Joseph T. Simpson Public Library

Year Ended December 31, 2023
with Comparative Totals for 2022

Trout CPA
Accounting | Tax | Advisory

Joseph T. Simpson Public Library

Financial Statements - Modified Cash Basis

Year Ended December 31, 2023 with Comparative Totals for 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Joseph T. Simpson Public Library
Mechanicsburg, Pennsylvania

Opinion

We have audited the accompanying financial statements of **Joseph T. Simpson Public Library** (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of December 31, 2023, and the related statements of support and revenue, expenses, and other changes in net assets - modified cash basis, functional expenses - modified cash basis, and cash flows - modified cash basis for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of **Joseph T. Simpson Public Library** as of December 31, 2023, and its support and revenue, and expenses and its cash flows for the years then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Joseph T. Simpson Public Library** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Joseph T. Simpson Public Library's** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Joseph T. Simpson Public Library's** ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited **Joseph T. Simpson Public Library's** 2022 financial statements, and we expressed an unmodified audit opinion on those modified cash basis financial statements in our report dated August 21, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Trout CPA

August 13, 2024
Lancaster, Pennsylvania

Joseph T. Simpson Public Library

STATEMENT of ASSETS, LIABILITIES, and NET ASSETS -
Modified Cash Basis
December 31, 2023 with Comparative Totals for 2022

	2023					2022
	Operating Fund	Property and Equipment Fund	Local Capital Projects Fund	Endowment Fund	Total	Total
ASSETS						
CURRENT ASSETS						
Cash	**$ 236,039**	**$ -0-**	**$ 811,032**	**$ -0-**	**$ 1,047,071**	**$ 862,214**
PROPERTY and EQUIPMENT						
Land	-0-	477,409	-0-	-0-	477,409	477,409
Construction in Progress	-0-	36,141	-0-	-0-	36,141	-0-
Buildings	-0-	682,946	-0-	-0-	682,946	682,946
Improvements - Land and Building	-0-	2,779,586	-0-	-0-	2,779,586	2,779,586
Furniture and Equipment	-0-	484,738	-0-	-0-	484,738	484,738
	-0-	4,460,820	-0-	-0-	4,460,820	4,424,679
Accumulated Depreciation	-0-	(2,822,918)	-0-	-0-	(2,822,918)	(2,691,456)
	-0-	**1,637,902**	**-0-**	**-0-**	**1,637,902**	**1,733,223**
OTHER ASSETS						
Investments, Noncurrent	1,105,193	-0-	110,000	-0-	1,215,193	651,816
Materials Collection	-0-	2,474,292	-0-	-0-	2,474,292	2,385,785
Perpetual Interest in Assets Held by Others	-0-	-0-	-0-	358,789	358,789	322,747
Investments - Endowment Funds	-0-	-0-	-0-	108,981	108,981	77,834
	1,105,193	**2,474,292**	**110,000**	**467,770**	**4,157,255**	**3,438,182**
TOTAL ASSETS	**$ 1,341,232**	**$ 4,112,194**	**$ 921,032**	**$ 467,770**	**$ 6,842,228**	**$6,033,619**

See notes to financial statements.

Joseph T. Simpson Public Library

STATEMENT of ASSETS, LIABILITIES, and NET ASSETS -
Modified Cash Basis
(Continued)
December 31, 2023 with Comparative Totals for 2022

	2023					2022
	Operating Fund	Property and Equipment Fund	Local Capital Projects Fund	Endowment Fund	Total	Total
LIABILITIES and NET ASSETS						
CURRENT LIABILITIES						
Current Maturities of Long-Term Debt	**$ 9,436**	**$ -0-**	**$ -0-**	**$ -0-**	**$ 9,436**	**$ 229,086**
LONG-TERM DEBT, less Current Maturities	**126,243**	**-0-**	**-0-**	**-0-**	**126,243**	**135,569**
Total Liabilities	**135,679**	**-0-**	**-0-**	**-0-**	**135,679**	**364,655**
NET ASSETS						
Without Donor Restrictions:						
Board Designated	-0-	4,112,194	385,745	108,981	4,606,920	4,249,167
Undesignated	1,205,553	-0-	-0-	-0-	1,205,553	1,020,550
Total Without Donor Restrictions	**1,205,553**	**4,112,194**	**385,745**	**108,981**	**5,812,473**	**5,269,717**
With Donor Restrictions	**-0-**	**-0-**	**535,287**	**358,789**	**894,076**	**399,247**
Total Net Assets	**1,205,553**	**4,112,194**	**921,032**	**467,770**	**6,706,549**	**5,668,964**
TOTAL LIABILITIES and NET ASSETS	**$ 1,341,232**	**$ 4,112,194**	**$ 921,032**	**$ 467,770**	**$ 6,842,228**	**$ 6,033,619**

See notes to financial statements.

