

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
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DECEMBER 31, 2024 AND 2023

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KURT BEHRENFELD

Certified Public Accountant, PLLC

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Tompkins County Public Library Foundation, Inc.
Ithaca, New York

Opinion

I have audited the accompanying financial statements of Tompkins County Public Library Foundation, Inc. (the "Foundation"), which comprise of the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audits in accordance with auditing standards generally accepted in the United States of America (GAAS). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Foundation and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Foundation's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, I:

- 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 Foundation'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Kurt Behrenfeld

Kurt Behrenfeld, Certified Public Accountant

Cortland, New York

March 31, 2025

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 220,437	\$ 171,884
TOTAL CURRENT ASSETS	220,437	171,884
NON-CURRENT ASSETS		
Restricted cash and cash equivalents	48,915	41,600
Investments	3,335,129	3,163,836
Fixed assets, net of accumulated depreciation of \$9,967 and \$8,602 for the years ended December 31, 2024 and 2023	6,661	1,161
TOTAL NON-CURRENT ASSETS	3,390,705	3,206,597
TOTAL ASSETS	\$ 3,611,142	\$ 3,378,481
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 1,907	\$ -
Accrued liabilities	91,593	47,536
TOTAL CURRENT LIABILITIES	93,500	47,536
NET ASSETS		
Without donor restrictions	2,402,771	2,282,710
With donor restrictions	1,114,871	1,048,235
TOTAL NET ASSETS	3,517,642	3,330,945
TOTAL LIABILITIES AND NET ASSETS	\$ 3,611,142	\$ 3,378,481

See Notes to Financial Statements

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT:			
Contributions	\$ 242,558	\$ 34,694	\$ 277,252
In-kind donations	7,700		7,700
Total support	250,258	34,694	284,952
REVENUES			
Investment Income, net	27,673	13,451	41,124
Realized (loss) on sale of investments	(29,461)	(25,084)	(54,545)
Unrealized gain on investments	228,917	118,531	347,448
Net assets released from restrictions	74,956	(74,956)	-
Total revenues	302,085	31,942	334,027
Total support and revenues	552,343	66,636	618,979
EXPENSES			
Program services	315,775		315,775
Management and general	79,235		79,235
Fundraising	37,272		37,272
Total expenses	432,282	-	432,282
CHANGE IN NET ASSETS	120,061	66,636	186,697
NET ASSETS - BEGINNING OF YEAR	2,282,710	1,048,235	3,330,945
NET ASSETS - END OF YEAR	\$ 2,402,771	\$ 1,114,871	\$ 3,517,642

See Notes to Financial Statements

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT			
Contributions	\$ 213,982	\$ 22,433	\$ 236,415
In-kind donations	7,325		7,325
Total support	221,307	22,433	243,740
REVENUES			
Investment Income, net	23,886	5,567	29,453
Realized gain (loss) on sale of investments	4,824	2,375	7,199
Unrealized (loss) on sale of investments	279,197	154,594	433,791
Net assets released from restrictions	77,652	(77,652)	-
Total revenues	385,559	84,884	470,443
Total support and revenues	606,866	107,317	714,183
EXPENSES			
Program services	241,880		241,880
Management and general	86,693		86,693
Fundraising	40,725		40,725
Total expenses	369,298	-	369,298
CHANGE IN NET ASSETS	237,568	107,317	344,885
NET ASSETS - BEGINNING OF YEAR	2,045,142	940,918	2,986,060
NET ASSETS - END OF YEAR	\$ 2,282,710	\$ 1,048,235	\$ 3,330,945

