SEAFORD PUBLIC LIBRARY

TOWN OF HEMPSTEAD, NEW YORK

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

AS OF AND FOR THE YEAR ENDED JUNE 30, 2025
TOGETHER WITH INDEPENDENT AUDITOR'S REPORTS

SEAFORD PUBLIC LIBRARY
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NawrockiSmith

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Seaford Public Library
Town of Hempstead, New York:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Seaford Public Library (the "Library") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Library, as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Library, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Library's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

Change in Accounting Principle

As described in Note 3 to the financial statements, in fiscal 2025 the Library adopted new accounting guidance, Governmental Accounting Standards Board ("GASB") Statement No. 101, *Compensated Absences*. The effect of GASB Statement No. 101 required a restatement to the financial statements. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, on pages 4-10 and 39-42 respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2025, on our consideration of the Library's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Library's internal control over financial reporting and compliance.

Hauppauge, New York
October 27, 2025

Nawrocki Smith LLP

The following is a discussion and analysis of the Library's financial performance for the fiscal year ended June 30, 2025. This section is a summary of the Library's financial activities based on currently known facts, decisions or conditions. It is also based on both the entity-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the Library's financial statements, which immediately follow this section.

PROGRAM AND FINANCIAL HIGHLIGHTS

- As of June 30, 2025, the Library had total assets and deferred outflows of resources of $5,206,603, total liabilities and deferred inflows of resources of $5,700,863 and a net deficit position of $494,260.

- On the full accrual basis of accounting, total revenues for the year ended June 30, 2025 were $2,611,988 and total expenses were $2,354,328 resulting in a positive change in net position of $257,660.

- As of June 30, 2025, the Library's General Fund had fund balance totaling $2,189,273, which was an increase of $106,711.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of two parts: required supplementary information including management's discussion and analysis (this section) and the financial statements. The financial statements include two kinds of financial statements that present different views of the Library:

- The first two financial statements are *entity-wide* financial statements that provide both *short-term* and *long-term* information about the Library's *overall* financial status.

- The remaining financial statements are *fund financial statements* that focus on *individual parts* of the Library, reporting the Library's operations in *more detail* than the entity-wide financial statements.

    - The *fund financial statements* tell how the Library's program services and support functions were financed in the *short term* as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The financial statements are followed by a section of supplementary information that further explains and supports the financial statements with a comparison of the Library's budget for the year.

Figure A-1 summarizes the major features of the Library's financial statements, including the portion of the Library's activities they cover and the types of information they contain. The remainder of this overview section of MD&A highlights the structure and contents of each of the financial statements.

Figure A-1 Major Features of the Entity-Wide and Fund Financial Statements

	Entity-Wide	Fund
Scope	Entire Library	The current activities of the Library
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures, and change in fund balance
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of asset/deferred outflows of resources/liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter, no capital assets, or long-term liabilities included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Entity-Wide Financial Statements

The entity-wide financial statements report information about the Library as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Library's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two entity-wide financial statements report the Library's net position and how it has changed. Net position, the difference between the Library's assets, deferred outflows of resources, liabilities and deferred inflows of resources, is one way to measure the Library's financial health.

- Over time, increases or decreases in the Library's net position are an indicator of whether its financial status is improving or deteriorating, respectively.

- To assess the Library's overall health, you need to consider additional nonfinancial factors such as changes in the Library's property tax base, changes in population and the condition of facilities.

In the entity-wide financial statements, the Library's activities are shown as *governmental activities*. Most of the Library's basic services are included here, such as regular and special programs for the community, and administration. Property taxes finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the Library's funds, focusing on its most significant or "major" funds - not the Library as a whole. Funds are accounting devices the Library uses to keep track of specific sources of funding and spending on particular programs. Most of the Library's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the fund financial statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Library's programs. Because this information does not encompass the additional long-term focus of the entity-wide financial statements, reconciliations of the entity-wide and fund financial statements are provided which explain the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE LIBRARY AS A WHOLE

The Library's net position increased by 34.3% from the year before to ($494,260) as detailed in Tables A-2 and A-3.

For the year ended June 30, 2025, the Library implemented the Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. As a result, the Library reported a restatement to the prior year financial statements in the amount of $183,821 (see Note 13 to the financial statements).

Table A-2: Condensed Statements of Net Position - Governmental Activities

	(As Restated) 06/30/24	06/30/25	$ Change	% Change
Current and other assets	$ 2,200,722	$ 2,362,029	$ 161,307	7.3
Capital assets, net	1,925,577	1,904,379	(21,198)	(1.1)
Total assets	4,126,299	4,266,408	140,109	3.4
Deferred outflows of resources	1,238,327	940,195	(298,132)	(24.1)
Current liabilities	174,515	243,524	69,009	39.5
Long-term liabilities	3,543,739	3,168,901	(374,838)	(10.6)
Total liabilities	3,718,254	3,412,425	(305,829)	(8.2)
Deferred inflows of resources	2,398,292	2,288,438	(109,854)	(4.6)
Net position:				
Net investment in capital assets	1,923,151	1,894,739	(28,412)	(1.5)
Restricted	1,588,185	1,701,694	113,509	7.1
Unrestricted	(4,263,256)	(4,090,693)	172,563	4.0
Total net position	$ (751,920)	$ (494,260)	$ 257,660	34.3

Changes in Net Position

The Library's fiscal year 2025 revenues totaled $2,611,988, which is 1.7% less than fiscal year 2024 (see Table A-3), mainly due to decreases in operating grants. Property taxes account for 90% of total revenues (see Table A-4). The majority of the remainder came from building rent, operating grants and interest.

The Library's fiscal year 2025 expenses totaled $2,354,328, which is 4.7% less than fiscal year 2024 (see Table A-3). Expenses decreased mainly due to changes in factors for other post-employment benefits.