Joseph T. Simpson Public Library

STATEMENT of SUPPORT and REVENUE, EXPENSES, and OTHER CHANGES in NET ASSETS -

Modified Cash Basis

Year Ended December 31, 2023 with Comparative Totals for 2022

	2023					2022
	Operating Fund	Property and Equipment Fund	Local Capital Projects Fund	Endowment Fund	Total	Total
OPERATING ACTIVITIES						
Unrestricted Net Assets						
Support and Revenues						
Support:						
Government Aid	$ 853,697	$ -0-	$ -0-	$ -0-	$ 853,697	$ 832,270
Contributions and Grants	170,084	-0-	317,679	1,050	488,813	176,030
Fundraisers	142,169	-0-	-0-	-0-	142,169	143,665
Donated Materials and Services	1,800	-0-	-0-	-0-	1,800	76,620
Total Unrestricted Support	**1,167,750**	**-0-**	**317,679**	**1,050**	**1,486,479**	**1,228,585**
Revenues (Losses):						
Fines and Assessments	27,703	-0-	-0-	-0-	27,703	28,589
User Charges and Rentals	21,176	-0-	-0-	-0-	21,176	19,437
Rental Income	2,762	-0-	14,400	-0-	17,162	7,993
Investment Gain (Loss)	71,361	-0-	10,017	11,086	92,464	(140,855)
Total Unrestricted Revenue (Losses)	**123,002**	**-0-**	**24,417**	**11,086**	**158,505**	**(84,836)**
Net Assets Released from Restrictions						
Satisfaction of Spending Restriction	**9,911**	**-0-**	**55,439**	**-0-**	**65,350**	**10,694**
Total Unrestricted Support and Revenues	**$1,300,663**	**$ -0-**	**$ 397,535**	**$ 12,136**	**$1,710,334**	**$1,154,443**

See notes to financial statements.

Joseph T. Simpson Public Library

STATEMENT of SUPPORT and REVENUE, EXPENSES, and OTHER CHANGES in NET ASSETS -
Modified Cash Basis
(Continued)
Year Ended December 31, 2023 with Comparative Totals for 2022

	2023					2022
	Operating Fund	Property and Equipment Fund	Local Capital Projects Fund	Endowment Fund	Total	Total
OPERATING ACTIVITIES (Continued)						
Expenses:						
Library Program Services	$ 885,064	$ -0-	$ 6,484	$ -0-	$ 891,548	$ 903,025
General and Administrative	117,747	-0-	839	-0-	118,586	123,923
Fundraising	100,005	-0-	11,975	-0-	111,980	58,859
Total Expenses	**1,102,816**	**-0-**	**19,298**	**-0-**	**1,122,114**	**1,085,807**
Change in Unrestricted Net Assets from Operations	**197,847**	**-0-**	**378,237**	**12,136**	**588,220**	**68,636**
NET ASSETS with DONOR RESTRICTIONS						
Net Increase (Decrease) in Endowment Funds	-0-	-0-	-0-	45,953	45,953	(72,125)
Capital Campaign Contributions	-0-	-0-	514,226	-0-	514,226	76,500
Net Assets Released from Restriction	-0-	-0-	(55,439)	(9,911)	(65,350)	(10,694)
Change in Net Assets with Donor Restrictions from Operations	**-0-**	**-0-**	**458,787**	**36,042**	**494,829**	**(6,319)**
Total Changes in Net Assets from Operations (Carried Forward)	**$ 197,847**	**$ -0-**	**$ 837,024**	**$ 48,178**	**$1,083,049**	**$ 62,317**

See notes to financial statements.

Joseph T. Simpson Public Library

STATEMENT of SUPPORT and REVENUE, EXPENSES, and OTHER CHANGES in NET ASSETS -
Modified Cash Basis
(Continued)
Year Ended December 31, 2023 with Comparative Totals for 2022

	2023					2022
	Operating Fund	Property and Equipment Fund	Local Capital Projects Fund	Endowment Fund	Total	Total
Total Changes in Net Assets from Operations (Brought Forward)	**$ 197,847**	**$ -0-**	**$ 837,024**	**$ 48,178**	**$1,083,049**	**$ 62,317**
NET ASSETS - Beginning	1,020,550	4,119,008	128,825	400,581	5,668,964	5,642,803
Other Changes in Unrestricted Net Assets						
Depreciation	131,462	(131,462)	-0-	-0-	-0-	-0-
Payments on Building Loan	8,976	-0-	(8,976)	-0-	-0-	-0-
Purchases of Construction in Progress	-0-	36,141	(36,141)	-0-	-0-	-0-
Payment of Expenses for Capital Campaign	(11,363)	-0-	11,363	-0-	-0-	-0-
Transfers to Operating	11,063	-0-	(11,063)	-0-	-0-	-0-
Transfers to Endowment	(9,100)	-0-	-0-	9,100	-0-	-0-
Transfers to Quasi-Endowment	(9,911)	-0-	-0-	9,911	-0-	-0-
Library Collection Disposals	-0-	(45,464)	-0-	-0-	(45,464)	(36,156)
Library Collection Purchases	(133,971)	133,971	-0-	-0-	-0-	-0-
Total Other Changes in Unrestricted Net Assets	**(12,844)**	**(6,814)**	**(44,817)**	**19,011**	**(45,464)**	**(36,156)**
Total Changes in Unrestricted Net Assets	**185,003**	**(6,814)**	**333,420**	**31,147**	**542,756**	**32,480**
Total Changes in Net Assets	**185,003**	**(6,814)**	**792,207**	**67,189**	**1,037,585**	**26,161**
NET ASSETS - Ending	**$1,205,553**	**$ 4,112,194**	**$ 921,032**	**$ 467,770**	**$6,706,549**	**$5,668,964**

See notes to financial statements.

