

**NEW CITY LIBRARY**  
**FINANCIAL STATEMENTS**  
**AND**  
**INDEPENDENT AUDITOR'S REPORT**  
**JUNE 30, 2025 AND 2024**

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V JOHN ASSOCIATE CPA P.C.

ACCOUNTANTS • ADVISORS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of  
New City Library

### ***Opinion***

We have audited the financial statements of New City Library (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025, and 2024, and the related statements of activities and change in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of New City Library as of June 30, 2025, and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of New City Library and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about New City Library's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 New City 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 New City 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.

*V John Associate CPA PC.*

Syosset, NY  
December 1, 2025

**NEW CITY LIBRARY**

**STATEMENTS OF FINANCIAL POSITION**

	<b>June 30</b>	
	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 4,545,149	\$ 4,060,561
Grants and other receivables, current portion	36,248	284,020
Prepaid expenses	15,746	15,746
Total Current Assets	<u>4,597,143</u>	<u>4,360,327</u>
Property and equipment, net	14,278,830	14,801,923
Security deposit	7,124	7,124
	<u>\$ 18,883,097</u>	<u>\$ 19,169,374</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Debt maturing within one year	\$ 374,960	\$ 357,291
Accounts payable and accrued expenses	61,102	452,120
Due to employee retirement system	90,067	79,256
Accrued compensated absences	161,227	189,050
Total Current Liabilities	<u>687,356</u>	<u>1,077,717</u>
Debt, net of current portion and debt issuance costs	<u>5,464,916</u>	<u>5,829,519</u>
Total Liabilities	<u>6,152,272</u>	<u>6,907,236</u>
Net Assets		
Without donor restrictions	<u>12,730,825</u>	<u>12,262,138</u>
Total Net Assets	<u>12,730,825</u>	<u>12,262,138</u>
	<u>\$ 18,883,097</u>	<u>\$ 19,169,374</u>

The accompanying notes are an integral part of these financial statements

**NEW CITY LIBRARY**

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**

**YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions			Subtotal	With Donor Restrictions	Total
	Operating Fund	Capital Fund	Renovation Fund			
<b>REVENUES</b>						
Real property taxes	\$ 6,010,504	\$ -	\$ -	\$ 6,010,504	\$ -	\$ 6,010,504
Grants and contributions	14,478	-	-	14,478	-	14,478
Fines	7,395	-	-	7,395	-	7,395
Other income	245,755	-	-	245,755	-	245,755
Interest income	78,145	-	-	78,145	-	78,145
Total Revenues	<u>6,356,277</u>	<u>-</u>	<u>-</u>	<u>6,356,277</u>	<u>-</u>	<u>6,356,277</u>
<b>EXPENSES</b>						
Program Services	4,049,149	574,946	-	4,624,095	-	4,624,095
General and administrative expenses	706,839	246,405	-	953,244	-	953,244
Total Expenses Before Other Change in Net Assets	<u>4,755,988</u>	<u>821,351</u>	<u>-</u>	<u>5,577,339</u>	<u>-</u>	<u>5,577,339</u>
<b>OTHER CHANGE IN NET ASSETS</b>						
Interest expense	(310,251)	-	-	(310,251)	-	(310,251)
Total Expenses	<u>5,066,239</u>	<u>821,351</u>	<u>-</u>	<u>5,887,590</u>	<u>-</u>	<u>5,887,590</u>
Transfers	(3,279,369)	653,587	2,625,782	-	-	-
Change in Net Assets	<u>(1,989,331)</u>	<u>(167,764)</u>	<u>2,625,782</u>	<u>468,687</u>	<u>-</u>	<u>468,687</u>
<b>NET ASSETS</b>						
Beginning of year	<u>2,995,302</u>	<u>8,615,112</u>	<u>651,724</u>	<u>12,262,138</u>	<u>-</u>	<u>12,262,138</u>
End of year	<u>\$ 1,005,971</u>	<u>\$ 8,447,348</u>	<u>\$ 3,277,506</u>	<u>\$ 12,730,825</u>	<u>\$ -</u>	<u>\$ 12,730,825</u>