See Notes to Financial Statements

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Total Program	Supporting Services			Total - All
		Management and General	Fundraising	Total	
Wage related:					
Salaries	\$110,609	\$ 9,831	\$ 29,793	\$ 39,624	\$ 150,233
Payroll taxes and employee benefits	8,463	24,336	2,280	26,616	35,079
Total wage related	119,072	34,167	32,073	66,240	185,312
Professional fees	6,391	27,858	523	28,381	34,772
Insurance	-	1,987	-	1,987	1,987
Dues, meeting fees, and subscriptions	-	878	-	878	878
Printing and design	1,738	-	2,625	2,625	4,363
Postage	1,013	68	490	558	1,571
Supplies and equipment	1,136	621	106	727	1,863
Staff development	-	1,978	-	1,978	1,978
Bank fees	-	3,045	-	3,045	3,045
Events & meetings	10,631	68	1,455	1,523	12,154
In-kind donation expense	500	7,200	-	7,200	7,700
Tompkins County Public Library support	175,294	-	-	-	175,294
Total expenses before depreciation	315,775	77,870	37,272	115,142	430,917
Depreciation	-	1,365	-	1,365	1,365
Total functional expenses	\$ 315,775	\$ 79,235	\$ 37,272	\$ 116,507	\$ 432,282

See Notes to Financial Statements

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Total Program	Supporting Services			Total - All
		Management and General	Fundraising	Total	
Wage related:					
Salaries	\$ 101,630	\$ 7,570	\$ 27,300	\$ 34,870	\$ 136,500
Payroll taxes and employee benefits	7,610	19,665	2,050	21,715	29,325
Total wage related	109,240	27,235	29,350	56,585	165,825
Professional fees	126	41,119	1,960	43,079	43,205
Insurance	-	1,969	-	1,969	1,969
Dues, meeting fees, and subscriptions	-	275	-	275	275
Printing and design	1,093	495	4,465	4,960	6,053
Postage	322	755	-	755	1,077
Supplies and equipment	109	1,239	250	1,489	1,598
Staff development	-	1,736	-	1,736	1,736
Bank fees	-	2,993	-	2,993	2,993
Events & meetings	2,274	142	4,700	4,842	7,116
Uncollectible pledges	-	10	-	10	10
In-kind donation expense	-	7,325	-	7,325	7,325
Other	-	5	-	5	5
Tompkins County Public Library support	128,716	-	-	-	128,716
Total expenses before depreciation	241,880	85,298	40,725	126,023	367,903
Depreciation	-	1,395	-	1,395	1,395
Total functional expenses	\$ 241,880	\$ 86,693	\$ 40,725	\$ 127,418	\$ 369,298

See Notes to Financial Statements

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 186,697	\$ 344,885
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized loss (gain) on sale of investments	54,545	(7,199)
Unrealized (gain) on investments	(347,448)	(433,791)
Depreciation expense	1,365	1,395
Increase (decrease) in liabilities:		
Accounts payable	1,907	-
Accrued liabilities	44,057	38,656
CASH (USED) BY OPERATING ACTIVITIES	(58,878)	(56,054)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(6,856)	-
Proceeds from sale of investments	1,083,332	68,658
Purchase of investments	(961,730)	(505,139)
CASH PROVIDED (USED) FOR INVESTING ACTIVITIES	114,746	(436,481)
 NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	55,869	(492,535)
 CASH, CASH EQUIVALENTS AND RESTRICTED CASH - BEGINNING OF YEAR	213,484	706,019
 CASH, CASH EQUIVALENTS AND RESTRICTED CASH - END OF YEAR	\$ 269,352	\$ 213,484
 CASH, CASH EQUIVALENTS AND RESTRICTED CASH CONSIST OF:		
 CASH AND CASH EQUIVALENTS	\$ 220,437	\$ 171,884
RESTRICTED CASH	48,915	41,600
	\$ 269,352	\$ 213,484

See Notes to Financial Statements

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1 – ORGANIZATION AND PURPOSE

Tompkins County Public Library Foundation, Inc. (the “Foundation”), reported as a component of Tompkins County Public Library (TCPL), located in Ithaca, New York, has been established to provide support for TCPL. This support includes financial support from annual fundraising campaigns and other sources, including other foundations, businesses, and organizations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FINANCIAL STATEMENT PRESENTATION

The financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Foundation complies with the provisions of the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) 2016–14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities. Under this change in accounting principal, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets:

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

Net assets with donor restrictions — Net assets subject to stipulations imposed by donors, including donor restricted endowments, unconditional pledges, and interests in perpetual trusts held by others. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statement of Activities.