Table A-3: Changes in Net Position from Operating Results - Governmental Activities Only

	06/30/24	06/30/25	$ Change	% Change
Revenues				
Real property taxes	$ 2,282,777	$ 2,348,311	$ 65,534	2.9
Building rental income	71,529	76,044	4,515	6.3
Fines and other desk receipts	37,516	69,309	31,793	84.7
Charges for services	11,675	9,562	(2,113)	(18.1)
Operating grants	143,648	8,090	(135,558)	(94.4)
Capital grants	-	8,791	8,791	100.0
Interest income	91,256	78,995	(12,261)	(13.4)
Miscellaneous	19,501	12,886	(6,615)	(33.9)
Total revenues	2,657,902	2,611,988	(45,914)	(1.7)
Expenses				
Public library services	2,471,297	2,354,328	(116,969)	(4.7)
Total expenses	2,471,297	2,354,328	(116,969)	(4.7)
Increase in net position	186,605	257,660	71,055	38.1
Net position (deficit), beginning of year	(754,704)	(751,920)	2,784	0.4
Prior period adjustment (see Note 13)	(183,821)	-	183,821	100.0
Net position (deficit), end of year	$ (751,920)	$ (494,260)	$ 257,660	34.3

Revenues were greater than the expenses from the Library's governmental activities which resulted in an increase in net position of $257,660 for the 2025 fiscal year.

The Library's financial condition can continue to be credited to:

- Continued leadership of the Library's Board of Trustees and administration;
- Approval of the Library's proposed annual budget; and
- Community support of the services provided by the Library.

Figure A-4: Sources of Revenues for Fiscal Year 2025

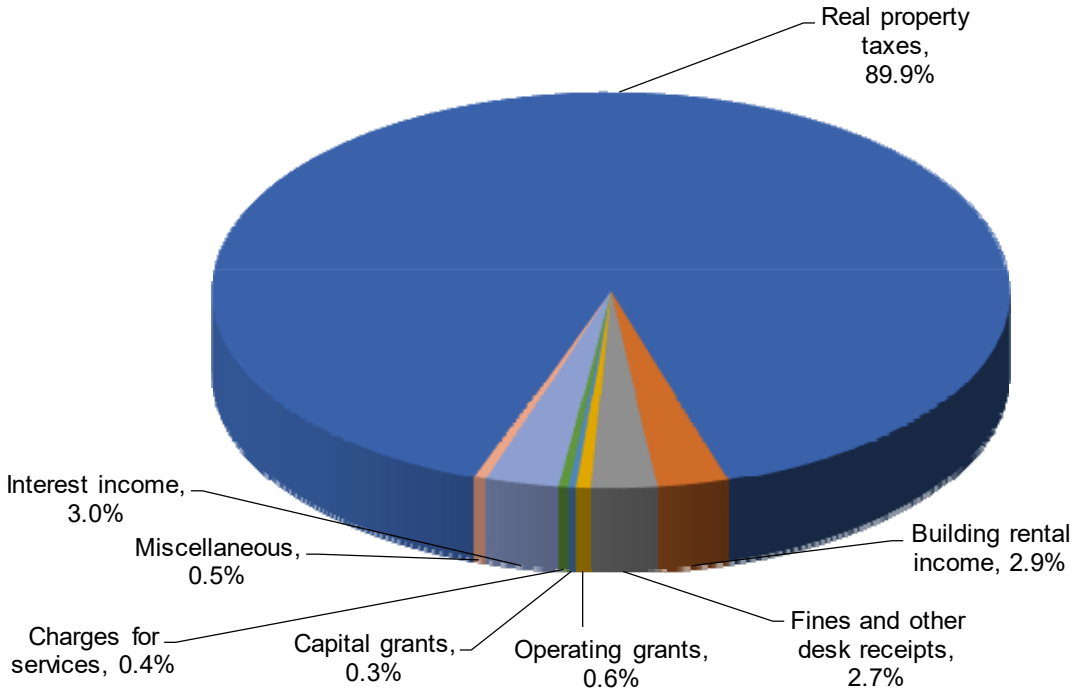
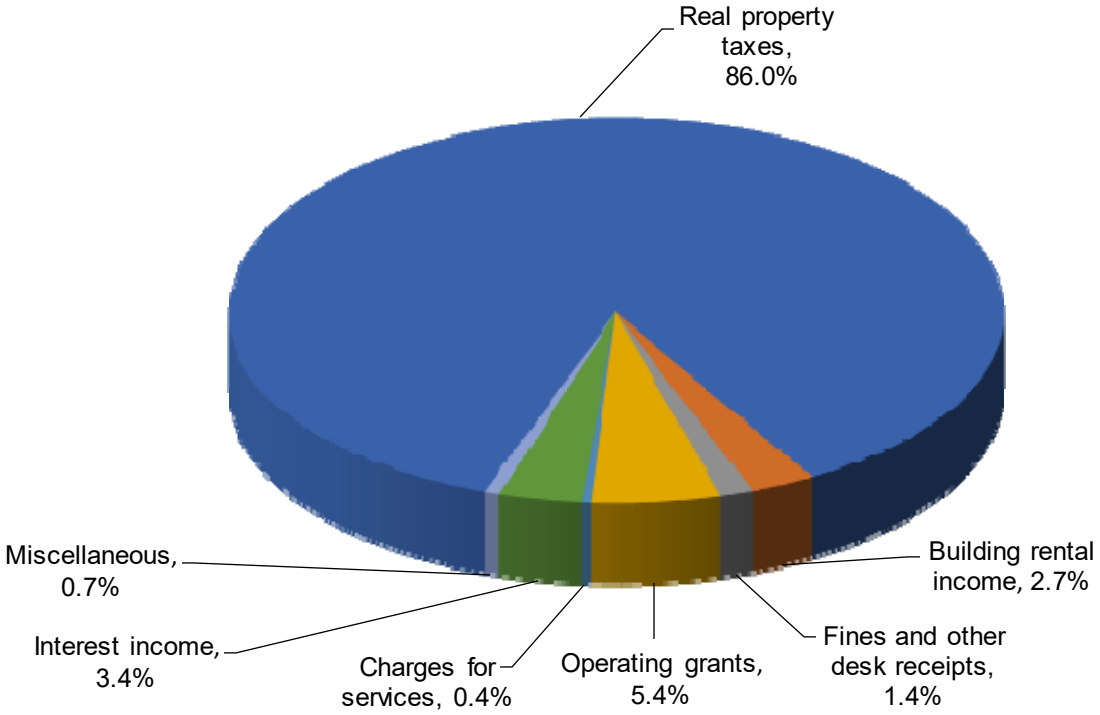


Figure A-5: Sources of Revenues for Fiscal Year 2024



FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS

General Fund Budgetary Highlights

The Library's General Fund budget for the 2024-25 fiscal year was authorized by the voters in the amount of $2,518,681.

