

Report of Audit

on the

*Financial Statements
and Supplementary Schedules*

of the

***Township of Edison
Public Library***

for the

*Year Ended
December 31, 2023*

TOWNSHIP OF EDISON PUBLIC LIBRARY

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SUPLEE, CLOONEY & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees
Township of Edison Public Library
Edison, New Jersey 08817

Opinions

We have audited the accompanying financial statements of the Township of Edison Public Library (the "Library") which comprise the statement of assets, liabilities and net assets- regulatory basis as of December 31, 2023, and the related statement of support, revenue, and expenses- regulatory basis for the year then ended, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis

In our opinion, the financial statement referred to in the first paragraph present fairly, in all material respects, the asset, liabilities, and net assets of the Township of Edison Public Library as of December 31, 2023, and its support, revenue, and expenses for the year then ended, in accordance with the financial reporting practices prescribed or permitted by DEF State Regulatory Agency described in Note 2.

Adverse Opinion of U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our report, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Edison Public Library as of December 31, 2023, or the changes in its net assets for the year then ended.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Edison 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 unmodified opinion on the regulatory basis of accounting and or adverse opinion on U.S. generally accepted accounting principles.

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Basis for Adverse opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2, the financial statements are prepared by the Library in accordance with financial reporting practices prescribed or permitted by the DEF State Regulatory Agency, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of DEF State Regulatory Agency. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonable determinable, are presumed to be material and pervasive.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting practices prescribed or permitted by DEF State Regulatory Agency. 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 misstatements, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township of Edison 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 the Township of Edison Public Library ability to continue as a going concern for a reasonable period of time.

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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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2024 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.

CERTIFIED PUBLIC ACCOUNTANTS

REGISTERED MUNICIPAL ACCOUNTANT NO. 439

November 25, 2024



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**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**

Members of the Board of Trustees
Township of Edison Public Library
Edison, New Jersey 08817

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Township of Edison Public Library, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Board's regulatory financial statements, and have issued our report thereon dated November 25, 2024. Our report disclosed that, as described in Note B to the financial statements, the Township of Edison Public Library prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the regulatory financial statements, we considered the Board's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of Board's internal control.

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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 Township of Edison Public Library'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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 Township of Edison Public Library'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 Township of Edison Public Library's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CERTIFIED PUBLIC ACCOUNTANTS

REGISTERED MUNICIPAL ACCOUNTANT NO. 439

November 25, 2024

"A"

TOWNSHIP OF EDISON PUBLIC LIBRARY

CURRENT FUND

BALANCE SHEET - REGULATORY BASIS

BALANCE
DECEMBER
31, 2023

ASSETS

Cash and Cash Equivalents	\$	6,485,401
Certificates of Deposits		2,020,500
Due from Township 2023 Appropriation		666,689
Due from Township-Accounts Payable A-14		<u>867,402</u>
<u>TOTAL ASSETS</u>	\$	<u><u>10,039,992</u></u>

LIABILITIES, RESERVES AND FUND BALANCES

Miscellaneous Reserves	\$	2,389,000
Reserve For Encumbrances-Library		<u>259,471</u>
<u>TOTAL LIABILITIES</u>		<u>2,648,471</u>
Fund Balance:		
Unrestricted		<u>7,391,521</u>
Total Fund Balance		<u>7,391,521</u>
<u>AND FUND BALANCES</u>	\$	<u><u>10,039,992</u></u>

The Notes to the Financial Statements are an integral part of these statements.

TOWNSHIP OF EDISON PUBLIC LIBRARY

CURRENT FUND

STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

<u>Revenue and Other Income</u>	
Municipal Contributions- Current Year	\$ 6,422,293
Municipal Contributions- Added and Omitted	35,870
State Library Aid 2023	59,224
Interest Income	139,654
Interest on Investments	20,500
Fines and Fees/ Donations	190,285
	<hr/>
<u>Total Revenue and Other Income</u>	<u>6,867,826</u>
<u>Expenditures</u>	
Budget Appropriations Disbursed by Township	2,281,280
Budget Expenditures - Disbursed by Library	3,880,841
	<hr/>
<u>Total Expenditures</u>	<u>3,880,841</u>
Excess in Revenue	2,986,985
Fund Balances, December 31, 2022	4,404,536
	<hr/>
	7,391,521
	<hr/>
Decreased by:	
Transfer to Capital Reserve	-
	<hr/>
	-
	<hr/>
Fund Balances, December 31, 2023	\$ <u><u>7,391,521</u></u>

The Notes to the Financial Statements are an integral part of these statements.

