, or other similar assets held for public exhibition, education, or research. Maintenance of collections is expensed each year as the cost is incurred.

Payroll - The City of Barre processes payroll for the Library under the City’s employee identification number, and the Library reimburses the City for all payroll expenses. Payroll processing services, the fair value of which is estimated to be immaterial, are provided by the City free of charge. As of July 1, 2019 Aldrich Public Library has its contracted accountant process payroll for the Library under the Library’s employee identification number.

Taxation - The Library is taxed as an exempt organization under IRC 501(c)(3). Accordingly, no provision for income taxes has been made in the financial statements.

The Return of Organization Exempt from Income tax (Form 990) for fiscal years ending June 30, 2016, 2017, 2018, and 2019 are subject to examination by the IRS, generally for three years after they were filed.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires the Library’s management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

ALDRICH PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2. CASH

Balances held on June 30, 2019 are as follows:

	Book Balance	Bank Balance
Insured (FDIC)	\$185,934	\$186,121

The difference between book balance and bank balance is due to reconciling items such as deposits in transit and outstanding checks.

NOTE 3. PROPERTY AND EQUIPMENT

At June 30, 2019, "Land, buildings, building improvements, furnishings and equipment" included these:

	Depreciable Life	Cost*	Accumulated Depreciation	Net Book Value
Land:				
City of Barre	-	\$ 5,000	\$ -	\$ 5,000
Town of Barre	-	2,400	-	2,400
Buildings:				
City of Barre	100	45,000	36,450	8,550
Town of Barre	20	23,300	23,300	-
Building improvements:				
City of Barre	10-99	2,301,708	406,242	1,895,466
Town of Barre	10-15	117,001	46,620	70,381
Furnishings and equipment	5-10	<u>59,396</u>	<u>44,603</u>	<u>14,793</u>
Totals		<u>\$2,553,805</u>	<u>\$557,215</u>	<u>\$1,996,590</u>

*The City of Barre land and building, building improvements, furnishings and equipment are recorded at historical cost; the East Barre branch land and building are recorded at assessed value when acquired.

As provided in a 1982 agreement between the Town of Barre and the Library, ownership of the East Barre real estate and contents would revert to the Town if that building ceased to be used as a library.

Changes in land, buildings, building improvements, furnishings and equipment, and accumulated depreciation are as follows:

	<u>Balance</u> <u>6/30/2018</u>	<u>(Accumulated)</u> <u>(Depreciation)</u> <u>6/30/18</u>	<u>Net Property &</u> <u>Equipment</u> <u>6/30/18</u>	<u>(Additions)</u> <u>This fiscal year</u>	<u>Depreciation</u> <u>Expense</u> <u>This fiscal year</u>	<u>Balance</u> <u>6/30/2019</u>
Land	\$ 7,400	\$ -	\$7,400	\$ -	\$ -	\$ 7,400
Buildings	68,300	(59,750)	8,550	-	-	8,550
Building improvements	2,254,902	(425,468)	1,829,434	163,807	(27,394)	1,965,847
Furnishings and equipment	52,196	(41,257)	10,939	7,200	(3,346)	14,793
	<u>\$2,382,798</u>	<u>\$(526,475)</u>	<u>\$1,856,323</u>	<u>\$171,007</u>	<u>\$(30,740)</u>	<u>\$1,996,590</u>

ALDRICH PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 4. INVESTMENTS

The cost and fair value as of June 30, 2019 are as follows:

	<u>Cost</u>	<u>Fair Value</u>	Fair Value Over (Under) <u>Cost</u>
ALDRICH PUBLIC LIBRARY TRUST			
Cash and cash equivalents	\$ 55,566	\$ 55,566	\$ -
Certificates of deposit	180,000	180,000	-
Tax exempt Vermont bonds	15,000	15,215	215
Mutual funds	255,049	258,085	3,036
Equities	<u>252,272</u>	<u>409,347</u>	<u>157,075</u>
TOTAL	<u>757,887</u>	<u>918,213</u>	<u>160,326</u>
RONALD YORK FUND			
Cash and cash equivalents	54,310	54,310	-
Certificates of deposit	444,940	444,940	-
Tax exempt Vermont bonds	30,000	30,429	429
Mutual funds	210,293	214,286	3,993
Equities	<u>402,644</u>	<u>681,465</u>	<u>278,821</u>
TOTAL	<u>1,142,187</u>	<u>1,425,430</u>	<u>283,243</u>
TOTAL INVESTMENTS	<u>\$1,900,074</u>	<u>\$2,343,643</u>	<u>\$443,569</u>

For the year ended June 30, 2019, unrealized gains were \$77,523.

NOTE 5. FAIR VALUE MEASUREMENT

The Fair Value Measurements topic of the FASB Accounting Standards Codification (FASB ASC 820-10) establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1 – inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date. The types of assets carried at Level 1 fair value generally are securities listed in active markets. The Library has valued their investments using the market valuation approach.

Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities. The Library has no Level 2 inputs.

Level 3 – inputs are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability. The Library has no Level 3 inputs.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

Financial assets and liabilities carried at fair value on a recurring basis consist of the following as of June 30, 2019:

Financial Assets:	Total Fair Value
Cash and cash equivalents	\$ 109,876
Certificates of deposit	624,940
Tax exempt Vermont bonds	45,644
Mutual funds	472,371
Equities	<u>1,090,812</u>
TOTAL	<u>\$2,343,643</u>

ALDRICH PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 6. ENDOWMENT FUNDS

The Library’s endowment includes both donor-restricted funds and funds designated by the Board of Trustees to function as quasi-endowments in the Aldrich Public Library Trust account. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Library has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the reservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Library records the principal of donor restricted endowment funds as net assets with donor restrictions which are considered perpetual in nature and the unspent earnings of those funds as net assets with donor restrictions which are considered to have time and or purpose related restrictions.

In accordance with UPMIFA, the Library considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Library, and (7) the Library’s investment policies.

Investment Return Objectives, Risk Parameters and Strategies. The Library has adopted investment and spending policies, approved by the Board of Trustees, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 4%, while growing the funds, if possible.

Actual returns in any given year may vary. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

The following is a summary of activity in the APL endowment account for the year ended June 30, 2019.

APL investments at fair value – beginning of year	\$ 726,202
Increase or (decrease) in fair value of investments	46,294
Earnings net of expenses	17,157
Distribution to Library	(20,000)
New contributions into this account during the year	<u>148,560</u>
Investments at fair value - end of year	<u>\$ 918,213</u>

The donor and purpose restrictions for the APL investment balance at year end follows:

Net assets with donor restrictions of a perpetual nature	\$244,000
Net assets with donor restrictions as to purpose	<u>13,953</u>
Total APL net assets	<u>\$257,953</u>

The remaining balance of the APL investment has been designated by the board as follows:

Designated for renovations to the Library, equipment, operating programs, book purchases, and general operating budget	<u>\$660,260</u>
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Total APL endowment account, June 30, 2019	<u>\$918,213</u>
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ALDRICH PUBLIC LIBRARY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019

NOTE 7. NET ASSETS WITH DONOR RESTRICTIONS AS TO PURPOSE

The balance of net assets with donor restrictions as to purpose as of June 30, 2019 is as follows:

Pickwick statue maintenance	\$ 5,297
Locke writing contest	1,190
Preserving the building and collections	<u>7,466</u>
Total	<u>\$13,953</u>

All donor restrictions that are perpetual in nature allow the use of income earned from those funds to be used for purchases of books and media.

NOTE 8. THE RONALD YORK FUND

The Ronald York Fund was established in 2011 with a \$1,200,000 contribution from the Ronald York Estate; additional contributions have been received from the Estate since then. While the use of these funds is completely unrestricted, the Trustees have designated them as a quasi-endowment, and manages them in accordance with UPMIFA as described above in Note 6.

The following is a summary of activity in the York account for the year ended June 30, 2019.

York investments at fair value – beginning of year	\$1,431,563
Increase or (decrease) in fair value of investments	31,229
Earnings net of expenses	22,638
Distribution to Library	<u>(60,000)</u>
York investments at fair value - end of year	<u>\$1,425,430</u>

NOTE 9. OTHER TRUST FUND INCOME

The accompanying financial statements do not include funds held in trust by an outside trustee. According to its governing document, this fund could cease to pay income to the Aldrich Public Library if the Barre City contribution falls below an amount equal to 25 percent of operating expenses of the library, which has happened previously. Although there have been shortfalls in the City's 25% contribution to the Library's operating expense before, management believes that this funding is probably not in jeopardy. The Barre City contribution was 33.84% of operating expenses for 2019.

NOTE 10. CONCENTRATION OF REVENUE

The Library received 49.21% of its revenue from the surrounding cities and towns as support for services provided to the community members located in those towns for the year ended June 30, 2019.

NOTE 11. RETIREMENT PLAN

The Library has a defined contribution plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers all unionized employees of the Library and the Director. The Library contributes 2% of wages to the plan each year for covered employees, and those employees will contribute no less than 2% to the same plan. Covered employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue code if they choose. Total retirement expense for the year ending June 30, 2019 was \$7,967.

ALDRICH PUBLIC LIBRARY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 12. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Library has \$185,934 of cash available within one year of the balance sheet date to meet cash needs for general expenditures. The cash includes \$7,041 earmarked for the purchase of books and media which are included in the Library's general expenditures. The Library has a goal to maintain cash on hand to meet 90 days of normal operating expenses, which are approximately \$156,000. The Library has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, the Library has the York Fund available in the event of financial distress or an immediate liquidity emergency resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities. Please see notes 6 and 7 regarding management of the York Fund.

NOTE 13. SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 19, 2019, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.