

ALBERT WISNER PUBLIC  
LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2018

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK

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**Nugent & Haeussler, P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS  
ESTABLISHED 1925

101 Bracken Road  
Montgomery, New York 12549  
Tel (845) 457-1100  
Fax (845) 457-1160  
e-mail: nh@nhcpas.com

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees  
Albert Wisner Public Library Foundation, Inc.  
Warwick, New York

Peter J. Bullis, CPA, FACFEI, DABFA  
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Julia R. Fraino, CPA  
William T. Trainor, CPA  
Mark M. Levy, CPA, CFP  
Thomas R. Busse, Jr., CPA  
Brent T. Napoleon, CPA  
Jennifer L. Capicchioni, CPA  
Patrick M. Bullis, CPA  
Justin B. Wood, CPA

Richard P. Capicchioni, CPA  
Walter J. Jung, CPA  
Jennifer A. Traverse, CPA

We have reviewed the accompanying financial statements of Albert Wisner Public Library Foundation, Inc. (a non-profit organization), which comprise the statement of assets, liabilities and net assets-cash basis as of December 31, 2018, and the related statements of support, revenue and expenses-cash basis and functional expenses-cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of 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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the cash basis of accounting.

**Basis of Accounting**

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

*Mugent + Hausler, P.C.*

Montgomery, NY  
January 31, 2019

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - CASH BASIS  
DECEMBER 31, 2018

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 169,428
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OTHER ASSETS

Investments	<u>340,132</u>
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TOTAL ASSETS	<u><u>\$ 509,560</u></u>
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LIABILITIES AND NET ASSETS

NET ASSETS

Without donor restrictions	<u>\$ 509,560</u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 509,560</u></u>
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ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
STATEMENT OF SUPPORT, REVENUE AND EXPENSES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2018

		<u>Without Donor Restrictions</u>
<u>REVENUES, GAINS AND OTHER SUPPORT</u>		
Contributions	\$ 171,919	
Investment return	8,081	
TOTAL REVENUES, GAINS, AND OTHER SUPPORT		\$ 180,000
 <u>EXPENSES</u>		
Program Services		
Foundation Programs	38,588	
Library Support	45,447	
Supporting Services		
Management and General	4,487	
Fundraising	1,000	
TOTAL EXPENSES		89,522
CHANGE IN NET ASSETS		90,478
NET ASSETS AT BEGINNING OF YEAR		440,885
UNREALIZED LOSS ON INVESTMENTS		(21,803)
NET ASSETS AT END OF YEAR		\$ 509,560

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>PROGRAM SERVICES</u>		<u>SUPPORTING SERVICES</u>		<u>TOTAL</u>
	<u>FOUNDATION PROGRAMS</u>	<u>LIBRARY SUPPORT</u>	<u>MANAGEMENT &amp; GENERAL</u>	<u>FUNDRAISING</u>	
Foundation Programs	\$ 38,588	\$ -	\$ -	\$ -	\$ 38,588
Fundraising Expense	-	-	-	1,000	1,000
Insurance	-	-	1,810	-	1,810
Library Support	-	45,447	-	-	45,447
Office Expenses & Supplies	-	-	125	-	125
PayPal Fees	-	-	52	-	52
Professional Fees	-	-	2,500	-	2,500
	<u>\$ 38,588</u>	<u>\$ 45,447</u>	<u>\$ 4,487</u>	<u>\$ 1,000</u>	<u>\$ 89,522</u>

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

This summary of significant accounting policies of Albert Wisner Public Library Foundation, Inc. (the "Foundation") is presented to assist in understanding the Foundation's financial statements. The financial statements and notes are representations of the Foundation's management, which is responsible for their integrity and objectivity. Except for use of the cash basis of accounting as discussed below, these accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Nature of Activities

The purpose of the Foundation is to provide supplemental financial support to the Albert Wisner Public Library, a taxpayer funded public library, thereby enhancing opportunities for the library's continued growth and service to the community.

Cash and Cash Equivalents

For purposes of the statement of assets, liabilities and net assets – cash basis, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of assets, liabilities and net assets. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Long-term investments consist of U.S. treasury notes, mutual funds and certificates of deposit.

Basis of Accounting

The Foundation's policy is to prepare its financial statements on the cash basis of accounting. Under that basis, revenues are recognized when received rather than when earned and expenditures are recognized when paid rather than when incurred.

Contributions

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

Income Taxes

The Foundation is a not-for-profit organization that is exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.



ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. (continued)

Estimates

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

NOTE 2. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS.

The Foundation invests its cash resources with a view toward achieving preservation of capital while maintaining adequate liquidity for its operations. It seeks to realize a market rate of return consistent with these policies. Except for cash needed to cover current disbursements, funds are held in FDIC insured deposit accounts. The following reflects the Foundation's financial assets as of December 31, 2018, reduced by its long-term investments which are not available for general use in the following year.

Financial assets at year-end	\$ 509,560
Less those unavailable for general expenditures within one year:	<u>340,132</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 169,428</u></u>

NOTE 3. INVESTMENTS.

The Foundation invests its long-term assets with a view toward realizing long-term growth and providing a cash return to support its programs.

The Foundation's investments at December 31, 2018 consisted of the following:

	<u>Purchase Price</u>	<u>Fair Market Value</u>
U.S. Treasury Notes	\$ 44,877	\$ 46,790
Mutual Funds	228,893	237,191
Certificates of Deposit	58,000	56,151
		<u><u>\$ 340,132</u></u>

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 3. INVESTMENTS. (Continued)

Fair Value Measurements and Disclosures Topic (FASB ASC Section 820) establishes a three-level hierarchy for disclosure of assets and liabilities recorded at fair value. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources while unobservable inputs reflect estimates about market data.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

*Level I* – Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments which would generally be included in Level I include listed equities, listed derivatives, and most U.S. government securities.

*Level II* – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in *Level I*. Fair value is determined through the use of the market approach. Investments which are generally included in this category include corporate and municipal bonds, and restricted stock.

*Level III* – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The Foundation has no investments where *Level III* inputs must be used.

The fair value of each financial instrument in the table below was measured using FASB ASC 820 input guidance and valuation techniques. The following tables set forth estimated fair values for financial instruments as of December 31, 2018:

	<u>LEVEL I</u>	<u>LEVEL II</u>	<u>LEVEL III</u>	2018 <u>TOTAL</u>
U.S. Treasury Notes	\$ 46,790	\$ -	\$ -	\$ 46,790
Mutual Funds	237,191	-	-	237,191
Certificates of Deposit	56,151	-	-	56,151
Total	<u>\$ 340,132</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 340,132</u>

ALBERT WISNER PUBLIC LIBRARY FOUNDATION, INC.  
WARWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 3. INVESTMENTS. (Continued)

The investment return consists of the following:

	<u>2018</u>
Interest Income	\$ 3,535
Dividend Income	<u>4,546</u>
Total	<u>\$ 8,081</u>

NOTE 4. INCOME TAXES STATUS.

The Foundation is classified as a Section 501(c)(3) Organization under the Internal Revenue Code. As a result, it has been determined to be exempt from federal income and state franchise taxes.

The Foundation Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2015, 2016 and 2017 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

NOTE 5. SUBSEQUENT EVENTS.

Management has evaluated subsequent events through January 31, 2019, the date the financial statements were available to be issued. No significant subsequent events have been identified that would require adjustment of or disclosure in the accompanying financial statements.