Joseph T. Simpson Public Library

STATEMENT of FUNCTIONAL EXPENSES -

Modified Cash Basis

Year Ended December 31, 2023 with Comparative Totals for 2022

	2023				2022
	Library Program Services	**General and Administrative**	**Fundraising**	**Total**	**Total**
OPERATING FUND					
Salaries and Wages	$ 497,073	$ 63,589	$ 38,872	$ 599,534	$ 579,912
Payroll Taxes	42,805	5,476	3,347	51,628	49,293
Employee Benefits	48,070	6,149	3,759	57,978	47,511
Library Supplies and Programming	34,467	-0-	-0-	34,467	26,047
Postage and Freight	1,895	242	149	2,286	1,802
Printing and Office Expenses	4,944	632	387	5,963	9,295
Utilities and Telephone	33,029	4,225	2,583	39,837	47,114
Maintenance - Building and Equipment	37,251	4,755	2,809	44,815	77,955
Insurance	21,749	2,782	1,701	26,232	18,827
Travel and Conferences	1,354	-0-	-0-	1,354	2,618
Professional Fees	-0-	11,525	-0-	11,525	10,900
Merchant and Collection Fees	5,809	743	454	7,006	6,710
Payroll Processing	5,167	661	404	6,232	7,643
Advertising and Promotion	11,797	1,509	923	14,229	8,991
Computer Expenses	6,920	885	541	8,346	9,263
Dues and Memberships	2,535	324	198	3,057	2,371
Miscellaneous	2,404	307	188	2,899	1,462
Grant Expenses	17,000	-0-	-0-	17,000	14,366
Fundraising	-0-	-0-	35,166	35,166	12,547
Depreciation	108,995	13,943	8,524	131,462	129,634
Donated Materials and Supplies	1,800	-0-	-0-	1,800	1,620
	885,064	117,747	100,005	1,102,816	1,065,881
LOCAL CAPITAL PROJECTS FUND					
Maintenance - Building and Equipment	2,018	268	262	2,548	6,808
Fundraising	-0-	-0-	11,363	11,363	9,884
Interest	4,466	571	350	5,387	3,234
	6,484	839	11,975	19,298	19,926
TOTAL FUNCTIONAL EXPENSES	**$ 891,548**	**$ 118,586**	**$ 111,980**	**$ 1,122,114**	**$ 1,085,807**

See notes to financial statements.

Joseph T. Simpson Public Library

STATEMENT of CASH FLOWS -
Modified Cash Basis
Year Ended December 31, 2023 with Comparative Totals for 2022

	2023					2022
	Operating Fund	**Property and Equipment Fund**	**Local Capital Projects Fund**	**Endowment Fund**	**Total**	**Total**
CASH FLOWS from OPERATING ACTIVITIES						
Changes in Net Assets from Operations	$ 197,847	$ -0-	$ 837,024	$ 48,178	$ 1,083,049	$ 62,317
Adjustments to Reconcile Changes in Net Assets from Operations to Net Cash Provided (Used) by Operating Activities						
Depreciation	131,462	-0-	-0-	-0-	131,462	129,634
In-Kind Contribution from Purchase of Building	-0-	-0-	-0-	-0-	-0-	(75,000)
Contributions Received for Capital Campaign	-0-	-0-	(514,226)	-0-	(514,226)	(76,500)
Realized (Gain) Loss on Sale of Investments	(4,008)	-0-	-0-	-0-	(4,008)	20,826
Unrealized (Gain) Loss on Investments	(68,458)	-0-	-0-	-0-	(68,458)	54,055
Net (Increase) Decrease in Endowment Funds	-0-	-0-	-0-	(48,178)	(48,178)	93,868
Net Cash Provided by Operating Activities	**256,843**	**-0-**	**322,798**	**-0-**	**579,641**	**209,200**
CASH FLOWS from INVESTING ACTIVITIES						
Payment for Purchase of Materials Collection	(133,971)	-0-	-0-	-0-	(133,971)	(128,751)
Payment for Purchase of Property and Equipment	-0-	-0-	(36,141)	-0-	(36,141)	(166,273)
Payment for Purchase of Investments	(588,443)	-0-	(110,000)	-0-	(698,443)	(299,566)
Proceeds from Sale of Investments	198,132	-0-	-0-	-0-	198,132	274,473
Payments for New Quasi-Endowment and Investments	(9,911)	-0-	-0-	-0-	(9,911)	(10,694)
Net Cash Used by Investing Activities	**$ (534,193)**	**$ -0-**	**$ (146,141)**	**$ -0-**	**$ (680,334)**	**$ (330,811)**

See notes to financial statements.

Joseph T. Simpson Public Library

STATEMENT of CASH FLOWS -
Modified Cash Basis
(Continued)
Year Ended December 31, 2023 with Comparative Totals for 2022

	2023					2022
	Operating Fund	Property and Equipment Fund	Local Capital Projects Fund	Endowment Fund	Total	Total
CASH FLOWS from FINANCING ACTIVITIES						
Collection of Contributions Restricted for Capital Campaign	$ -0-	$ -0-	$ 514,226	$ -0-	$ 514,226	$ 76,500
Proceeds from Issuance of Note Payable	-0-	-0-	-0-	-0-	-0-	150,000
Principal Payments on Note Payable	(220,000)	-0-	(8,676)	-0-	(228,676)	(5,145)
Net Cash Provided (Used) by Financing Activities	**(220,000)**	**-0-**	**505,550**	**-0-**	**285,550**	**221,355**
INCREASE (DECREASE) in CASH	**(497,350)**	**-0-**	**682,207**	**-0-**	**184,857**	**99,744**
CASH						
Beginning	733,389	-0-	128,825	-0-	862,214	762,470
Ending	**$ 236,039**	**$ -0-**	**$ 811,032**	**$ -0-**	**$ 1,047,071**	**$ 862,214**
SUPPLEMENTAL DISCLOSURE of CASH FLOW INFORMATION						
Cash Paid During the Year for Interest	-0-	-0-	5,387	-0-	-0-	-0-
NONCASH INVESTING and FINANCING ACTIVITIES						
Purchase of Building through Debt Issuance	-0-	-0-	-0-	-0-	-0-	220,000
Purchase of Building through In-Kind Donation	-0-	-0-	-0-	-0-	-0-	75,000

See notes to financial statements.