*The accompanying notes are an integral part of these financial statements.*

**NEW CITY LIBRARY**

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**

**YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions			Subtotal	With Donor Restrictions	Total
	Operating Fund	Capital Fund	Renovation Fund			
<b>REVENUES</b>						
Real property taxes	\$ 5,835,441	\$ -	\$ -	\$ 5,835,441	\$ -	\$ 5,835,441
Grants and contributions	260,883	-	-	260,883	-	260,883
Fines	10,382	-	-	10,382	-	10,382
Other income	7,882	-	-	7,882	-	7,882
Interest income	75,392	-	-	75,392	-	75,392
Total Revenues	<u>6,189,980</u>	<u>-</u>	<u>-</u>	<u>6,189,980</u>	<u>-</u>	<u>6,189,980</u>
<b>EXPENSES</b>						
Program Services	3,708,078	502,943	-	4,211,021	-	4,211,021
General and administrative expenses	697,573	215,547	-	913,120	-	913,120
Total Expenses Before Other Change in Net Assets	<u>4,405,651</u>	<u>718,490</u>	<u>-</u>	<u>5,124,141</u>	<u>-</u>	<u>5,124,141</u>
<b>OTHER CHANGE IN NET ASSETS</b>						
Interest expense	(331,108)	-	-	(331,108)	-	(331,108)
Total Expenses	<u>4,736,759</u>	<u>718,490</u>	<u>-</u>	<u>5,455,249</u>	<u>-</u>	<u>5,455,249</u>
Transfers	<u>1,300,176</u>	<u>2,031,446</u>	<u>(3,331,622)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Net Assets	2,753,397	1,312,956	(3,331,622)	734,731	-	734,731
<b>NET ASSETS</b>						
Beginning of year	<u>241,905</u>	<u>7,302,156</u>	<u>3,983,346</u>	<u>11,527,407</u>	<u>-</u>	<u>11,527,407</u>
End of year	<u>\$ 2,995,302</u>	<u>\$ 8,615,112</u>	<u>\$ 651,724</u>	<u>\$ 12,262,138</u>	<u>\$ -</u>	<u>\$ 12,262,138</u>

The accompanying notes are an integral part of these financial statements

## NEW CITY LIBRARY

### STATEMENTS OF FUNCTIONAL EXPENSES

	YEAR ENDED JUNE 30, 2025		
	Program Services	General and Administrative	Total
<b>EXPENSES</b>			
Personnel costs			
Salaries	\$ 2,122,613	\$ 357,586	\$ 2,480,199
Hospitalization	672,777	43,632	716,409
N.Y.S. retirement	293,035	49,678	342,713
Payroll taxes	153,474	26,019	179,493
Other	6,686	2,229	8,915
Library materials			
Books and A.V. materials	206,074	-	206,074
Other	84,979	-	84,979
Building operations and maintenance			
Rent, moving and storage	36,577	31,144	67,721
Utilities	97,185	41,651	138,836
Other	94,555	40,524	135,079
General operations			
Contracted services	87,340	87,340	174,680
Computerization	44,565	-	44,565
Other	149,289	27,036	176,325
Capital fund expenditures			
Depreciation	574,946	246,405	821,351
Total Expenses	\$ 4,624,095	\$ 953,244	\$ 5,577,339

	YEAR ENDED JUNE 30, 2024		
	Program Services	General and Administrative	Total
<b>EXPENSES</b>			
Personnel costs			
Salaries	\$ 1,870,183	\$ 333,216	\$ 2,203,399
Hospitalization	649,554	26,506	676,060
N.Y.S. retirement	234,438	33,981	268,419
Payroll taxes	140,508	25,035	165,543
Other	8,369	2,790	11,159
Library materials			
Books and A.V. materials	204,690	-	204,690
Other	77,008	-	77,008
Building operations and maintenance			
Rent, moving and storage	77,413	93,648	171,061
Utilities	81,641	34,989	116,630
Other	82,043	35,161	117,204
General operations			
Contracted services	69,113	69,113	138,226
Computerization	40,650	-	40,650
Other	172,468	43,134	215,602
Capital fund expenditures			
Depreciation	502,943	215,547	718,490
Total Expenses	\$ 4,211,021	\$ 913,120	\$ 5,124,141