ACCOUNTING PRONOUNCEMENTS ADOPTED

In-kind Donations

In September 2020, the Financial Accounting Standards Board (“FASB”) issued ASU 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958), which is effective for fiscal years beginning after June 15, 2021, with early adoption permitted, and is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. The Foundation adopted and implemented this pronouncement on January 1, 2023, using the prospective method of application.

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions at times that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

REVENUE RECOGNITION

The Foundation complies with ASU 2018-08, Not-for-Profit Entities, Topic 958, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. ASU 2018-08 amends ASC 958, to assist entities in (i) evaluating whether reciprocal transactions are subject to other guidance (i.e. ASC Topic 606) and (ii) determining whether a contribution(s) is conditional. The Foundation has determined that there is no impact to the financial statements as a result of the adoption of ASU 2018-08.

Contributions

Contributions are recognized as revenue when an unconditional promise to give has been made and are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence or nature of any donor restrictions. If applicable, when a donor restriction expires, that is, when the stipulated time or purpose restriction is accomplished, 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.

Promises to Give

Unconditional promises to give are recognized in the period received both as revenues or gains and as assets, decreases of liabilities, or expenses, depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

In-kind Donations

Various individuals and organizations may donate materials, space, and services to the Foundation. Contributed services and space are used primarily in supporting administrative and program activities. The value of donated materials, space, and services are based on estimated fair values provided by the giver typically and recorded equally as In-kind income and expense.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are maintained in separate bank and brokerage accounts to control inflows and outflows of sources according to their purpose(s). For the purposes of the Statement of Cash Flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INVESTMENTS

Investments in marketable securities are reported at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

The Foundation follows FASB ASC Topic 820 “Fair Value Measurement”, which establishes a fair value hierarchy that prioritizes the 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 unobservable inputs (Level 3 Measurements). All the Foundation’s investments are Level 1, which is defined as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets the Foundation has the ability to access.

FIXED ASSETS - FURNITURE AND EQUIPMENT

Furniture and equipment are stated at cost, less accumulated depreciation computed on the straight-line method as follows:

	<u>Estimated Useful Life (Years)</u>
Leasehold improvements	15-39
Furniture and equipment	3-7

The Foundation capitalizes individual asset expenditures exceeding \$2,500 and a useful life of greater than one year. Maintenance, repairs, and minor betterments are charged to operations as incurred while major additions and improvements are capitalized. When assets are sold, retired, or otherwise disposed of, the applicable costs and accumulated depreciation are removed from the accounting records and any resulting gain or loss is recognized.

ADVERTISING

Advertising expenses are charged to operations as incurred. Advertising related expenses were \$4,363 and \$6,053 for the years ended December 31, 2024 and 2023, respectively.

FUNCTIONAL EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries, benefits, and payroll taxes, which are allocated based on estimated time and effort. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

**TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

INCOME TAXES

The Foundation is exempt from income taxes as a not-for-profit organization under Internal Revenue Code Section 501(c)(3). The Foundation follows the standards for accounting for uncertainty in income taxes. This standard establishes a recognition threshold and measurement process for income tax positions recognized in the Foundation's financial statements. For the years ended December 31, 2024 and 2023, the Foundation did not have any unrecognized tax benefits or any related accrued interest or penalties.

Significant management judgment may be required in determining uncertain tax positions. While the Foundation bases its estimates on historical experience and various other assumptions that management believes to be reasonable under the circumstances, actual results may differ from these estimates, and, as a result, could have a material impact on the financial position.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following represents the Foundation's financial assets and other liquidity resources for the years ended December 31,:

	2024	2023
Cash and cash Equivalents	\$ 269,352	\$ 213,484
Investments	3,335,129	3,163,836
Total financial assets	3,604,481	3,377,320
Amounts unavailable for management without Board's approval:		
Board designated net assets	48,570	45,751
Donor imposed restrictions:		
Net assets with donor restrictions	1,114,871	1,048,235
Total amounts unavailable to management	1,163,441	1,093,986
Total financial assets available for general expenditures within one year	\$ 2,441,040	\$ 2,283,334

The Foundation manages its financial assets and liquidity resources so that they are available when general expenditures, liabilities and other obligations become due.