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES

Organization
The **Joseph T. Simpson Public Library** (the Library), incorporated in August 1960, and operates as a nonprofit local public Library in Pennsylvania. The Library provides educational and entertaining materials and services to five municipalities as designated by the PA Commonwealth Libraries and to all residents of Cumberland County.

Basis of Accounting
The Library presents its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this basis, revenue is recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred.

In addition, the modified cash basis differs from US GAAP in that the Library has not recognized pledges receivable from donors, accounts payable to vendors, and their related effects on the changes in net assets. The primary modifications to the cash basis of accounting are the capitalizing of the Library's property and equipment and recording of depreciation thereon, recording debt, the recording of the cost of collections acquired as assets and recording of investments at fair value, and the recording of in-kind contributions. Therefore, the accompanying financial statements are not intended to present the financial position and results of operations in conformity with US GAAP.

Basis of Presentation
Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Codification. Accordingly, the Library presents its financial position and activities according to two classes of net assets:

Net Assets without Donor Restrictions
Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Library. These net assets may be used at the discretion of the Library's management and the Board of Trustees.

Net Assets with Donor Restrictions
Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Library. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

The Library has elected to continue its use of fund reporting for the benefit of readers of these financial statements, and has accordingly presented the required classes of net assets applicable to the Library under the following fund groups:

Operating Fund
Unrestricted net assets represent resources over which the Board of Trustees has discretionary control and are used to carry out operations of the Library in accordance with its bylaws.

Property and Equipment Fund
Unrestricted net assets of the property and equipment fund represent costs capitalized as acquisitions of property and equipment net of accumulated depreciation, the related debt to acquire those assets, if any, and the Library's materials collection.

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Local Capital Projects Fund

The local capital projects fund includes both board designated net assets and donor restricted net assets. Board designated funds are designated by the Board of Trustees to be used for capital projects, including costs of maintenance and improvements to the Library building. Donor restricted funds are designated for capital campaign projects.

Endowment Fund

The endowment fund includes both board designated net assets and permanently restricted net assets contributed to the Library. The income only to be used for the purposes specified, with the principal to be retained as a permanent endowment fund.

Use of Estimates

The Library uses estimates and assumptions in preparing these financial statements in accordance with modified cash basis of accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported support and revenues and expenses. Actual results may vary from the estimates that were used.

Significant estimates relate primarily to replacement cost of materials collections, depreciation of property and equipment, fair value measurement of investments, and allocation of functional expenses.

Comparative Totals

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with the modified cash basis of accounting. Accordingly, such information should be read in conjunction with the Library's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Income Taxes

The Library is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except for net income derived from unrelated business activities, if any, and is not a private foundation as determined by the IRS. The Library did not have any unrelated business income for the year ended December 31, 2023.

Uncertainty in Income Taxes

The Library follows FASB ASC 740, *Income Taxes*, which provides guidance on accounting for uncertainty in income taxes recognized in the Library's financial statements. Management has determined that the Library does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Library's tax returns will not be challenged by the taxing authorities and that the Library will not be subject to additional tax, penalties, and interest as a result of such challenge.

Management is not aware of any uncertain tax positions taken by the Library.

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash
For purposes of presenting cash flows, the Library includes as cash, cash on deposit with financial institutions in checking accounts, money market accounts, and savings accounts since the Library owns no cash equivalents.

Investments
Investments are carried at fair value in the statement of assets, liabilities, and net assets - modified cash basis in accordance with FASB ASC Topic 958, *Not-For-Profit Entities*. Gains and losses on investments are required to be reported in the statement of support and revenue, expenses, and other changes in net assets - modified cash basis as increases or decreases in net assets without donor restrictions unless restrictions are stipulated by the donor or by law. Contributed investments are recorded as a contribution at the fair value on the date received.

Fair Value Measurement
The Library adopted FASB ASC Topic 820, *Fair Value Measurements and Disclosure.* This standard defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

Property and Equipment
Property and equipment are recorded at cost. Donations of property and equipment are recorded as contributions at fair value at the date of gift. Assets costing $2,500 or greater and having a useful life greater than a year generally are capitalized and are depreciated on the straight-line method based on the following estimated useful lives:

Building and Improvements	10 - 39 Years
Furniture and Equipment	5 - 10 Years

Major improvements to property and equipment are capitalized and depreciated over the estimated useful life of the asset. Maintenance and normal repairs are expensed as paid. When assets are sold, the cost and related accumulated depreciation amounts are removed from the books, with any gain or loss being reflected in the statement of support and revenue, expenses, and other changes in net assets - modified cash basis. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

In 2023, Cumberland County mortgaged the 45 W. Allen St property for five years in connection with a grant in the amount of $317,679. The net book value of the mortgaged property was $511,326 at December 31, 2023.

Materials Collection
The Library capitalizes the value of its inexhaustible materials collection, including books, periodicals, and audio-visuals. The collection is valued at estimated average replacement prices. Management feels the Library has obtained adequate insurance coverage to protect the collection from loss. Gains and losses from deaccessions are reported as changes in net assets based on the absence or existence and nature of donor-imposed restrictions.