The Library's actual revenues were favorable when compared to budgeted revenues for the fiscal year in the amount of $171,305. The Library's actual expenses were less than budgeted expenses for the fiscal year in the amount of $2,594.

A schedule showing the budget amounts compared to the Library's actual financial activity for the General Fund is provided in this report as a required supplementary schedule (page 39).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of fiscal 2025, the Library had invested $1,904,379, net of depreciation, in a broad range of capital assets including building improvements, books and other holdings as well as right-to-use leased assets, equipment and technology.

Table A-6: Capital Assets (net of depreciation)

	06/30/24	06/30/25	$ Change	% Change
Land	$ 27,000	$ 27,000	$ -	-
Construction-in-progress	47,522	106,633	59,111	124.4
Building and permanent fixtures	1,400,698	1,316,494	(84,204)	(6.0)
Machinery and equipment	70,074	75,200	5,126	7.3
Right-of-use leased assets	2,355	9,609	7,254	308.0
Books and audio visual holdings	377,928	369,443	(8,485)	(2.2)
Totals	$ 1,925,577	$ 1,904,379	$ (21,198)	(1.1)

Long-Term Liabilities

At year-end, the Library had outstanding long-term liabilities of $2,707,848.

Table A-7: Outstanding Long-Term Liabilities

	(As Restated) 06/30/24	06/30/25	$ Change	% Change
Compensated absences	$ 587,526	$ 533,828	$ (53,698)	(10.1)
Lease liabilities	2,426	9,640	7,214	74.8
Other post-employment benefits	2,525,907	2,164,380	(361,527)	(16.7)
Totals	$ 3,115,859	$ 2,707,848	$ (408,011)	(15.1)

FACTORS BEARING ON THE LIBRARY'S FUTURE

- The Library is financially sound and proud of its continued community support.

- The Library must maintain careful financial planning and prudent fiscal management in order to preserve its financial stability in the future.

- The real property tax budget for the 2025-2026 fiscal year in the amount of $2,627,022 was approved by voters. This is an increase of $108,341 or 4.30% over the previous year's budget.

CONTACTING THE LIBRARY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Library's citizens, taxpayers, customers, investors and creditors with a general overview of the Library's finances and to demonstrate the Library's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Seaford Public Library
Frank McKenna
Library Director
2234 Jackson Avenue
Seaford, New York 11783
(516) 221-1334

SEAFORD PUBLIC LIBRARY
STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS		
Unrestricted cash	$	660,335
Restricted cash		1,701,694
Capital assets:		
Non-depreciable		133,633
Depreciable, net of accumulated depreciation of $5,590,182		1,770,746
Total assets		4,266,408
DEFERRED OUTFLOWS OF RESOURCES		
OPEB related		670,735
Pension related		269,460
Total deferred outflows of resources		940,195
LIABILITIES		
Payables:		
Accounts payable		13,942
Accrued liabilities		158,814
Long-term liabilities, due within one year:		
Lease liability		3,497
Other post-employement benefits		67,271
Long-term liabilities, due after one year:		
Lease liability		6,143
Compensated absences		533,828
Other post-employement benefits		2,097,109
Proportionate share of net pension liability		531,821
Total liabilities		3,412,425
DEFERRED INFLOWS OF RESOURCES		
OPEB related		2,222,955
Pension related		65,483
Total deferred inflows of resources		2,288,438
NET POSITION		
Investment in capital assets		1,894,739
Restricted:		
Repair and capital improvements		1,409,381
Employee benefit accrued liability		290,754
Unemployment insurance		1,559
Unrestricted		(4,090,693)
Total net position (deficit)	$	(494,260)

The accompanying notes to financial statements are an integral part of this statement.

SEAFORD PUBLIC LIBRARY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

		Program Revenues			Net (Expense) Revenue and Change in Net Position
	Expenses	Charges For Services	Operating Grants	Capital Grants	
Functions and programs:					
Public library services	$ 2,354,328	$ 9,562	$ 8,090	$ 8,791	$ (2,327,885)
General revenues:					
Real property taxes					2,348,311
Building rental income					76,044
Fines and other desk receipts					69,309
Interest income					78,995
Miscellaneous					12,886
Total general revenues					2,585,545
Change in net position					257,660
Total net position (deficit), beginning of year, as restated (see Note 13)					(751,920)
Total net position (deficit), end of year					$ (494,260)

The accompanying notes to financial statements are an integral part of this statement.

SEAFORD PUBLIC LIBRARY
BALANCE SHEET - GOVERNMENTAL FUND
JUNE 30, 2025

		General
ASSETS		
Cash:		
Unrestricted	$	660,335
Restricted		1,701,694
Total assets	$	2,362,029
LIABILITIES		
Payables:		
Accounts payable	$	13,942
Accrued liabilities		158,814
Total liabilities		172,756
FUND BALANCE		
Restricted		1,701,694
Assigned		126,993
Unassigned		360,586
Total fund balance		2,189,273
Total liabilities and fund balance	$	2,362,029

The accompanying notes to financial statements are an integral part of this statement.

SEAFORD PUBLIC LIBRARY
RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025

Fund Balance - Governmental Fund		$ 2,189,273
Amounts reported for governmental activities in the Statement of Net Position are different due to the following:		
Capital assets less accumulated depreciation are included in the Statement of Net Position:		
Capital assets:		
Non-depreciable	$ 133,633	
Depreciable	7,360,928	
Accumulated depreciation	(5,590,182)	1,904,379
Long-term liabilities applicable to the Library's governmental activities are not due and payable in the current period and accordingly are not reported in the fund financial statements. However, these liabilities are included in the Statement of Net Position:		
Compensated absences	(533,828)	
Lease liabilities	(9,640)	(543,468)
Long-term liability, deferred outflows and deferred inflows of resources associated with OPEB are not current financial resources or obligations and are not reported in the governmental funds:		
Total OPEB liability	(2,164,380)	
Deferred outflows of resources	670,735	
Deferred inflows of resources	(2,222,955)	(3,716,600)
Proportionate share of long-term asset (liability), deferred outflows and deferred inflows of resources associated with participation in the State retirement system are not current financial resources, or obligations, and are not reported in the governmental funds:		
Net pension liability - proportionate share	(531,821)	
Deferred outflows of resources	269,460	
Deferred inflows of resources	(65,483)	(327,844)
Net Position - Governmental Activities		$ (494,260)

The accompanying notes to financial statements are an integral part of this statement.