The accompanying notes are an integral part of these financial statements

**NEW CITY LIBRARY**

**STATEMENTS OF CASH FLOWS**

	Years Ended June 30	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 468,687	\$ 734,731
Adjustments to reconcile change in the net assets to net cash provided by operating activities:		
Depreciation	821,351	718,490
Non cash charge for interest	13,536	13,536
Change in operating assets and liabilities:		
Grant and other receivables	247,772	155,263
Accounts payable and accrued expenses	(391,018)	(2,557,869)
Due to employee retirement system	10,811	7,242
Accrued compensated absences	(27,823)	(107,752)
Total Adjustments	674,629	(1,771,090)
<b>Net Cash Provided (Used) by Operating Activities</b>	1,143,316	(1,036,359)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(298,258)	(1,718,906)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments of debt	(360,470)	(326,077)
<b>NET INCREASE (DECREASE) IN CASH</b>	484,588	(3,081,342)
<b>CASH - beginning</b>	4,060,561	7,141,903
<b>CASH - ending</b>	\$ 4,545,149	\$ 4,060,561
<b>Supplemental Disclosures of Cash Flow Information:</b>		
Cash paid for interest	\$ 296,716	\$ 317,573

*The accompanying notes are an integral part of these financial statements.*

**NEW CITY LIBRARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**1. DESCRIPTION OF THE ORGANIZATION**

Founded in 1936, New City Library (the “Organization”) is a not-for-profit organization that provides free public library services to the communities of New City, Congers and Bardonia, New York.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PRESENTATION AND USE OF ESTIMATES**

The accompanying financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) which requires management to make estimates and assumptions 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. Accordingly, actual results could differ from those estimates.

**FINANCIAL STATEMENT PRESENTATION**

Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

- Without donor restrictions – net assets not subject to donor-imposed stipulations and therefore are expendable for operating purposes.
- With donor restrictions – net assets subject to donor-imposed stipulations that would be met by actions of the Organization and/or by the passage of time or net assets to be maintained permanently by the Organization. Generally, the donors of these net assets permit the Organization to use all, or part of the income earned on related investments for general or donor-specified purposes.

**REVENUE RECOGNITION**

Real property tax revenue from the Clarkstown Central School District is recorded at a point in time when it is received, which coincides with the tax levy year and the Organization’s fiscal year.

Contributions received are recorded as without or with donor restricted support, depending on the existence or nature of any donor restrictions. All contributions are considered to be available for general use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as donor restricted support that increases that net asset class. If a restriction is fulfilled in the same time period in which the

**NEW CITY LIBRARY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

REVENUE RECOGNITION (CONTINUED)

contribution is received, the Organization reports the contribution as without donor restrictions. Contributions are reported as revenues in the period received.

Grants are reported as with donor restricted support if they are received with grantor stipulations that limit the use of the grant funds. Grants are reported as revenues in the period received.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets that have been approved for expenditure are reclassified to without donor restricted net assets and reported in the statements of activities and change in net assets as net assets released from restrictions.

GRANTS AND OTHER RECEIVABLES

Grants and other receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are written off through a change to the valuation allowance and a reduction in receivables. At June 30, 2025 and 2024 management has determined no allowance for grants and other receivables is required.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost at date of acquisition or fair value at date of donation in case of gifts. Expenditures for major additions and improvements are capitalized while minor repairs and maintenance are charged to expense as incurred. Depreciation is based on the estimated useful lives of depreciable assets and is provided using the straight-line method. When property is disposed of, the asset and the accumulated depreciation are removed from the accounts. Any resulting gain or loss is reflected in operations in the period incurred.

The estimated useful lives of the fixed assets are as follows:	<u>(Years)</u>
Buildings and improvements	5 to 50 years
Equipment and furniture	5 to 25 years

Depreciation for construction-in-progress will commence over the estimated useful lives of the respective assets when the assets are placed in service.

**NEW CITY LIBRARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

ASSET IMPAIRMENT

The Organization reviews long-lived assets, including equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset.

DEBT ISSUANCE COSTS

The Organization follows U.S. GAAP guidance for the presentation of debt issuance costs on the statements of financial position whereby such costs are a direct deduction from the face amount of the debt. The debt issuance costs are being amortized over the term of the debt on a method that approximates the interest method. Amortization of debt issuance costs for the years ended June 30, 2025 and 2024 totaled \$13,536 and \$13,536 and is recorded within interest expense.

TAX-EXEMPT STATUS

The Organization is a not-for-profit institution exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code. Accordingly, no provisions for income taxes have been provided in the accompanying financial statements.

The Organization recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Organization had no uncertain tax positions that would require financial statement recognition or disclosure. The Organization is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to June 30, 2022.

FUNCTIONAL EXPENSES

The costs of providing program and support services of the Organization have been reported on both a natural and functional basis in the accompanying statements of activities and change in net assets and functional expenses. The majority of the expenses can generally be identified with program or supporting service to which they relate and are charged accordingly. Other expenses by function have been allocated to program and supporting services based on a time and cost study of where efforts were made. All other expenses are allocated based on the benefit received.