NOTE 4 - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Foundation to credit risk include cash and investments. The Foundation maintains its cash accounts with a financial institution located in Tompkins County. Accounts at the bank are guaranteed by the Federal Deposit Insurance

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 4 - CONCENTRATION OF CREDIT RISK (Continued)

Corporation (FDIC) up to \$250,000. For the years ended December 31, 2024 and 2023, there were no bank balances held in excess of insurable limits.

Investments, which consist of money funds, stock funds and bond funds, are not insured by the FDIC and involve investment risk, including possible loss of principal.

NOTE 5 – IN-KIND DONATIONS

In-kind donation transactions consisted of the following for the years ended December 31, 2024 and 2023,:

	2024	2023
Office rent	\$ 7,200	\$ 7,200
Advertising	500	125
Total In-kind donations	\$ 7,700	\$ 7,325

NOTE 6 – INVESTMENTS

Level 1 (see Note 2) investments at fair value and cost for the years ended December 31,:

	2024		
	Cost	Fair Value	Excess of Fair Value (Cost)
Fixed income securities:			
Mutual funds	\$ 1,024,225	\$ 967,267	\$ (56,958)
Equities:			
U.S. Equities - ETF	467,927	560,652	92,725
U.S. Equities - Mutual Funds	1,265,119	1,411,222	146,103
International Equities - Mutual Funds	405,845	395,988	(9,857)
Total investments	\$ 3,163,116	\$ 3,335,129	\$ 172,013
	2023		
	Cost	Fair Value	Excess of Fair Value (Cost)
Fixed income securities:			
Mutual funds	\$ 647,315	\$ 593,483	\$ (53,832)
Equities:			
U.S. Equities - ETF	297,396	311,983	14,587
U.S. Equities - Mutual Funds	1,664,562	1,659,117	(5,445)
International Equities - ETF	204,669	168,860	(35,809)
International Equities - Mutual Funds	449,026	430,393	(18,633)
Total investments	\$ 3,262,968	\$ 3,163,836	\$ (99,132)

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 6 – INVESTMENTS (Continued)

Overall investment returns consist of investment income, which include dividends and interest, net of investment fees, realized and unrealized gains and losses. Investment returns are included in the Statement of Activities, and consisted of the following for the years ended December 31,:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
	Dividend and interest income	\$ 46,870	\$ 22,518
Unrealized gain	228,917	118,531	347,448
Realized loss	(29,461)	(25,084)	(54,545)
Investment fees	(19,197)	(9,067)	(28,264)
Total investment returns, net	\$ 227,129	\$ 106,898	\$ 334,027

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
	Dividend and interest income	\$ 39,434	\$ 13,602
Unrealized gain	279,197	154,594	433,791
Realized gain	4,824	2,375	7,199
Investment fees	(15,548)	(8,035)	(23,583)
Total investment returns, net	\$ 307,907	\$ 162,536	\$ 470,443

NOTE 7 – ENDOWMENT FUNDS

In August 2008, FASB Staff Position FAS 117-1, Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the UPMIFA (Uniform Prudent Management of Institutional Funds Act of 2006), and Enhanced Disclosures for All Endowment Funds was issued.

Interpretation of Relevant Law

In accordance with the New York Prudent Management of Institutional Funds Act of 2010, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the funds
2. Purposes of the Foundation and the donor-restricted endowment funds
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from income and appreciation of investments
6. Other resources of the Foundation
7. Investment policies of the Foundation

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 7 – ENDOWMENT FUNDS (Continued)

Funds with Deficiencies

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level required to remain as a fund of perpetual duration. There were no such deficiencies for the years ending December 31, 2024 and 2023.