SEAFORD PUBLIC LIBRARY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	General
REVENUES	
Real property taxes	$ 2,348,311
Building rental income	76,044
Fines and other desk receipts	69,309
State aid	16,881
Charges for services	9,562
Interest income	78,995
Miscellaneous	12,886
Total revenues	2,611,988
EXPENDITURES	
Current -	
Salaries	1,206,669
Employee benefits	539,058
Materials and programs	145,439
Operations - general	292,502
Operations - building	153,840
Administrative	93,714
Capital outlay	81,144
Debt service -	
Principal	3,596
Interest	125
Total expenditures	2,516,087
Excess of revenues over expenditures	95,901
OTHER FINANCING SOURCES	
Issuance of leases	10,810
Change in fund balance	106,711
Fund balance, beginning of year	2,082,562
Fund balance, end of year	$ 2,189,273

The accompanying notes to financial statements are an integral part of this statement.

SEAFORD PUBLIC LIBRARY
RECONCILIATION OF GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balance - governmental fund		$ 106,711
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation expense exceeds capital outlay in the current period is:		
Capital outlay, net of dispositions	$ 245,086	
Depreciation expense	(266,284)	(21,198)
Governmental funds report lease outlays as expenditures. However, in the Statement of Activities, the cost of those leases is allocated over their lease term and reported as amortization expense.		
Issuance of lease liabilities		(10,810)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.		
Principal payments on lease liabilities, net of dispositions		3,596
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Compensated absences		53,698
Changes in the proportionate share of the collective pension expense of the State retirement plans reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.		38,750
Changes in the amount of total OPEB liability, deferred inflows of resources and deferred outflows of resources reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.		86,913
Net change in net position - governmental activities		$ 257,660

The accompanying notes to financial statements are an integral part of this statement.

1. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial reporting entity

The financial reporting entity of the Library consists of (a) the primary government which is the Seaford Public Library, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB.

The accompanying financial statements present the activities of the Library. The Library is not a component unit of another reporting entity. The decision to include a potential component unit in the Library's reporting entity is based on several criteria including legal standing, fiscal dependency and financial accountability. Based on the application of these criteria, there are no component units included in the Library's financial statements.

B. Basis of presentation

Entity-wide financial statements

The Statement of Net Position and the Statement of Activities present financial information about the Library's governmental activities. These financial statements include the financial activities of the overall government in its entirety. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, State and Federal aid, operating grants, capital grants and other exchange and nonexchange transactions.

The Statement of Activities presents a comparison between program expenses and revenues for the Library's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses, principally employee benefits, depreciation and amortization, are allocated to functional areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, operating and capital grants. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements

The fund financial statements provide information about the Library's funds. The emphasis of fund financial statements is on major governmental funds. The Library reports the following governmental fund:

General Fund: This is the Library's primary operating fund. It accounts for all financial transactions.

C. Measurement focus and basis of accounting

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

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Library considers all revenues reported in the governmental funds to be available if the revenues are collected within 90 days after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in the governmental fund.

D. Property taxes

Real property taxes are levied annually by the Seaford Union Free School District no later than September 1, and become a lien on July 1. Taxes are collected by the Town of Hempstead and remitted to the School District, who in turn remits receipts collected for the Library on a monthly basis.

In Nassau County, as provided in the Nassau County Charter, the County makes up any shortfall created by uncollected property taxes, whether for the school district, the school district public library, or an association library receiving voter approved funding from the school district. That portion of those remitted funds representing delinquent library taxes must then be remitted by the school district to the library.

E. Restricted resources

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Library's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these Notes.

F. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities, useful lives of long-lived assets, computation of the expected lease payments or receipts to present value and the proportionate share of net pension assets and liabilities.

G. Cash and investments

The Library's cash and cash equivalents consist of cash on hand and demand deposits. New York State law governs the Library's investment policies. Resources must be deposited in FDIC insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the State and its municipalities. Investments are stated at fair value.

H. Accounts receivable

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

I. Inventories

Purchases of inventoriable items are recorded as expenditures at the time of purchase, and are considered immaterial in amount.

J. Capital assets

Capital assets are reported at actual cost. Donated assets are reported at estimated fair market value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the entity-wide financial statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Building	$ 500	Straight-line	15-50 years
Permanent fixtures	500	Straight-line	5-20 years
Machinery and equipment	500	Straight-line	5-20 years
Books and audio visual holdings	500	Straight-line	10 years

K. Right-to-use leased assets

The Library has recorded right-to-use leased assets as a result of implementing GASB Statement No. 87. The right-to-use leased assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term and ancillary charges necessary to place the lease into service, less lease incentives. The right-to-use leased assets are amortized on a straight-line basis over the life of the related lease. Right-to-use leased assets are included in capital assets on the Statement of Net Position.

L. Deferred outflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

M. Deferred inflows of resources

Deferred inflows of resources are defined as an acquisition of net position by the government that is applicable to future periods. Deferred inflows of resources are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, or when the Library has legal claim to the resources, the deferred inflow is removed and revenues are recorded.

N. Vested employee benefits - compensated absences

Compensated absences consist of unpaid accumulated annual sick leave and vacation time.

Sick leave eligibility and accumulation is specified in Board policies, and in individual employment contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave.

Library employees are granted vacation in varying amounts, based primarily on length of service and service position. Some earned benefits may be forfeited if not taken within varying time periods.

Consistent with GASB Statement No. 101, a liability is recognized for accumulated vacation, sick leave or compensatory time (compensated absences) if the leave time is attributable to services already rendered, the leave time accumulates from year to year and the leave time has a more than a 50% chance to be used for time off or otherwise paid in cash or settled through noncash means. In addition, the liability also recognizes an estimated amount of unused leave earned as of year-end that will be used by employees as time off in future years. The compensated absence liability is recorded as current and non-current obligations in the entity-wide financial statements. The current portion of this debt is estimated based on historical trends or expected payouts. In the fund financial statements, only the amount of matured liabilities is accrued within the General Fund for example, as a result of an employee's resignation or retirement before year end and payment is made after year end with expendable available financial resources.

O. Other benefits

Library employees participate in the New York State Employees' Retirement System.

