

Financial Statements



June 30, 2025

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York Public Library

June 30, 2025

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Independent Auditors' Report

**Board of Trustees
York Public Library
York, Maine**

Opinion

We have audited the accompanying financial statements of York Public Library (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of York Public Library as of June 30, 2025, 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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of York 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 obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities 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, 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 York Public Library's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our 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 generally accepted 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.

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 York 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 York 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.

Report on Summarized Comparative Information

We have previously audited the York Public Library's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 15, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Purdy Powers & Company

Professional Association

Portland, Maine
November 12, 2025

Statement of Financial Position

York Public Library

As of June 30, 2025
(with comparative totals for June 30, 2024)

	<u>2025</u>	<u>2024</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 269,972	\$ 66,274
Cash restricted by donor	1,143	651
Prepaid expenses	<u>15,752</u>	<u>20,992</u>
Total Current Assets	286,867	87,917
Property and Equipment, net	3,728,756	3,843,425
Other Assets		
Investments - donor restricted endowment	1,403,443	1,299,290
Investments - other	<u>1,679,336</u>	<u>1,661,138</u>
	<u>3,082,779</u>	<u>2,960,428</u>
Total Assets	<u>\$ 7,098,402</u>	<u>\$ 6,891,770</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 12,084	\$ 7,903
Accrued expenses	28,641	29,327
Current portion, long-term debt	<u>22,732</u>	<u>39,255</u>
	63,457	76,485
Long-term Liabilities		
Long-term debt, net of current portion	<u>352,076</u>	<u>168,191</u>
Total Liabilities	<u>415,533</u>	<u>244,676</u>
Net Assets		
Without donor restrictions	5,147,481	5,246,272
With donor restrictions	<u>1,535,388</u>	<u>1,400,822</u>
Total Net Assets	<u>6,682,869</u>	<u>6,647,094</u>
Total Liabilities and Net Assets	<u>\$ 7,098,402</u>	<u>\$ 6,891,770</u>

See independent auditors' report and notes to financial statements.
Certain amounts have been reclassified for comparative purposes.

Statement of Activities

York Public Library

For the Year Ended June 30, 2025
(with comparative totals for June 30, 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues and Other Support				
Town appropriations	\$ 846,199	\$ -	\$ 846,199	\$ 790,400
Gifts and memorials	6,837	57,855	64,692	89,611
Annual appeal	102,639	-	102,639	72,382
Grant income	-	12,595	12,595	1,500
Fines, fees and printing	9,085	-	9,085	8,547
Book sales	6,363	-	6,363	7,394
Other	28,963	-	28,963	1,236
Interest and dividend income	66,813	31,313	98,126	73,197
Contributed nonfinancial assets	23,174	-	23,174	-
Net assets released from restrictions	22,421	(22,421)	-	-
Total Revenues and Other Support	1,112,494	79,342	1,191,836	1,044,267
Expenses				
Program services	1,133,765	-	1,133,765	1,075,798
Supporting services:				
Management and general	132,850	-	132,850	115,583
Fundraising	85,025	-	85,025	112,656
Total Expenses	1,351,640	-	1,351,640	1,304,037
Revenues Over (Under) Expenses	(239,146)	79,342	(159,804)	(259,770)
Realized and unrealized investment gains	140,355	55,224	195,579	214,559
Increase (Decrease) in Net Assets	(98,791)	134,566	35,775	(45,211)
Net assets at beginning of year, as reported	5,196,371	1,450,723	6,647,094	6,692,305
Net asset reclassification (Note M)	49,901	(49,901)	-	-
Net assets at beginning of year, as restated	5,246,272	1,400,822	6,647,094	6,692,305
Net Assets at End of Year	\$ 5,147,481	\$ 1,535,388	\$ 6,682,869	\$ 6,647,094

See independent auditors' report and notes to financial statements.