Return Objectives and Risk Parameters

The Foundation's Board of Directors has adopted an investment and spending policy for endowment assets which has as its objective to provide on-going program support, while protecting the endowment against inflation. The objective of the Foundation is to maximize total return (interest and dividend income, plus capital appreciation, minus investment fees), by utilizing a diversified portfolio to minimize overall risk. Annually, a portion of the total investment return will be spent and the remainder will be reinvested with the goal of preserving and growing the endowment over time. It is the Finance Committee's responsibility to monitor endowment performance.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy to forecast spending annually at 4-5% of a representative period of the endowment's total asset value, with the understanding that this spending rate plus inflation will not normally exceed total real return (return net of inflation) from investments. For the years ended December 31, 2024 and 2023, spending rates of 4.04% and 4.5% were used, respectively. Investment gains/losses are considered temporary, and the Foundation's Board of Directors is actively monitoring investment activities so as to continue responding in a prudent fashion.

The Foundation has a variety of individual donor-restricted endowment funds and two Board-designated endowment funds. The net assets associated with them have been classified as follows:

- Net assets with donor restrictions - the original value of gifts donated to the permanent endowment by explicit donor stipulation and unappropriated related investment gains.
- Board designated - Board designated additions to endowment funds and unappropriated related investment gains. These funds are without donor restrictions.

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 7 – ENDOWMENT FUNDS (Continued)

The following table sets forth the Foundation's endowment net asset composition by type of fund for the years ended December 31, 2024 and 2023,:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Beginning Balance	\$ 45,575	\$ 1,048,235	\$ 1,093,810
Investment income, net	899	(11,633)	(10,734)
Unrealized gains on investments	4,192	118,531	122,723
Contributions and other income	-	-	-
Donations	-	-	-
Amounts appropriated for expenditures	(2,096)	(40,262)	(42,358)
Ending Balance	<u>\$ 48,570</u>	<u>\$ 1,114,871</u>	<u>\$ 1,163,441</u>

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Beginning Balance	\$ 40,476	\$ 922,918	\$ 963,394
Investment income, net	415	7,942	8,357
Unrealized gains on investments	6,648	154,594	161,242
Contributions and other income	-	-	-
Donations	-	3,175	3,175
Amounts appropriated for expenditures	(1,964)	(40,394)	(42,358)
Ending Balance	<u>\$ 45,575</u>	<u>\$ 1,048,235</u>	<u>\$ 1,093,810</u>

NOTE 8 - COMPENSATED ABSENCES

Employees of the Foundation are eligible to accumulate unused vacation and sick days, up to a maximum limit. The Foundation is reporting liabilities for vacation and sick days, and the related benefits, as a current charge against operations. The amount of these liabilities for the years ended December 31, 2024 and 2023, were \$4,192 and \$3,275, respectively.

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 9 – NET ASSETS

Net assets with donor restrictions consisted of the following for the years ended December 31,:

	2024	2023
Endowment funds subject to investment in perpetuity:		
Aneja Family Fund	\$ 55,749	\$ 54,649
Holly G. and William A. Bradford Book Fund	10,000	10,000
Emily Wilson Bradford Book Fund	20,000	20,000
Bradford Staff Development Endowed Fund	15,000	15,000
Bradford Youth Services Programming Endowed Fund	15,000	15,000
Howard Brentlinger Memorial Book Fund	8,200	8,200
Phyllis and Charles Brodhead Memorial Endowment Fund	72,260	72,260
Michael and Carol Kamrnen Endowed Book Fund	6,600	6,600
Caroline V. and Edward A. Kokkelenberg Endowed Fund	12,225	12,225
Buty Miller Memorial Book Fund	6,060	6,060
Sustainability Collection Endowed Fund	10,000	10,000
Ruth Polson Memorial Book Fund	250,000	250,000
Dorothy Reddington Memorial Book Fund	20,490	20,490
Hazel Reed Memorial Book Fund	5,000	5,000
Peter M. Rinaldo Memorial Endowment Fund	117,500	117,500
Shayle R. Searle Endowed Fund	5,000	5,000
Cynthia Sherman Memorial Book Fund	5,810	5,810
Edward Thompson Memorial Fund	23,000	22,000
Nardi (Rose) Memorial Fund	5,000	5,000
Celia M. Cogan Memorial Fund	14,500	14,500
Margaret Johnstone Hilton Children's Endowment Fund	36,479	35,304
Nell E. Currie and Antoinette McNamara	25,710	25,710
Total endowment funds subject to investment in perpetuity	739,583	736,308
Endowment funds total not subject to investment in perpetuity	375,288	311,927
Total net assets with donor restrictions	\$ 1,114,871	\$ 1,048,235