In addition to providing pension benefits, the Library provides post-employment health insurance coverage to retired employees and their families in accordance with the provisions of employment contracts in effect at the time of retirement. Substantially all of the Library's employees may become eligible for these benefits if they reach normal retirement age while working for the Library. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the Library and the retired employee. The Library recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

P. Accrued liabilities and long-term obligations

Payables, accrued liabilities and long-term obligations are reported in the entity-wide financial statements. In the governmental fund, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, and compensated absences that will be paid from the governmental fund, are reported as a liability in the fund financial statements.

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

Q. Leases

The Library is a lessee for noncancellable leases for equipment. The Library recognizes a lease liability and an intangible right-to-use leased asset in the entity-wide financial statements.

At the commencement of the lease, the Library initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Library determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

1. The Library uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Library generally uses its estimated incremental borrowing rate as the discount rate for leases.

2. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Library is reasonably certain to exercise.

The Library monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

R. Net position and fund balance

Entity-wide financial statements

In the entity-wide financial statements, there are three classes of net position:

1. Investment in capital asset - Consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets.

2. Restricted - Reports net position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

3. Unrestricted - Reports all other net position that does not meet the definition of the above two classifications and are deemed to be available for general use by the Library.

Fund financial statements

In the fund financial statements, there are five classifications of fund balance:

1. Nonspendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The Library has no nonspendable fund balances as of June 30, 2025.

2. Restricted - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The Library has established the following restricted fund balances:

   Repair and capital improvements

   Must be used to repair the roof, gutters, windows, and other structures resulting from leaks and water damage. Reserve can also be used for the cost of repairs and additions to capital improvements or equipment.

   Employee Benefit Accrued Liability

   Must be used for the payment of accrued employee benefits due an employee upon termination of the employee's service.

Unemployment insurance

Must be used to pay for the cost of reimbursement for payments made to claimants where the employer has elected to use the benefit reimbursement method.

Restricted fund balance includes the following:

Repair and capital improvements	$	1,409,381
Employee benefit accrued liability		290,754
Unemployment insurance		1,559
Total restricted fund balance	$	1,701,694

3. Committed - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the Library's highest level of decision-making authority, i.e. the Board of Trustees. The Library has no committed fund balances as of June 30, 2025.

4. Assigned - Includes amounts that are constrained by the Library's intent to be used for specific purposes, but, are neither restricted nor committed. Amounts appropriated for the subsequent year totaling $126,993 was classified as assigned fund balance.

5. Unassigned - Includes all other General Fund fund balance that does not meet the definition of the above four classifications and is deemed to be available for general use by the Library.

Order of Use of Fund Balance

The Library's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. Non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND FINANCIAL STATEMENTS AND ENTITY-WIDE FINANCIAL STATEMENTS

Due to the differences in the measurement focus and basis of accounting used in the fund financial statements and the entity-wide financial statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the governmental fund.

A. Total fund balance of governmental fund vs. net position of governmental activities

Total fund balance of the Library's governmental fund differs from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheet.

B. Statement of Revenues, Expenditures and Change in Fund Balance vs. Statement of Activities

Differences between the Statement of Revenues, Expenditures and Change in Fund Balance and the Statement of Activities fall into one of four broad categories as follows:

1. Long-term revenue differences

   Long-term revenue differences arise because governmental funds report revenues only when they are considered “available”, whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

2. Capital related differences

   Capital related differences include the difference between proceeds from the sale of capital assets reported on fund financial statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items and right-to-use leased assets in the fund financial statements and depreciation and amortization expense on those items as recorded in the Statement of Activities.

3. Long-term debt transaction differences

   Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the fund financial statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

4. Pension and OPEB differences

   Pension differences occur as a result of recognizing pension costs using the current financial resources measurement focus and the modified accrual basis of accounting, whereby an expenditure is recognized based on the contractually required contribution as calculated by the plan, versus the economic resources measurement focus and the accrual basis of accounting, whereby an expense is recognized related to the Library's proportionate share of the collective pension expense of the plan.

   Other postemployment benefit differences occur as a result of recognizing OPEB costs using the current financial resources measurement focus and the modified accrual basis of accounting whereby an expenditure is recognized for health insurance premiums and other postemployment benefit costs as they mature (come due for payment), versus the economic resources measurement focus and the accrual basis of accounting, whereby an expense is recognized related to the future cost of benefits in retirement over the term of employment.

3. CHANGE IN ACCOUNTING PRINCIPLE

Effective for the 2025 fiscal year, the Library implemented GASB Statement No. 101, *Compensated Absences*. GASB Statement No. 101 provides guidance for identifying and recognizing compensated absence liabilities. Previously recognized was the value of unused leave time owed to employees upon separation from employment. In accordance with the new guidance, the Library must also recognize as part of the compensated absences liability an estimated amount of unused leave earned as of year-end that will be used by employees as time off in future years. As a result, the Library has reported a restatement to opening net position of governmental activities of $183,821 (see Note 13 to the financial statements).

4. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The Library administration prepares a proposed budget for approval by the Board of Trustees for the following governmental funds for which legal (appropriated) budgets are adopted:

The voters of the community approved the proposed appropriation budget for the General Fund.

Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. No supplemental appropriations occurred during the year.

Budgets are adopted annually on a basis consistent with GAAP.

5. CASH AND CASH EQUIVALENTS – CUSTODIAL CREDIT, CONCENTRATION OF CREDIT AND INTEREST RATE RISKS

The Library's investment policies are governed by State statues. In addition, the Library has its own written investment policy. Library monies must be deposited in Federal Deposit Insurance Corporations ("FDIC") insured commercial banks or trust companies located within the State. The Library is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of U.S. Treasury and U.S. agencies, repurchase agreements and obligations of New York State or its localities.

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

For purposes of reporting cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity.

Custodial credit risk - deposit/investments: Custodial credit risk for deposits exist when, in the event of the failure of a depository financial institution, a government may be unable to recover deposits, or recover collateral securities that are in possession of an outside agency. Custodial credit risk for investments exists when, in the event of the failure of the counterparty, a government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either:

- Uncollateralized
- Collateralized with securities held by the pledging financial institution, or
- Collateralized with securities held by the pledging financial institution's trust department or agent but not in the Library's name

The Library's aggregate bank balances, including balances not covered by depository insurance at year-end, were collateralized as follows:

Collateralized with securities held by the pledging financial institutions, in the Library's name	$	2,138,010

Credit risk: State law limits investments to those authorized by State statutes. The Library has a written investment policy.