Statement of Functional Expenses

York Public Library

For the Year Ended June 30, 2025
(with comparative totals for June 30, 2024)

	2025				2024
	Program Services	Management and General	Fundraising	Total	Total
Functional Expenses					
Salaries and benefits	\$ 691,241	\$ 86,405	\$ 61,929	\$ 839,575	\$ 827,339
Utilities	59,829	1,931	2,574	64,334	59,615
Maintenance	6,104	185	247	6,536	8,399
Office	24,102	3,921	5,158	33,181	26,558
Insurance	9,861	1,259	1,259	12,379	9,776
Acquisitions	67,968	241	30	68,239	73,844
Contracts for services	108,663	29,738	3,235	141,636	143,009
Miscellaneous	2,791	1,929	35	4,755	4,730
Interest	9,383	404	303	10,090	10,428
Total Expenses before Depreciation	<u>979,942</u>	<u>126,013</u>	<u>74,770</u>	<u>1,180,725</u>	<u>1,163,698</u>
Depreciation	<u>153,823</u>	<u>6,837</u>	<u>10,255</u>	<u>170,915</u>	<u>140,339</u>
Total Functional Expenses	<u>\$ 1,133,765</u>	<u>\$ 132,850</u>	<u>\$ 85,025</u>	<u>\$ 1,351,640</u>	<u>\$ 1,304,037</u>

See independent auditors' report and notes to financial statements.

Statement of Cash Flows

York Public Library

For the Year Ended June 30, 2025
(with comparative totals for June 30, 2024)

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities		
Increase (decrease) in net assets	\$ 35,775	\$ (45,211)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Net realized and unrealized gains on investments	(195,579)	(214,559)
Depreciation	170,915	140,339
(Increase) decrease in operating assets:		
Prepaid expenses	5,240	(881)
Increase (decrease) in operating liabilities:		
Accounts payable	4,181	784
Accrued expenses	(686)	10,910
Net Cash Provided (Used) by Operating Activities	<u>19,846</u>	<u>(108,618)</u>
Cash Flows from Investing Activities		
Purchases of property and equipment	(56,246)	(33,396)
Purchases of investments	(271,259)	(436,098)
Proceeds from sale of investments	344,487	636,117
Net Cash Provided by Investing Activities	<u>16,982</u>	<u>166,623</u>
Cash Flows from Financing Activities		
Proceeds from long term debt	203,479	-
Principal payments on long term debt	(36,117)	(37,479)
Net Cash Provided (Used) by Financing Activities	<u>167,362</u>	<u>(37,479)</u>
Increase in Cash and Cash Equivalents	204,190	20,526
Cash and cash equivalents at beginning of year	<u>66,925</u>	<u>46,399</u>
Cash and Cash Equivalents at End of Year	<u>\$ 271,115</u>	<u>\$ 66,925</u>
Components of Cash		
Cash and cash equivalents	\$ 269,972	\$ 66,274
Cash restricted by donor	1,143	651
	<u>\$ 271,115</u>	<u>\$ 66,925</u>
Supplemental Information		
Interest paid	<u>\$ 10,090</u>	<u>\$ 10,428</u>
Non-Cash Activity		
Disposal of fully depreciated property and equipment	<u>\$ 17,435</u>	<u>\$ 9,796</u>

See independent auditors' report and notes to financial statements.

Notes to Financial Statements

York Public Library

Note A - Summary of Significant Accounting Policies

Nature of Activities

York Public Library (“Library”) is a nonprofit corporation maintained to provide library and related services for the Town of York, Maine to further education and provide information through the Library’s collection and services. The accounting practices of the Library are designed primarily to demonstrate stewardship of the funds entrusted to it.

Basis of Presentation

The accompanying financial statements include a statement of financial position, a statement of activities, a statement of functional expenses, and a statement of cash flows. 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 - Represents those that are not subject to donor-imposed restrictions (donors include other types of contributors, including makers of certain grants), and can be used for any purpose designated by the Library’s governing board.

Net Assets with Donor Restrictions - Represents resources and the portion of net assets resulting from contributions and other inflows of assets whose use is subject to donor-imposed restrictions.

Cash and Cash Equivalents

The Library considers cash in operating accounts, savings accounts, certificates of deposit, and other highly liquid debt instruments purchased with a maturity of three months or less, other than those recorded as investments, to be cash and cash equivalents. The Library maintains its checking and savings accounts at a local bank, and at times, balances may exceed federally insured limits. At June 30, 2025, the Library’s uninsured and uncollateralized cash balances totaled \$23,418. The Library has not experienced any losses in such accounts.