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 9 – NET ASSETS (CONTINUED)

Net assets released from donor restrictions for the years ended December 31,:

	2024	2023
Endowment funds subject to investment in perpetuity:		
Aneja Family Fund	\$ 2,638	\$ 2,604
Holly G. and William A. Bradford Book Fund	676	678
Emily Wilson Bradford Book Fund	1,203	1,206
Bradford Staff Development Endowed Fund	757	760
Bradford Youth Services Programming Endowed Fund	788	791
Howard Brentlinger Memorial Book Fund	591	592
Phyllis and Charles Brodhead Memorial Endowment Fund	3,152	3,128
Michael and Carol Kamrnen Endowed Book Fund	411	413
Caroline V. and Edward A. Kokkelenberg Endowed Fund	678	689
Buty Miller Memorial Book Fund	400	401
Sustainability Collection Endowed Fund	748	751
Ruth Polson Memorial Book Fund	15,724	15,765
Dorothy Reddington Memorial Book Fund	1,208	1,211
Hazel Reed Memorial Book Fund	331	332
Peter M. Rinaldo Memorial Endowment Fund	6,048	6,066
Shayle R. Searle Endowed Fund	192	192
Cynthia Sherman Memorial Book Fund	472	473
Edward Thompson Memorial Fund	945	906
Nardi (Rose) Memorial Fund	204	205
Celia M. Cogan Memorial Fund	598	578
Margaret Johnstone Hilton Children's Endowment Fund	1,626	1,630
Nell E. Currie and Antoinette McNamara	1,196	1,199
Library Director	1,473	1,486
Youth Art	299	302
Total endowment funds released from restrictions	42,358	42,358
Other net assets with donor restrictions:		
Rosen Fund	29,662	21,090
Other - various	2,936	14,204
Other net assets with donor restrictions released from restrictions	32,598	35,294
Total net assets with donor restrictions released from restrictions	\$ 74,956	\$ 77,652

TOMPKINS COUNTY PUBLIC LIBRARY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 9 – NET ASSETS (CONTINUED)

Net assets without donor restrictions consisted of the following for the years ended December 31,:

	2024	2023
Undesignated net assets	\$ 2,354,201	\$ 2,236,959
Board designated net assets:		
Library Director's Fund	38,649	29,158
Youth Art Endowed	7,849	5,911
Endowment at Market	2,072	10,682
Total Board designated net assets	48,570	45,751
Total net assets without donor restrictions	\$ 2,402,771	\$ 2,282,710

NOTE 10 – RELATED PARTIES

The sole mission of the Foundation is to raise and steward funds to benefit TCPL.

The Foundation donated \$60,000 and \$38,000 to TCPL for the years ended December 31, 2024 and 2023, respectively. The Foundation also contributed endowment earnings of \$42,358 and \$40,570 for the years ended December 31, 2024 and 2023, respectively; and donated \$72,936 and \$48,358 in funds designated for the TCPL by endowment donors for the years ended December 31, 2024 and 2023, respectively.

NOTE 11 - SUBSEQUENT EVENTS

In preparing the financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through March 31, 2025, the date the financial statements were available to be issued.