Interest-rate risk: Interest-rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates substantially increase, thereby affording potential purchasers more favorable rates on essentially equivalent securities. Accordingly, such investments would have to be held to maturity to avoid potential loss.

Concentration of credit risk: Credit risk can arise as a result of failure to adequately diversify investments. Concentration risk disclosure is required for positions of 5 percent or more in securities of a single issuer.

As of June 30, 2025, the Library did not have any investments subject to credit risk, interest-rate risk, or concentration of credit risk.

6. CAPITAL ASSETS

Capital asset balances and activity were as follows:

	Beginning Balance	Additions	Deductions/ Reclassifications	Ending Balance
Governmental activities:				
Capital assets not depreciated:				
Land	$ 27,000	$ -	$ -	$ 27,000
Construction-in-progress	47,522	59,111	-	106,633
Total nondepreciable assets	74,522	59,111	-	133,633
Capital assets that are depreciated:				
Building and permanent fixtures	2,520,029	12,900	-	2,532,929
Machinery and equipment	253,957	18,622	-	272,579
Right-to-use leased assets	10,599	10,810	(10,599)	10,810
Books and audio visual holdings	4,400,967	143,643	-	4,544,610
Total depreciable assets	7,185,552	185,975	(10,599)	7,360,928
Less accumulated depreciation:				
Building and permanent fixtures	1,119,331	97,104	-	1,216,435
Machinery and equipment	183,883	13,496	-	197,379
Right-to-use leased assets	8,244	3,556	(10,599)	1,201
Books and audio visual holdings	4,023,039	152,128	-	4,175,167
Total accumulated depreciation	5,334,497	266,284	(10,599)	5,590,182
Total capital assets, net	$ 1,925,577	$ (21,198)	$ -	$ 1,904,379

7. LONG-TERM DEBT OBLIGATIONS

Long-term liability balances and activity for the year are summarized below:

	(As Restated) Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Compensated absences	$ 587,526	$ -	$ 53,698	$ 533,828	$ -
Lease liabilities	2,426	10,810	3,596	9,640	3,497
Other postemployment benefits	2,525,907	183,627	545,154	2,164,380	67,271
Total long-term liabilities	$ 3,115,859	$ 194,437	$ 602,448	$ 2,707,848	$ 70,768

Lease liabilities

The Library has entered into an agreement to lease certain equipment. The lease agreement qualifies as an other than short-term lease under GASB Statement No. 87 and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of their inception.

The agreement was executed on March 1, 2025, to lease a copier machine and requires 36 monthly payments of $318. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.93%, which was the Library's estimated borrowing rate at the inception of the lease agreement. As a result of the lease, the Library has recorded a right-to-use leased asset with a net book value of $9,609 at June 30, 2025.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2025, were as follows:

Year Ended June 30,	Principal	Interest	Total
2026	$ 3,497	$ 316	$ 3,813
2027	3,637	176	3,813
2028	2,506	37	2,543
	$ 9,640	$ 529	$ 10,169

8. PENSION PLAN

Plan description

The Library participates in the New York State and Local Employees' Retirement System ("NYSERS") which is referred to as New York State and Local Retirement System (the "System"). This is a cost-sharing multiple-employer defined benefit retirement system. The net position of the System is held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all net assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law ("RSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute.

The Library also participates in the Public Employees' Group Life Insurance Plan ("GLIP"), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Benefits provided

The System provides retirement benefits as well as death and disability benefits.

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

Tiers 3, 4, and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 3, 4 and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5 and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first $50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) NYSERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed $18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

Contributions

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute 3% of their salary for the entire length of service. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the RSSL, the Comptroller annually certifies the actuarially determined rates expressly used computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

Year	Amount
2025	$ 160,800
2024	146,995
2023	143,942

Pension assets (liabilities), pension expense, deferred outflows of resources and deferred inflows of resources related to pensions

The net pension liability was measured as of March 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2024. Update procedures were used to roll forward the pension liability to March 31, 2025. The Library's proportion of the net pension liability was based on a projection of the Library's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At June 30, 2025, the Library reported the following for its proportionate share of the net pension liability for the system:

Actuarial valuation date	April 1, 2024
Net pension liability	$ 531,821
Library's portion of the Plan's total net pension asset	0.00310%

For the year ended June 30, 2025, the Library recognized pension expense of $128,616. At June 30, 2025, the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected experience and actual experience	$ 132,001	$ (6,227)
Changes of assumptions	22,304	-
Net difference between projected and actual earnings on pension plan investments	41,725	-
Changes in proportion and differences between the Library's contributions and proportionate share of contributions	73,430	(59,256)
Total	$ 269,460	$ (65,483)

Deferred outflows of resources and deferred inflows of resources related to pensions resulting from Library contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2026	$ 101,916
2027	139,571
2028	(42,326)
2029	4,816

Actuarial assumptions

The total pension liability at March 31, 2025 was determined by using an actuarial valuation as of April 1, 2024, with update procedures used to roll forward the total pension liability to March 31, 2025. The actuarial valuation used the following actuarial assumptions:

Measurement date	March 31, 2025
Actuarial valuation date	April 1, 2024
Interest rate	5.90%
Salary scale	4.30%
Decrement tables	April 1, 2015 to April 1, 2020 System's Experience
Inflation rate	2.90%

Annuitant mortality rates are based on April 1, 2015 – April 1, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021.The actuarial assumptions used in the April 1, 2024 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

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

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1%	0.25%
Credit	4%	5.40%
Domestic equity	25%	3.54%
Fixed income	22%	2.00%
International equity	14%	6.57%
Opportunistic portfolio	3%	5.25%
Private equity	15%	7.25%
Real assets	4%	5.55%
Real estate	12%	4.95%
	100%	

Discount rate

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

Sensitivity of the proportionate share of the net pension liability to the discount rate assumption

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

	1% Decrease (4.90%)	Current assumption (5.90%)	1% Increase (6.90%)
Employer's proportionate share of the net pension asset (liability)	$ (1,539,155)	$ (531,821)	$ 309,305

Pension plan fiduciary net position

The components of the current-year net pension liability of the employers as of March, 31, 2025 were as follows:

	(Dollars in Thousands)
Employers' total pension asset	$ 247,600,239
Plan net position	230,454,512
Employers' net pension liability	$ 17,145,727
Ratio of plan net position to the employers' total pension asset	93.08%

9. OTHER POST-EMPLOYMENT BENEFITS ("OPEB")

General information about the OPEB plan

The Library's defined benefit OPEB plan provides OPEB for all permanent full-time employees of the Library. The plan is a single employer defined benefit OPEB plan administered by the Library. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Library Board of Trustees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits provided

The Library provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms are dependent of which contract each employee falls under. The specifics of each contract are on file at the Library offices and are available upon request.