Investments - Noncurrent and Endowment Funds
Restricted endowment funds are invested at a local foundation and brokerage firm as three separate endowment funds to benefit the Library. The funds are reported in these statements at fair value as provided by the Library and brokerage firm. Noncurrent investments without restrictions are invested at a local financial institution brokerage and are reported in these statements at fair value.

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

The Library recognizes revenues from exchange transactions, primarily various program fees charged to Library patrons such as fines, internet, and fees for copies charged and received under the modified cash basis of accounting.

Contributions and Donated Materials and Services

Support that is restricted by the donor is reported as an increase in net assets - without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor - restricted support is reported as an increase in net assets - with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets - with donor restrictions are reclassified to net assets - without donor restrictions and reported in the statement of support and revenue, expenses, and other changes in net assets - modified cash basis as net assets released from restrictions.

The Library receives substantial services donated by volunteers interested in the programs and services provided by the Library to the community. Because of the difficulty in assigning values for these services, those items are not reflected in these financial statements. However, when the value of substantial or specialized donated services or specific donated materials is ascertainable, they are reflected in the financial statements as support received and expenses paid. Specific materials donated for use in providing library programs are recorded as support and expenses of the operating fund. Specialized services or donations-in-kind for the purchase of or renovations to buildings are included as support in the local capital projects fund with expense capitalized as buildings or building improvements under the property and equipment fund.

For the years ended December 31, 2023 and 2022, the Library estimates that it has received the following nonfinancial assets:

	2023	**2022**
Friends of the Library Annual In-Kind Donations	1,800	1,620
Building Donation	-0-	75,000
	1,800	**76,620**

Friends of the Library annual in-kind donations are BookPage subscriptions used to assist with program services held by the Library. The building donation was received to lower the cost of a building purchase to increase the Library's program and community meeting needs. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. The estimated value of other donated services and use of facilities has not been determined.

Functional Expenses

The costs of providing Library programs and supporting services has been summarized on a functional basis in the statement of support and revenue, expenses, and other changes in net assets - modified cash basis. Certain expenses are charged directly to program or supporting services based on specific identification. Indirect expenses have been allocated based on salary expenses or other reasonable allocation methods.

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Expenses (Continued)
The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and Wages	Time and Effort
Payroll Taxes	Time and Effort
Employee Benefits	Time and Effort
Depreciation	Time and Effort
Utilities and Telephone	Time and Effort
Maintenance - Building and Equipment	Time and Effort
Insurance	Time and Effort
Advertising and Promotion	Time and Effort
Others	Time and Effort

NOTE 2 - CONCENTRATION of CREDIT RISK

Financial instruments that potentially subject the Library to concentration of credit risk consist principally of cash balances and investments. The Library maintains its cash and investment balances with various financial institutions. Balances with these institutions may at times exceed FDIC and SIPC insurance limitations. Management believes that it is not exposed to any significant credit risk on its cash accounts.

NOTE 3 - INVESTMENTS - RESERVE FUND

A reserve fund investment account was established in 2017 to ensure the long-term financial stability of the Library. Management accounts for these investments in an unrestricted, undesignated fund. All interest, dividends, and realized gains are reinvested in the fund. Use of reserve fund assets requires the direct approval of the Board of Trustees. All investments within this reserve fund account are considered noncurrent as there are no investments with fixed maturity dates and the intent of the Library is to hold these investments beyond the next twelve-month period.

At December 31, 2023 and 2022, investments are presented in the financial statements in the aggregate at fair value at:

	2023 Cost	2023 Fair Value	2022 Cost	2022 Fair Value
Money Market Fund	37,808	37,808	37,035	37,035
Fixed Income Mutual Funds	297,843	274,567	279,745	249,784
Equity Securities	368,980	392,818	367,310	349,873
Certificates of Deposit	510,000	510,000	15,000	15,124
	1,214,631	**1,215,193**	**699,090**	**651,816**
Noncurrent	1,214,631	1,215,193	699,090	651,816

NOTE 4 - INVESTMENTS - ENDOWMENT FUNDS

Endowment fund investments at December 31, 2023 and 2022, consists of:

	2023	2022
General Endowment -		
Board Designated Quasi Endowment - Local Brokerage	108,981	77,834

Interpretation of Relevant Law

The Commonwealth of Pennsylvania has not enacted a version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Governing law resides in 15 Pa. C.S. §5548 “Investment of Trust Funds”. The Library has interpreted relevant law as requiring the donor-restricted endowment fund, absent explicit donor stipulations to the contrary, to be managed with the long-term objective of at least maintaining the real value (after inflation) of the funds. The Library classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Pennsylvania law permits the Board of Trustees to make an election to annually appropriate for expenditure a selected percentage between 2.00% and 7.00% of the fair value of assets related to donor-restricted endowment funds averaged over a period of three preceding years, provided the Board has determined that such percentage is consistent with the long-term preservation of the real value of such assets.

Return Objectives and Risk Parameters

The Library has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to maintain expenditures supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Library must hold in perpetuity as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested based on the standards of a “Prudent Man” that are intended to produce results that exceed the standard indices for each investment classification on an annual basis.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the Library relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Library’s investment fund asset mix is invested among equities, fixed income, and cash equivalents. The Board has determined an asset mix strategy to improve the probability of achieving enhanced real (inflation protected) rates of return.