**NEW CITY LIBRARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**3. CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Organization to credit risk consists principally of cash and grants and other receivables.

**CASH**

Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation (“FDIC”) are insured up to \$250,000. At times cash balances may exceed the FDIC limit. Uninsured cash balances on deposit as of June 30, 2025, and 2024, is \$1,349,302 and \$3,768,215 respectively.

The Organization receives a substantial portion of its revenues from real property taxes. The Organization is economically dependent on this support to continue providing its services.

**GRANTS AND OTHER RECEIVABLES**

Credit risk associated with grants and other receivables is considered to be limited because substantial portions of the outstanding amounts are due from governmental agencies, supportive of the Organization’s mission. Generally, the Organization does not require collateral or other security to support grants and other receivables.

For the years ended June 30, 2025, and 2024, a concentration of credit risk exists with respect to grants and other receivables since the amount receivable from one and three sources represent 100% of the total of grants receivable. As of June 30, 2025, and 2024, grants and other receivables are deemed fully collectible by management and are expected to be received.

**4. LIQUIDITY AND AVAILABILITY**

The Organization monitors the availability of resources to meet its operating needs and contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing mission related activities, as well as services undertaken to support these activities, to be general expenditures.

**NEW CITY LIBRARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**4. LIQUIDITY AND AVAILABILITY (CONTINUED)**

The following financial assets could be made available within one year of the statement of financial position dates to meet general expenditures:

	<u>2025</u>	<u>2024</u>
Financial Assets at year-end		
Cash	\$ 4,545,149	\$ 4,055,976
Grant and other receivables, current portion	<u>36,248</u>	<u>284,020</u>
 Total Financial Assets	 4,581,397	 4,339,996
 Less:		
Board designated renovation fund	( 3,277,506)	(651,724)
Donor restricted net assets	<u>0</u>	<u>0</u>
 Financial assets available to meet general expenditures within the year	 <u>\$ 1,303,891</u>	 <u>\$ 3,688,272</u>

The Organization's governing board has designated a portion of its unrestricted resources for certain specific purposes. These amounts could be utilized in the event of an unanticipated liquidity need.

**5. PROPERTY AND EQUIPMENT**

At June 30, property and equipment consisted of the following:

	<u>2025</u>	<u>2024</u>
Buildings and improvements	\$ 18,938,203	\$ 18,666,100
Equipment and furniture	970,982	931,791
Land	270,000	270,000
Construction in progress	<u>- 0 -</u>	<u>13,036</u>
	20,179,185	19,880,927
 Less: Accumulated depreciation	 <u>5,900,355</u>	 <u>5,079,004</u>
 Total	 <u>\$ 14,278,830</u>	 <u>\$ 14,801,923</u>

**NEW CITY LIBRARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**5. PROPERTY AND EQUIPMENT (CONTINUED)**

The Organization began renovations of buildings during year ended June 30, 2022 which were completed by June 30, 2024.

Depreciation expense for the years ending June 30, 2025 and 2024 was \$821,351 and \$718,490 respectively.

**6. DEBT**

The Organization entered into a loan agreement with a financial institution during June 2022 in connection with its renovation project.

At June 30, debt consists of the following:

	<u>2025</u>	<u>2024</u>
\$7,000,000 building loan payable with a financial institution, maturing on July 1, 2037 principal and interest payable monthly at a fixed rate of 4.77%	\$ 6,002,298	\$ 6,362,768
Less: current maturities	374,960	357,292
Less: debt issuance costs	<u>162,422</u>	<u>175,957</u>
Net Long-Term Debt	\$ <u>5,464,916</u>	\$ <u>5,829,519</u>

Annual maturities of debt are as follows for the years ending June 30:

2026	\$ 374,960
2027	393,501
2028	412,294
2029	433,347
2030	454,776
Thereafter	<u>3,933,420</u>
	\$ <u>6,002,298</u>

**NEW CITY LIBRARY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025 AND 2024**

**7. NET ASSETS**

Net assets consist of the following at June 30:

	2025	2024
Without Donor Restrictions		
Non-spendable capital fund	\$ 8,447,348	\$ 8,615,112
Renovation fund	3,277,506	651,724
Undesignated general operating	<u>1,005,971</u>	<u>2,995,302</u>
Total Without Donor Restrictions	<u>12,730,825</u>	<u>12,262,138</u>
With Donor Restrictions	\$ <u>-</u>	\$ <u>-</u>
Total	\$ <u>12,730,825</u>	\$ <u>12,262,138</u>

During the year ended June 30, 2025, and 2024, \$0 and \$0 were released respectively from net assets with donor restrictions for renovations.