Employees covered by benefit terms

As of July 1, 2023, the date of the most recent actuarial valuation, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	6
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	11
Total plan members	17

Total OPEB liability

The Library's total OPEB liability of $2,164,380 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2023.

Actuarial assumptions and other inputs

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, with update procedures used to roll forward the total OPEB liability to the measurement date, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00%
Salary increases	2.50% average, including inflation
Discount rate	5.20%
Healthcare cost trend rates	7.00% for 2025, decreasing .50% per year to an ultimate rate of 5.0% in 2029
Retirees' share of benefit-related costs	0% of projected health insurance premiums for retirees

The discount rate was based on the Bond Buyer's 20 Bond Index.

Mortality rates were based on the SOA RPH-2014 Total Dataset headcount-weighted fully generational mortality table with projection scale MP-2021.

Changes in the total OPEB liability

Balance as of June 30, 2024	$ 2,525,907
Changes for the year -	
Service cost	82,178
Interest	101,449
Change in assumptions or other inputs	(491,225)
Benefit payments	(53,929)
Net changes	(361,527)
Balance as of June 30, 2025	$ 2,164,380

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the Library, as well as what the Library's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current discount rate:

	1% Decrease (4.20%)	Current assumption (5.20%)	1% Increase (6.20%)
Total OPEB liability as of June 30, 2025	$ 2,539,933	$ 2,164,380	$ 1,859,426

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates

The following presents the total OPEB liability of the Library, as well as what the Library's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current discount rate:

	1% Decrease (6.00% decreasing to 4.00%)	Current assumption (7.00% decreasing to 5.00%)	1% Increase (8.00% decreasing to 6.00%)
Total OPEB liability as of June 30, 2025	$ 1,772,393	$ 2,164,380	$ 2,680,995

OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ended June 30, 2025, the Library recognized OPEB expense of $32,984. At June 30, 2025, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected experience and actual experience	$ 267,943	$ (938,217)
Changes of assumptions	402,792	(1,284,738)
Total	$ 670,735	$ (2,222,955)

Amounts reported as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	
2026	$ (216,611)
2027	$ (216,611)
2028	(210,144)
2029	(217,646)
2030	(234,110)
Thereafter	(457,098)

10. RISK MANAGEMENT

The Library is exposed to various risks of loss related to torts, theft, damage, injuries, errors and omissions, natural disasters and other risks. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years.

11. CONTINGENCIES AND COMMITMENTS

Government grants

The Library has received grants, which are subject to audit by agencies of the State and Federal governments. Such audits may result in disallowances and a request for a return of funds. Based on prior years' experience, the Library's administration believes disallowances, if any, will be immaterial.

Property tax cap

In June 2011, the New York State Legislature enacted Chapter 97, Laws of 2011 Real Property Tax Levy Cap and Mandate Relief Provisions. For fiscal years beginning in 2012 through at least June 15, 2025, growth in the property tax levy (the total amount to be raised through property taxes charged on a municipality's taxable assessed value of property) will be capped at 2 percent or the rate of inflation (but not less than 1 percent), whichever is less, with some exceptions. Local governments can exceed the tax levy limit by a 60% vote of the governing body, or by local law.

12. TAX ABATEMENTS

The Library's property tax revenues are levied and remitted by the Seaford Union Free School District. The school district may have their property tax revenues reduced under agreements entered into by Nassau County, which would affect the Library's portion of property tax revenues. As of June 30, 2025, all taxes were fully paid to the Library.

13. PRIOR PERIOD ADJUSTMENT

Compensated absence liability balances as of July 1, 2024 have been restated to reflect the adoption of GASB Statement No. 101. The Library's financial statements for the year ended June 30, 2024 have been restated as of July 1, 2024 to give effect to the following:

	Compensated Absences	Net Position
Balance as of July 1, 2024 as previously stated	$ 403,705	$ (568,099)
GASB No. 101 implementation:		
Add: Net change in compensated absences (calculated under GASB 101)	183,821	(183,821)
Balance as of July 1, 2024 as restated	$ 587,526	$ (751,920)

14. FUTURE ACCOUNTING STANDARDS

The Library will evaluate the impact each of these upcoming pronouncements may have on its financial statements and will implement them as applicable and when material. The following is a list of GASB pronouncements issued but not yet effective:

GASB Statement No.	GASB Accounting Standard	Effective Fiscal Year
Statement No. 103	Financial Reporting Model Improvements	June 30, 2026
Statement No. 104	Disclosure of Certain Capital Assets	June 30, 2026

15. SUBSEQUENT EVENTS

The Library has evaluated subsequent events occurring after the Statement of Net Position through the date of October 27, 2025 which is the date the financial statements were available to be issued, noting no matters requiring further consideration.