Spending Policy

The spending policy of the Library is set to provide, as closely as possible, equitable benefits from the endowment for current and future programs. A spending policy has been adopted to fairly meet programmatic requirements of the endowment. The Library appropriates funds determined on a total return basis, e.g., interest, dividends, and appreciation of the principal.

NOTE 4 - INVESTMENTS - ENDOWMENT FUNDS (Continued)

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original gift amount maintained as net assets with donor restrictions. There were no such deficiencies as of December 31, 2023 and 2022. Pennsylvania law allows for aggregation of endowments, therefore endowments with deficiencies are netted with gains and accounted for within net assets with donor restrictions.

Endowment funds are invested at a local financial institution brokerage (OFA) for the purpose of establishing the Joseph T. Simpson Public Library General Endowment Fund. Additions may be made to the fund at any time. The funds are invested in 68% equity funds, 17% fixed income and 5% cash and equivalents at the institution as selected by the Library's Board of Trustees. The endowment fund is shown at market value. The change in value of the fund is recorded under the endowment fund as changes in restricted net assets. Distributions are recorded as unrestricted contributions in the operating fund if the distribution is used in the same year as received to subsidize general operations of the Library. For 2023 and 2022, the TFEC annual distribution of $9,911 and $10,694, respectively, was withdrawn, transferred, and invested in the endowment at OFA.

Changes in Board designated endowment net assets for the years ended December 31, 2023 and 2022:

	2023	**2022**
Endowment Net Assets, Beginning of Year	77,834	78,189
Contributions/Reinvested Grant Funds	20,061	14,194
Investment Return:		
Interest and Dividend Income	2,266	2,031
Net Realized and Unrealized Gains (Losses)	9,339	(16,121)
Investment-Related Fees	(519)	(459)
Total Investment Return	**11,086**	**(14,549)**
Endowment Net Assets, End of Year	**108,981**	**77,834**

NOTE 5 - PERPETUAL INTEREST in ASSETS HELD by OTHERS

Perpetual interest in assets held by others at December 31, 2023 and 2022 consists of:

	2023	**2022**
Book Fund Endowment -		
Donor Restricted - Local Foundation	25,736	23,081
General Endowment -		
Restricted Quasi Endowment - Local Foundation	333,053	299,666
	358,789	**322,747**

NOTE 5 - PERPETUAL INTEREST in ASSETS HELD by OTHERS (Continued)

Book Fund - Donor Restricted

These funds are invested in trust at a local community foundation for the purpose of establishing the Joseph T. Simpson Public Library Book Fund as stipulated in the original donor's bequest. Additions may be made to the fund at any time. The funds are invested in 70% equity funds and 30% fixed income at the foundation as selected by the Library's Board of Trustees. The fund is shown at fair value. The change in value of the fund is recorded under the Library's endowment fund as changes in restricted net assets. Annual distributions, as calculated by the foundation, are recorded as unrestricted contributions in the operating fund if the distribution is used in the same year as received to purchase collection materials. For 2023 and 2022, the Library's Board of Trustees elected to have the annual distribution reinvested in the fund principal.

Changes in book fund-donor-restricted net assets for the years ended December 31, 2023 and 2022:

	2023	**2022**
Net Assets, Beginning of Year	23,081	29,004
Contributions/Reinvested Grant Funds		824
Investment Return:		
Interest and Dividend Income	505	6,858
Net Realized and Unrealized Gains (Losses)	3,330	(12,270)
Investment-Related Fees	(492)	(511)
	3,343	**(5,923)**
Appropriation of Fund Assets for Expenditure	(688)	(824)
Net Assets, End of Year	**25,736**	**23,081**

General TFEC Fund - Restricted

Funds are invested in trust at a local community foundation (TFEC) for the purpose of establishing the "Joseph T. Simpson Public Library General Endowment Fund". Additions may be made to the fund at any time. The funds are invested in 70% equity funds and 30% fixed income at the foundation as selected by the Library's Board of Trustees. The fund is shown at fair value. The change in value of the fund is recorded under the Library's endowment fund as changes in restricted net assets. Annual distributions, as calculated by the foundation, are recorded as unrestricted contributions in the operating fund if the distribution is used in the same year as received to subsidize general operations of the Library. For 2023 and 2022, the TFEC annual distributions of $9,911 and $10,694 respectively, was withdrawn, transferred and invested in the new Endowment at OFA reported as investments - endowment fund in Note 4.

NOTE 5 - PERPETUAL INTEREST in ASSETS HELD by OTHERS (Continued)

General TFEC Fund - Restricted (Continued)

Changes in general fund restricted net assets for the years ended December 31, 2023 and 2022:

	2023	**2022**
Net Assets, Beginning of Year	299,666	376,562
Investment Return:		
Interest and Dividend Income	6,536	5,859
Net Realized and Unrealized Gains (Losses)	43,134	(65,421)
Investment-Related Fees	(6,372)	(6,640)
Total Investment Return (Loss)	**43,298**	**(66,202)**
Appropriation of Fund Assets for Expenditure	(9,911)	(10,694)
Net Assets, End of Year	**333,053**	**299,666**

NOTE 6 - NET ASSETS with DONOR RESTRICTIONS

Permanently restricted net assets at December 31, 2023, consists of two separate endowment funds and a capital campaign as described below.