TOWNSHIP OF EDISON PUBLIC LIBRARY
TOWNSHIP OF EDISON, NEW JERSEY

STATEMENT OF EXPENDITURES

	<u>2023</u> <u>FINAL BUDGET</u>	<u>2023</u> <u>PAID OR</u> <u>CHARGED</u>
<u>SALARIES AND WAGES</u>		
Salaries and Wages	\$ 2,553,800	\$ 2,166,833
Payroll Tax	206,197	161,975
	<u>2,759,997</u>	<u>-</u>
		<u>2,328,808</u>
 <u>OTHER EXPENSES</u>		
Advertising	10,000	80
Postage and Express	3,000	6,601
Printing and Binding	15,500	1,439
Cleaning and Maintenance of Building	143,400	125,283
Maintenance of Motor Vehicles	5,000	98
Maintenance of Other Equipment	6,700	6,345
Other Professional Services	23,700	213,886
Other Contractual	185,500	221,242
Materials and Supplies	500	68,067
Clothing and Uniforms	1,000	309
Books and Publications	554,135	531,715
Motor Vehicle Parts and Repairs	5,000	2,983
Cleaning and Household Supplies	6,000	10,617
Office Supplies	30,000	29,283
Personnel Expenses & Training	2,000	49
Conferences and Meetings	10,500	8,489
Education and Training	1,000	602
Travel	14,000	11,713
Professional Association Dues	5,000	4,829
Electric, Lighting and Equipment Supplies		4,478
Fire and Other Safety		13,294
Furniture and Furnishings		3,645
Other Equipment and Supplies		
Computer Hardware and Software		54,415
Electricity	100,000	59,643
Water and Sewer	4,600	6,159
Telephone	6,000	5,132
Fax, Internet and Cable	29,000	19,279
Gas, Natural or Propane	10,000	28,362
Motor Vehicles	300,000	
Computers/Technology	90,000	
Furniture	50,000	
North Edison Project	750,000	
Main Library Project	750,000	
Clara Barton Project	50,000	
Contingency	10,000	
Other	10,000	113,996
	<u>3,181,535</u>	<u>1,552,033</u>
 <u>DISBURSEMENTS BY TOWNSHIP (SPLITS)</u>		
Salaries and Wages		20,869
Public Employees Retirement System		331,660
Medical Benefits	828,475	1,758,862
Insurance and Surety	77,598	77,598
Public Works		12,233
Other Expenses		80,058
	<u>906,073</u>	<u>2,281,280</u>
TOTAL	<u>\$ 6,847,605</u>	<u>\$ 6,162,121</u>

The Notes to the Financial Statements are an integral part of these statements.

TOWNSHIP OF EDISON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(A) ORGANIZATION

The Township of Edison Public Library was chartered to provide services to the residents of the Township of Edison. It is comprised of a main library and two branches.

In addition, the Board of Trustees consists of appointed officials and is responsible for the fiscal control of the Library. A Library Director is appointed by the Board, and is responsible for administrative control of the Library.

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Township of Edison Public Library is presented to assist in understanding the Library's financial statements. The financial statements and notes are representations of the Library's management, who is responsible for their integrity and objectivity.

(1) Reporting Entity

The Township of Edison Public Library is a component unit of the Township of Edison. The Township of Edison reports on a Regulatory Basis of Accounting, in accordance with the State of New Jersey Division of Local Government Services, which is another comprehensive basis of accounting. Under this basis the Township does not include its component units in its annual report.

(2) Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes three fund types and two account groups to be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

The accounting policies of the Township of Edison Public Library conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Township of Edison Public Library are organized on the basis of funds and an account group which is different from the fund structure required by GAAP.

TOWNSHIP OF EDISON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(2) Description of Funds (Continued)

A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Library accounts for its financial transactions through the following individual funds and account groups:

Current Fund - resources and expenditures for library operations of a general nature, including federal and state grant funds.

Miscellaneous Reserves - are used to report resources from restricted donations and funds designated by the Board of Trustees for a specified purpose. See Exhibit A-6 for details of the reserves.

(3) Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant accounting policies and differences in the State of New Jersey are as follows: A modified accrual basis of accounting is followed with minor exceptions.

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Operating grants are realized as revenue when anticipated in the Library's budget. Other amounts that are due the Library, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuances of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements.

Budgetary Process - Under existing statutes and regulations, the Township of Edison Public Library is not required to legally adopt an annual operating budget; however, the Board of Trustees approves an annual budget at the beginning of each fiscal year for expenditure control purposes. Unexpended appropriation balances are not reserved or recorded as liabilities at December 31 of each year.