SEAFORD PUBLIC LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance
REVENUES			
Local sources:			
Real property taxes	$ 2,348,311	$ 2,348,311	$ -
Building rental income	70,152	76,044	5,892
Fines and other desk receipts	4,050	69,309	65,259
State aid	2,970	16,881	13,911
Charges for services	1,400	9,562	8,162
Interest income	1,000	78,995	77,995
Miscellaneous	12,800	12,886	86
Total revenues	2,440,683	2,611,988	171,305
OTHER FINANCING SOURCES			
Leases	-	10,810	10,810
Appropriated reserves	77,998	-	(77,998)
Total revenues and other financing sources	2,518,681	2,622,798	104,117
EXPENDITURES			
Salaries:			
Professional	699,989	707,210	(7,221)
Clerical	402,069	408,276	(6,207)
Cleaners	54,158	49,785	4,373
Pages	55,349	41,398	13,951
Employee benefits:			
Health insurance	324,000	277,165	46,835
Social Security	92,685	87,158	5,527
Pension and compensated absences	144,640	166,832	(22,192)
Dental insurance	8,784	7,903	881
Library materials and programs:			
Books	60,000	51,027	8,973
DVD's	13,000	7,666	5,334
Books on tape and CD's	57,000	47,945	9,055
Software	4,500	7,068	(2,568)
Periodicals/Online databases	32,000	31,733	267
Library operations - general:			
Library supplies	25,000	22,742	2,258
Publicity	36,000	31,675	4,325
Dues	3,000	1,749	1,251
Programs	120,000	111,599	8,401
NLS delivery fee	12,394	12,394	-
Rental and repair of office equipment/service contracts	41,000	112,343	(71,343)
Library operations - building:			
Natural gas	4,500	4,286	214
Electric	52,000	41,045	10,955
Telephone	23,000	19,494	3,506
Water	2,300	1,357	943
Custodial supplies	6,500	5,316	1,184
Repairs and maintenance/service contracts	85,000	79,883	5,117
Other expenses	3,500	2,459	1,041
Administrative expenses:			
Postage	14,500	13,864	636
Insurance	53,000	52,551	449
Professional fees	24,613	23,415	1,198
Professional improvement	8,200	3,884	4,316
Capital outlay:			
Equipment and furniture	56,000	81,144	(25,144)
Debt service:			
Principal	-	3,596	(3,596)
Interest	-	125	(125)
Total expenditures	2,518,681	2,516,087	2,594
Change in fund balance	$ -	106,711	$ 106,711
Fund balance, beginning of year		2,082,562	
Fund balance, end of year		$ 2,189,273	

Note to Required Supplementary Information

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

SEAFORD PUBLIC LIBRARY
SCHEDULE OF CHANGES IN THE LIBRARY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST EIGHT FISCAL YEARS

Measurement date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability:								
Service cost	$ 82,178	$ 86,979	$ 123,943	$ 180,911	$ 164,053	$ 114,355	$ 130,339	$ 157,872
Interest	101,449	94,102	118,131	88,658	80,301	96,063	112,008	98,915
Differences between expected and actual experience in the measurement of the total OPEB liability	-	(866,419)	-	447,167	-	(638,996)	-	-
Changes in assumptions or other inputs	(491,225)	(101,305)	(64,847)	(1,147,414)	36,159	771,629	(212,640)	-
Benefit payments	(53,929)	(46,981)	(61,062)	(52,095)	(47,430)	(45,424)	(54,720)	(76,802)
Net change in total OPEB liability	(361,527)	(833,624)	116,165	(482,773)	233,083	297,627	(25,013)	179,985
Total OPEB liability - beginning of year	2,525,907	3,359,531	3,243,366	3,726,139	3,493,056	3,195,429	3,220,442	3,040,457
Total OPEB liability - end of year	$ 2,164,380	$ 2,525,907	$ 3,359,531	$ 3,243,366	$ 3,726,139	$ 3,493,056	$ 3,195,429	$ 3,220,442
Covered payroll	$ 990,527	$ 966,368	$ 963,841	$ 940,333	$ 848,193	$ 827,505	$ 837,621	$ 817,191
Total OPEB liability as a percentage of covered payroll	218.51%	261.38%	348.56%	344.92%	439.30%	422.12%	381.49%	394.09%
Discount rate	5.20%	3.93%	3.65%	3.54%	2.16%	2.21%	3.50%	3.13%

Note to Required Supplementary Information

Ten years of historical information was not available upon implementation of GASB Statement No. 75. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

The Library has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay OPEB benefits, as New York State currently does not allow libraries to establish this type of trust. The Library currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

SEAFORD PUBLIC LIBRARY
SCHEDULE OF LIBRARY'S PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY) - NYSERS
LAST TEN FISCAL YEARS*
(Dollar amounts in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Library's proportionate share of the net pension asset (liability)	0.00310%	0.00329%	0.00329%	0.00335%	0.00299%	0.00308%	0.00314%	0.00327%	0.00300%	0.00300%
Library's proportionate share of the net pension asset (liability)	$ (532)	$ (484)	$ (706)	$ 274	$ (3)	$ (815)	$ (223)	$ (106)	$ (299)	$ (527)
Library's covered payroll	$ 1,048	$ 1,008	$ 989	$ 1,029	$ 974	$ 923	$ 908	$ 870	$ 668	$ 651
Library's proportionate share of the net pension asset (liability) as a percentage of covered payroll	50.73%	48.02%	71.39%	26.63%	0.31%	88.30%	24.56%	12.18%	44.76%	80.95%
Plan fiduciary net position as a percentage of the total pension asset (liability)	93.08%	93.88%	90.78%	103.65%	99.65%	86.39%	96.27%	98.24%	94.70%	90.68%
Discount rate	5.90%	5.90%	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.50%

* The amounts presented for each fiscal year were determined (bi-annually) as of March 31.

SEAFORD PUBLIC LIBRARY
SCHEDULE OF LIBRARY PENSION CONTRIBUTIONS - NYSERS
LAST TEN YEARS*
(Dollar amounts in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 161	$ 147	$ 144	$ 155	$ 141	$ 134	$ 136	$ 132	$ 153	$ 159
Contributions in relation to the contractually required contribution	161	147	144	155	141	134	136	132	153	159
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Library's covered-employee payroll	$ 1,048	$ 1,008	$ 989	$ 1,029	$ 974	$ 923	$ 908	$ 870	$ 668	$ 754
Contributions as a percentage of covered-employee payroll	15.34%	14.58%	14.56%	15.06%	14.48%	14.52%	14.98%	15.17%	22.90%	21.09%

* The amounts presented for each fiscal year were determined (bi-annually) as of March 31.

NawrockiSmith

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of the
Seaford Public Library
Town of Hempstead, New York:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Seaford Public Library (the "Library"), as of and for the year ended June 30, 2025, and the related notes to financial statements which collectively comprise the Library's financial statements, and have issued our report thereon dated October 27, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Library's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Library's internal control. Accordingly, we do not express an opinion on the effectiveness of the Library's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance And Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hauppauge, New York
October 27, 2025

Nawrocki Smith LLP

CURRENT YEAR FINDINGS AND RECOMMENDATIONS:

None noted.

STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS:

1. Recommendation – It was recommended that the Library develop a formal capitalization policy for right-to-use leased assets and subscription-based information technology arrangements.

   Status – We noted that this recommendation was not implemented.