Restricted Cash

Restricted cash represents endowment fund appropriations with spending restrictions established by donors.

Investments

The Library reports its investments in marketable securities with readily determinable fair values and all investments in debt securities at fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Notes to Financial Statements

York Public Library

Note A - Summary of Significant Accounting Policies - Continued

Pledges Receivable

Pledges receivable represent amounts due for unconditional promises, which are recognized as revenue in the period the pledge is made. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The allowance for doubtful pledges is provided based on an analysis by management of the collectability of outstanding balances.

The Library has no outstanding pledges receivable as of June 30, 2025.

Property and Equipment

Property and equipment consists of the library building and related improvements, land and land improvements, furniture and fixtures, and equipment and is recorded at cost on date of purchase or at fair market value at the date of donation, if donated. Repairs and maintenance are expensed as incurred, while major additions are capitalized. Assets are depreciated over their useful lives on a straight-line basis as follows:

	<u>Years</u>
Land improvements	10-15
Buildings and improvements	10-50
Equipment	5-7
Furniture and fixtures	5-10

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

Revenue and Expense Recognition

The financial statements of the Library have been prepared on the accrual basis of accounting. Revenues received are recorded as revenue without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in net assets with donor restrictions.

When a restriction expires (that is, when a stipulated time restriction ends 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.

Notes to Financial Statements

York Public Library

Note A - Summary of Significant Accounting Policies - Continued

Revenue and Expense Recognition - Continued

In accordance with ASC 606, the Library recognizes revenue when it satisfies a performance obligation by transferring control of a promised good or service, in an amount that reflects the consideration it expects to be entitled to in exchange for those goods or services.

Expenses are recognized as incurred. Expense amounts are allocated among the various programs on both a direct basis and according to a cost allocation methodology.

Donated Services and Materials

No amounts have been reflected in the financial statements for donated services. The Library generally pays for services requiring specific expertise. However, individuals volunteer their time and perform a variety of tasks that assist the Library with specific assistance programs, campaign solicitations, and various committee assignments. An estimated value of this time is not readily determinable and is not reflected in the financial statements. Donations of property and equipment and other noncash donations are recorded as support at their estimated fair values at the date of donation.

Compensated Absences

Vested and accumulated vacation leave is reported as an expense and a liability when the obligation becomes determinable. The Library has adopted Maine's Earned Paid Leave Law, which established a minimum standard for paid time off in the State of Maine. Under the Library's Earned Leave Time Policy, all full and part-time employees accrue earned paid leave; unused leave may be carried over year to year with a cap equivalent to the amount of leave time earned in 18 months.

Income Taxes

The Library qualifies as an organization exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and files a Form 990 tax return. With few exceptions, the Library is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2022 due to statute of limitations. The Library has adopted the provisions of FASB ASC, Income Taxes. Management of the Library believes it has no material uncertain tax positions and, accordingly it will not recognize any liability for unrecognized tax benefits.

Collections

The Library does not capitalize its collections, such as books, magazines, media and electronics, and research material. Additions to the collections are charged to expense as purchased and presented separately on the statement of functional expenses.

Notes to Financial Statements

York Public Library

Note A - Summary of Significant Accounting Policies - Continued

Estimates

The financial statements of the Library have been prepared on the accrual basis of accounting. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Comparative Data

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Library's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Functional Expenses and Expense Allocations

The financial statements report certain categories of expenses that are attributable to more than one program or supporting functions of the Library. Salaries and payroll taxes and benefits are allocated based on estimates of time and effort. Building and other space related costs are allocated by square-footage. Certain other costs are based on management's estimate of the appropriate allocations for each expense.

Note B - Investments

Long-term investments are stated at fair value. The following schedule summarizes the investment return and its classification in the statement of activities for the year ended June 30, 2025:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Interest and dividends	\$ 66,813	\$ 31,313	\$ 98,126
Net realized and unrealized gains	<u>140,355</u>	<u>55,224</u>	<u>195,579</u>
	<u>\$ 207,168</u>	<u>\$ 86,537</u>	<u>\$ 293,705</u>

Notes to Financial Statements

York Public Library

Note B - Investments - Continued

Investments at fair value were comprised of the following as of June 30, 2025:

Money market funds	\$ 139,015
Corporate equities	1,503,694
Other	542,908
Government and agency bonds	<u>897,162</u>
	<u>\$ 3,082,779</u>

Investments as reported in the Statement of Financial Position as of June 30, 2025:

Unrestricted investments	\$ 1,679,336
Investments restricted to permanent endowment	<u>1,403,443</u>
	<u>\$ 3,082,779</u>

Note C - Endowment Funds

The Library's endowment funds are composed of donor restricted funds. The State of Maine has adopted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). In accordance with UPMIFA the Library classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, and (d) any remaining portion of the donor-restricted endowment until such amounts are appropriated for expenditure by the Library in a manner consistent with the standard of prudence prescribed by UPMIFA.

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.

Because of the long-term nature of the funds, the Library's endowment funds are invested substantially in equities, to provide for the growth of the value of the Library's assets.

Notes to Financial Statements

York Public Library

Note C - Endowment Funds - Continued

Endowment net asset composition by type of fund as of June 30, 2025 is as follows:

	<u>With Donor Restrictions</u>
Donor-restricted endowment funds	<u>\$ 1,403,443</u>

Changes in endowment net assets for the year ended June 30, 2025 are as follows:

	<u>With Donor Restrictions</u>
Endowment net assets, beginning of year	\$ 1,299,290
Contributions	33,327
Investment income	31,313
Net realized and unrealized gains	55,224
Appropriation of endowment assets for expenditure	<u>(15,711)</u>
Endowment net assets, end of year	<u>\$ 1,403,443</u>

Note D - Fair Value Measurements

The Library applies a framework for measuring fair values under generally accepted accounting principles and applies this to all financial instruments that are measured and reported at fair value.

The framework for measuring fair value of financial asset and liabilities includes a hierarchy of three levels for observable independent market inputs and unobservable market assumptions. A description of the inputs used in the valuation of assets and liabilities under this hierarchy is as follows:

Level 1 – Quoted prices are available in active markets, such as the New York or American Stock Exchange markets, for identical investments as of the reporting date. Level 1 also includes U.S. Treasury and federal agency securities and mortgage-backed securities traded by brokers or dealers in active markets.

Level 2 – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1. Fair values are obtained from third party pricing services that may use models or other valuation methodologies to derive market value. These may be investments traded in less active dealer or broker markets.

Notes to Financial Statements

York Public Library

Note D - Fair Value Measurements - Continued

Level 3 – Pricing inputs are unobservable for investments and valuations are derived from other methodologies not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities. The types of investments in this category would generally include debt and equity securities issued by private entities and partnerships.

The following summarizes fair values of investment assets by levels within the fair value hierarchy as of June 30, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 139,015	\$ -	\$ -	\$ 139,015
Corporate equities	1,503,694	-	-	1,503,694
Government and agency bonds	897,162	-	-	897,162
Other	542,908	-	-	542,908
Total	<u>\$ 3,082,779</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,082,779</u>

Note E - Property and Equipment

Property and equipment consists of the following as of June 30, 2025:

Land (non-depreciable)	\$ 425,000
Artwork (non-depreciable)	2,500
Land improvements	72,598
Furniture and fixtures	369,020
Buildings and improvements	5,852,749
Equipment	<u>78,055</u>
	6,799,922
Less: accumulated depreciation	<u>3,071,166</u>
Property and equipment, net	<u>\$ 3,728,756</u>

Depreciation expense for the year ended June 30, 2025 was \$170,915.

Notes to Financial Statements

York Public Library

Note F - Long-Term Debt

Long-term debt at June 30, 2025 consists of the following:

Note payable to a bank requiring three interest only payments and then 120 monthly payments of \$4,276 including interest at 6.5% through August 2035. The note is secured by a brokerage account holding marketable securities.	\$ 374,808
Less current portion	<u>22,732</u>
Long-term debt	<u>\$ 352,076</u>

Principal maturities of long-term debt in subsequent years from June 30, 2025 are as follows:

2026	\$ 22,732
2027	28,960
2028	30,871
2029	33,024
2030	35,267
Thereafter	<u>223,954</u>
	<u>\$ 374,808</u>

Note G - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at June 30, 2025:

Subject to expenditure for specified purpose:

Gifts and memorials	\$ 114,715
Grants	16,087
Children's programs and books	1,143
Appreciation on donor restricted endowment fund	<u>200,993</u>
	<u>332,938</u>

Not subject to appropriation or expenditure:

Children's programming/acquisitions	801,943
General operations/no restrictions	316,720
Gaming Corner/Youth Services	24,372
Book purchases	<u>59,415</u>
	<u>1,202,450</u>

Total	<u>\$ 1,535,388</u>
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Notes to Financial Statements

York Public Library

Note H - Liquidity and Availability

Financial assets consist of the Library's cash and cash equivalents and investments. The following reflects the Library's financial assets as of June 30, 2025, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the date of the Statement of Net Position.