The first endowment was created in 2000 at TFEC from donor bequeathed restricted funds to the Library and restricted to establish an endowment fund for the purpose of purchasing new books for the Library's collection. The principal amount donated, along with any future restricted additions to the fund, is to be retained in perpetuity, with only the income distributed being restricted for purchasing of new books. Income received from these funds is released from restriction by the purchase of books included in the Library's collection, however no income was received in 2023 and 2022, as the Library Board approved reinvesting the annual "income grant" back into the endowment fund.

The second endowment was created in 2012 at TFEC. In 2008, a donor bequeathed restricted funds to the Library in the amount of $100,000 and were deposited into the Library's local capital projects fund. Additional funds from restricted or unrestricted funds bequeathed or contributed to the Library and approved by the Library's Board of Trustees may be added to this restricted agency endowment fund at the same local foundation. The net income of the fund is to be distributed to the Library for general operating expenses after deducting expenses of investing and administering it. The principal amounts donated including current and future additions to the fund, is to be retained in perpetuity, with only the income distributed able to be used to support the Library's general operations and is released from restriction in the same year the distribution is received by expending on Library operations. The annual income grant received by the Library in 2023 and 2022, as approved by the Library's Board of Trustees, was reinvested into the Library's general endowment fund which was opened in December 2018 at a local financial institution brokerage (OFA) for any new endowment contributions received going forward.

NOTE 6 - NET ASSETS with DONOR RESTRICTIONS (Continued)

In 2022, the Library began a capital campaign for a newly acquired building. The monies raised are to be used in the building renovations to update the building for library programs and community meeting space. During the year ended December 31, 2023, the Library raised $514,226 and received $317,679 from grants, which was utilized in the acquisition of the building and pay off of the $220k real estate note payable (Note 11). During the year ended December 31, 2022, the Library raised $76,500. Income received from this campaign is released from restriction by the incurrence of building renovations and other eligible capital campaign costs. During the year ended December 31, 2023, $19,298 of expenses were incurred and $36,141 of construction in progress costs were capitalized. During the year ended December 31, 2022, there were no eligible campaign costs released from restriction.

NOTE 7 - DESIGNATED FUNDS

The Board of Trustees designated in prior years certain funds invested in money markets as local capital projects fund. Local capital projects funds are to be used for future payment of capital improvements to the main Library building.

NOTE 8 - FAIR VALUE MEASUREMENTS

Fair value accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets or liabilities and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs have the lowest priority to unobservable inputs.

The Library uses the following valuation techniques to measure fair value of assets on a recurring basis. There have been no changes in the methodologies used at December 31, 2023.

Money Market Fund - The carrying amount approximates fair value because of the short-term nature of these investments.

Certificates of Deposit - Value is based on principal balance.

Fixed Income Mutual Funds - Fair value is based on the closing price reported in the active market in which the fund is traded. If there were no sales reported on the last business day of the year, the fund is valued based on a comparable security of like quality and maturity that was traded on December 31, 2023.

Equity Securities - Fair value of equity securities is based on quoted market prices for the identical or similar securities, reported on the active market on which the securities are traded.

Perpetual Interest in Assets Held by Others - Valued at the present value of estimated future cash flows from the underlying assets.

Endowment Funds - Fair value of the endowments are based on a fair value of the endowment funds as provided by the community foundation at which it is held. The present value measures are utilized as the underlying assets of the endowment funds are not in control of the Library.

NOTE 8 - FAIR VALUE MEASUREMENTS (Continued)

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Library believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Library's assets at fair value on a recurring basis as of December 31, 2023.

	Total	**Level 1**	**Level 2**	**Level 3**
Money Market Fund	37,808	37,808	-0-	-0-
Fixed Income Mutual Funds	274,567	274,567	-0-	-0-
Equity Securities	392,818	392,818	-0-	-0-
Certificates of Deposit	510,000	510,000	-0-	-0-
Perpetual Interest in Assets Held by Others	358,789	-0-	-0-	358,789
Endowment Funds	108,981	108,981	-0-	-0-
	1,682,963	**1,324,174**	**-0-**	**358,789**

The following table sets forth by level, within the fair value hierarchy, the Library's assets at fair value on a recurring basis as of December 31, 2022.

	Total	**Level 1**	**Level 2**	**Level 3**
Money Market Fund	37,035	37,035	-0-	-0-
Fixed Income Mutual Funds	249,784	249,784	-0-	-0-
Equity Securities	349,873	349,873	-0-	-0-
Certificates of Deposit	15,124	15,124	-0-	-0-
Perpetual Interest in Assets Held by Others	322,747	-0-	-0-	322,747
Endowment Funds	77,834	77,834	-0-	-0-
	1,052,397	**729,650**	**-0-**	**322,747**

The activity recognized during the year ended December 31, 2023, for Level 3 financial instruments is as follows:

Perpetual Interest in Assets Held by Others	
Balance, January 1, 2023	322,747
Investment Income - Net	7,566
Unrealized Gain	45,939
Administrative Fees	(6,864)
Distributions	(10,599)
Perpetual Interest in Assets Held by Others at December 31, 2023	**358,789**

NOTE 8 - FAIR VALUE MEASUREMENTS (Continued)

The activity recognized during the year ended December 31, 2022, for Level 3 financial instruments is as follows:

Perpetual Interest in Assets Held by Others	
Balance, January 1, 2022	405,566
Investment Income - Net	107,425
Unrealized Loss	(171,575)
Administrative Fees	(7,151)
Distributions	(11,518)
Perpetual Interest in Assets Held by Others at December 31, 2022	**322,747**

Gains and losses (realized and unrealized) included in changes in value for the period above are reported in net realized and unrealized gains (losses) of investments in the statement of support and revenue, expenses, and other changes in net assets - modified cash basis.