**8. EMPLOYEE RETIREMENT PLAN**

GENERAL INFORMATION

The Organization participates in the New York State and Local Employees Retirement System (“NYSLRS”) which is a cost-sharing multi-employer, public employee retirement system. The NYSLRS offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability. The risks of participating in a multi-employer plan are different from a single-employer plan in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits by other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If an employer chooses to stop participating in some of its multi-employer plans, the employer may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

**NEW CITY LIBRARY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025 AND 2024**

**8. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

FUNDING POLICIES

The NYSLRS is noncontributory except for employees who joined after July 1976, who contribute 3% to 6% of their salary. The Comptroller, who ensures that State and local governments use taxpayer money effectively and efficiently, shall certify annually the rates expressed as proportions of members' payroll, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The Organization is required to contribute at an actuarially determined rate. The Organization's participation, which is less than 5% of total plan contributions for the years ended June 30, 2025 and 2024 as outlined in the table below. The most recent Pension Protection Act ("PPA") zone status available for 2025 is for the plan's year-end at March 31, 2025. The zone status is based on information received from the plan and is certified by the actuaries of the plan. Among other factors, pension plans in the red zone are generally less than 65% funded, pension plans in the yellow zone are less than 80% funded, and pension plans in the green zone are at least 80% funded. The last column lists the expiration date of the collective bargaining agreement to which the plan is subject.

Pension Fund	Pension Protection Act Zone Status		Contribution by the Organization		Expiration Date of Collective Bargaining Agreement
	2025	2024	2025	2024	
New York State and Local Employees Retirement System	Green as of 3/31/25	Green as of 3/31/24	\$342,713	\$268,419	June 2027

Since 1989, the NYSLRS billings have been based on Chapter 62 of the Laws 1989 of the State of New York. This legislation required participating employers to make payments on a current basis, while amortizing existing unpaid amounts related to the plan's fiscal years ended March 31, 1988 and 1989, over a 17-year period, with a 8.75% interest factor added. Local governments were given the option to prepay this liability and the Organization had made the full payments in prior years.

Amounts due to NYSLRS for employer contributions totaled \$90,067 and \$79,256 on June 30, 2025 and 2024.

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**9. COLLECTIVE BARGAINING AGREEMENT**

The Organization has a collective bargaining agreement with the New City Library Staff Association/New York State United Teachers (the “Association”) which covers approximately 65% on June 30, 2025 and 2024 of its employees. The Organization renewed the collective bargaining agreement with the Association on May 10, 2024, which is effective from July 1, 2023, through June 30, 2027.

**10. DONATED SERVICES**

A substantial number of volunteers have donated significant amounts of their time and perform a variety of tasks that assist the Organization. During the years ended June 30, 2025 and 2024, the Organization received approximately 1,492 and 700 volunteer hours. However, these volunteer hours were not recognized in the financial statements because they do not meet the criteria for recognition under U.S. GAAP, which states that in order to record the value of services, the services must either create or enhance non-financial assets or the service must require specialized skills.

**11. MAJOR GRANTORS**

For the year ended June 30, 2025, grants and contributions from one grantor comprised approximately 100% of total grants and contribution revenue. As of June 30, 2025, outstanding receivables from this grantor totaled \$0.

For the year ended June 30, 2024, grants and contributions from one grantor comprised approximately 69% of total grants and contribution revenue. As of June 30, 2024, outstanding receivables from this grantor totaled \$179,458.

No other sources accounted for more than 10% of revenue for the years ended June 30, 2025, and 2024.

**12. EMPLOYEE RETENTION CREDIT**

During the year ended June 30, 2025, the Organization qualified for the federal Employee Retention Credit (“ERC”), a refundable payroll tax credit available to eligible employers affected by the COVID-19 pandemic. The Organization recognized \$222,601 of ERC revenue in the accompanying statement of activities and change in net assets (included in other income) when it determined that all conditions for receipt had been substantially met.

The Organization received \$342,622 of ERC revenue subsequent to June 30, 2025, and expects to receive additional \$56,000 in the future.

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**13. SUBSEQUENT EVENTS**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through December 1, 2025, the date the financial statements were available for issue. Based upon this review, the Organization did not identify any events other than as mentioned in F/N 12, that required adjustment or disclosure in the financial statements.