Financial assets, at year end	\$ 3,353,894
Less those unavailable for general expenditures	
Within one year, due to:	
<i>Contractual or donor-imposed restrictions:</i>	
Restricted by donor with time or purpose restrictions	<u>(1,535,388)</u>
Financial assets available to meet cash needs for general	
Expenditures within one year	<u>\$ 1,818,506</u>

The Library's financial assets available to meet cash needs for general expenditures within one year represents funding for ongoing operational requirements and planned increases in program expenditures in 2026.

The Library is substantially supported by town appropriations. The Library actively manages its cash flow to ensure funds are available for general expenditures, liabilities, and other obligations as they come due.

Note I - Revenue Recognition

Disaggregation of Revenue

The following table shows the Library's contract revenue disaggregated according to product type/revenue stream and the timing of transfer of goods or services at June 30, 2025:

Revenue Recognized at a Point in Time

Book sales	\$ 6,363
Fines and fees	2,189
Photocopies and printouts	<u>4,191</u>
Total Revenue from Contracts with Customers	<u>\$ 12,743</u>

Contract Assets and Contract Liabilities

In accordance with FASB ASC 606-10-50, the Library has considered the need to record contract assets and contract liabilities from contracts with its customers. No such balances exist as of June 30, 2025.

Receivables

The Library has no accounts receivable from contracts with customers at June 30, 2025.

Notes to Financial Statements

York Public Library

Note I - Revenue Recognition - Continued

Performance Obligations

The Library generates revenue at a point in time for book sales, fines and fees, and photocopies and printouts. Revenue is recognized at the point of sale or the time the service is provided and used by customers.

There are no credit terms extended to certain customers based on credit worthiness.

Management has determined that there are no significant warranties or return, refund, or discount obligations related to contracts with its customers.

The Library has no significant shipping and handling costs.

Significant Judgments

A customer's acceptance of an asset may indicate that the customer has obtained control of the asset. Customer acceptance clauses allow a customer to cancel a contract if a good or service does not meet agreed-upon specifications. The Library considers such clauses when evaluating when a customer obtains control of a good or service. The Library believes any such provisions to be objective and standard, and thus has determined control to transfer prior to formal acceptance.

Note J - Contributed Nonfinancial Assets

For the year ended June 30, 2025, contributed nonfinancial assets recognized within the statement of activities consisted of security cameras donated by the Town of York. Security cameras were recognized at their purchase price and are being capitalized across their useful lives. There were no contributed nonfinancial assets with donor imposed restrictions.

Note K - Concentration Risk

Approximately 71% of the Library's support for the year ended June 30, 2025, came from the Town of York, Maine.

Note L - Retirement Plan

The Library offers a defined contribution pension plan under section 401(k) of the Internal Revenue Code. Under this plan, all employees are eligible to participate on their date of hire. Employees must work at least 1,000 hours in a calendar year to be eligible for the Library's 6.5% matching contribution. The Library's contribution to its retirement plan was \$29,061 for the year ended June 30, 2025.

Notes to Financial Statements

York Public Library

Note M - Net Asset Reclassification

During the year ended June 30, 2025, an adjustment was made to reclassify prior year net assets with donor restrictions and net assets without donor restrictions. The impact of the reclassification was a decrease in net assets with donor restrictions and an increase in net assets without donor restrictions at July 1, 2024. As such, \$49,901 of donor restricted net assets has been released from donor restrictions in the accompanying Statement of Activities as of June 30, 2025.

Note N - Subsequent Events

Management has made an evaluation of subsequent events to and including November 12, 2025, the date the financial statements were available to be issued, and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of the financial statements.