Changes in Fair Value Levels
The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets. For the year ended December 31, 2023, there were no significant transfers in or out of levels 1, 2, or 3.

NOTE 9 - PROPERTY and EQUIPMENT and ACCUMULATED DEPRECIATION

The Library's property and equipment and accumulated depreciation at December 31, 2023, consisted of the following:

	Cost	Accumulated Depreciation	Net Book Value
Land	477,409	-0-	477,409
Construction in Progress	36,141	-0-	36,141
Buildings	682,946	303,591	379,355
Improvements - Land and Buildings	2,779,586	2,050,737	728,849
Furniture and Equipment	484,738	468,590	16,148
	4,460,820	**2,822,918**	**1,637,902**

NOTE 9 - PROPERTY and EQUIPMENT and ACCUMULATED DEPRECIATION (Continued)

The Library's property and equipment and accumulated depreciation at December 31, 2022, consisted of the following:

	Cost	Accumulated Depreciation	Net Book Value
Land	477,409	-0-	477,409
Buildings	682,946	283,618	399,328
Improvements - Land and Buildings	2,779,586	1,950,624	828,962
Furniture and Equipment	484,738	457,214	27,524
	4,424,679	**2,691,456**	**1,733,223**

NOTE 10 - MATERIALS COLLECTION

The Library has elected to capitalize its collection of Library materials, including all books, reference materials, periodicals, audio-visuals, and other collection materials. Each of the collection items is catalogued and protected and activities verifying their existence and assessing their condition are performed periodically. All materials are being treated as an inexhaustible collection with no depreciation or amortization because the useful lives are not readily determinable. The collection value for older materials has been recorded using estimated replacement value as established for insurance purposes using industry published average prices. Recent acquisitions have been capitalized using actual purchase prices which approximate fair value at December 31, 2023. Collection disposals for 2023 were recorded at estimated market value and any resulting loss on disposition is recorded as other changes in unrestricted net assets. Any proceeds from dispositions are used to purchase new collection materials.

NOTE 11 - NOTES PAYABLE

A summary of the underlying obligations included in long-term debt is included below.

	2023	2022
Note Payable original principal of $150,000 to a financial institution for purchase of real estate, due in monthly installments of $1,197 including interest at 3.75% through June 2027, at which point monthly installments are $1,233 including interest at the prime rate plus a margin of .50% through May 2032, at which point all remaining principal and interest are due. The note is secured by all income, proceeds and the asset financed with a net book value of $520,570 as of December 31, 2023.	135,679	144,655

NOTE 11 - NOTES PAYABLE (Continued)

	2023	2022
Note payable to an individual for purchase of real estate. There are no interest terms assigned to the note and the entire balance was paid in full in January 2023.	-0-	220,000
	135,679	**364,655**
Current Maturities	9,436	229,086
Long-Term Portion	126,243	135,569
	135,679	**364,655**

Annual maturities of long-term debt are as follows:

2024	9,436
2025	9,796
2026	10,169
2027	8,008
2028	6,706
Thereafter	91,564
	135,679

NOTE 12 - CONCENTRATIONS

Joseph T. Simpson Public Library received approximately 40% and 68% of its total operating support and revenue from the Commonwealth of Pennsylvania and Cumberland County for the years ended December 31, 2023 and 2022, respectively. The County aid is allocated to local public libraries primarily from a county-wide Library tax assessment.

NOTE 13 - CONTINUING OPERATIONS

The continuation of an entity's operations is usually assumed in financial accounting in the absence of evidence to the contrary. However, an operation which depends primarily on support from agencies of the government is always subject to legislative action which could significantly affect the amount of support it receives.

NOTE 14 - AVAILABILITY and LIQUIDITY

The following represents the Library's financial assets available for expenses within one year of the statement of support and revenue, expenses, and other changes in net assets - modified cash basis at December 31, 2023 and 2022:

	2023	2022
Cash	1,047,071	862,214
Investments - Noncurrent	1,215,193	651,816
Investments - Endowment Funds	108,981	77,834
Perpetual Interest in Assets Held by Others	358,789	322,747
Total Financial Assets	**2,730,034**	**1,914,611**
Less Amounts not Available to be Used Within One Year:		
Net Assets with Donor Restrictions		
Endowment Funds	(134,717)	(100,915)
Board Designated and Donor Restricted		
Local Capital Projects Fund	(921,032)	(128,825)
Investments, noncurrent Operating Fund	(1,105,193)	(651,816)
	(2,160,942)	**(881,556)**
Financial Assets Available to Meet General Expenses Within One Year	**569,092**	**1,033,055**

In accordance with the Library Policy, the Library maintains an operational reserve fund consisting of cash or cash equivalents outside of the Library's investment funds targeted at three to six months of average operating costs. Additionally, the Library maintains a local capital project reserve fund designated by the Board for any major capital needs relating to building improvements, upkeep, and maintenance.

NOTE 15 - OPERATING LEASES - as LESSOR

The Library has a three-year agreement to lease commercial real estate to their Friends organization. The lease expires in June 2025 with monthly receipts of $1,200. Under the terms of the lease, the Friends organization is required to pay certain costs, such as maintenance, operation and repair, and utilities.

Future minimum lease revenues as of December 31, 2023, are as follows:

2024	14,400
2025	7,200
	21,600

NOTE 16 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 13, 2024, which represents the date the financial statements were available to be issued.