TOWNSHIP OF EDISON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(3) Basis of Accounting (Continued)

Encumbrances - Contractual orders at December 31 are reported as expenditures through the establishment of encumbrances payable. Under, GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

(C) CONTRIBUTED SERVICES AND FACILITIES

The facilities from which the Library operates land and buildings are recorded in the name of the Township of Edison in accordance with N.J.S.A.40:54-24. The estimated fair rental value for use of these facilities is not reflected in the accompanying financial statements since there is no objective basis available by which to measure the value of such contributed services.

(D) STATUTORY MUNICIPAL APPROPRIATION FOR MAINTENANCE OF FREE PUBLIC LIBRARY

N.J.S.A. 40:54-8 requires that the governing body of every municipality governed by this statute shall annually appropriate a sum equal to one-third of a mill on every dollar of assessable property within such municipality based on the equalized valuation of such property as certified by the Director of the Division of Taxation in the Department of the Treasury for the proper maintenance of a free public library. The Library realized \$6,422,293 in 2024 of revenue from municipal appropriation for "Maintenance of Free Public Library."

(E) FINANCIAL OPERATIONS

The Township of Edison annually appropriates funds within the municipal budget for the operation and maintenance of the Library. The Township does not turn over to the Library these funds but retains them and pays the operating cost of the Library.

The Township directly pays all salaries, employee benefits, insurance costs, maintenance, utilities and other costs of operating the Library.

Certain costs, such as employee benefits and insurance are charged to the Library by the Township and are referred to as "Splits."

TOWNSHIP OF EDISON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(F) CASH AND CASH EQUIVALENTS

The Library considers change funds, cash in banks, and certificates of deposit as cash and cash equivalents.

(1) Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements for the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The Township of Edison Public Library had the following cash and cash equivalents at December 31, 2023:

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Library does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2023, based upon the coverage provided by FDIC and NJGUDPA no amount of the bank balance was exposed to custodial credit risk.

	<u>2023</u>
Operating Account	\$ 552,832
Payroll Account	187,806
North Grant Account	2,154,839
Money Market Account	<u>3,589,924</u>
	<u>\$ 6,485,401</u>

TOWNSHIP OF EDISON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(F) CASH AND CASH EQUIVALENTS (CONTINUED)

(2) Investments

The purchase of investments by the Library is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following types of securities:

- (a) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (b) Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
- (c) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (d) Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
- (e) Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;

2023

Certificates of Deposit	<u>\$ 2,020,500</u>
	<u>\$ 2,020,500</u>

TOWNSHIP OF EDISON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(F) CASH AND CASH EQUIVALENTS (CONTINUED)

(2) Investments (Continued)

- (f) Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.

Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or

- (g) Agreements for the repurchase of fully collateralized securities if:

1. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
2. the custody of collateral is transferred to a third party;
 - a. the maturity of the agreement is not more than 30 days;
 - b. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and
 - c. a master repurchase agreement providing for the custody and security of collateral is executed.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices of the Investment Council of the New Jersey Cash Management Fund, the Library is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments nor is it exposed to foreign currency risk for its deposits and investments.

TOWNSHIP OF EDISON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(G) CONTINGENCIES

The Library receives a substantial amount of its support from state and local government. A significant reduction in the level of this support, if this would occur, would have an affect on the Library's programs and activities.

(H) PENSION PLANS

Library employees, who are eligible for a pension plan, are enrolled in the Public Employees' Retirement System, which is administered by the Division of Pensions, Treasury Department of the State of New Jersey. The Division annually charges participating government units for their respective contributions to the plans based upon actuarial methods.

Certain portions of the costs are contributed by the employees. The Library's share of pension costs, which is based upon the annual billings received from the State and paid by the Township, was \$331,660 for the year ending December 31, 2023.

Information as to the comparison of the actuarially computed value of vested benefits with the system's assets is not available from the State Retirement System and, therefore, is not presented.

(I) GASB 45: OTHER POST-EMPLOYMENT BENEFITS

The Library provides Post Retirement Benefits to certain employees, who have retired from the Library after twenty-five (25) years of service.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pension." This statement requires the municipality to disclose in the notes to the financial statements the present value of the estimated future cost of the other post employment benefits (OPEB).

OPEB obligations are non-pension benefits that the library has contractually or otherwise agreed to provide employees once they have retired. Under current New Jersey budget and financial reporting requirements, the library is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis. Additionally, the library is not required to recognize any long-term obligations resulting from OPEB on their balance sheets; however, OPEB obligations are required to be disclosed in the notes, commencing with the 2012 fiscal year.

The Library has not yet calculated its OPEB obligations and the impact on the financial position or results of operations, if any, cannot be readily determined at this time.

TOWNSHIP OF EDISON PUBLIC LIBRARY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

(J) SUBSEQUENT EVENTS

The Library has evaluated subsequent events occurring after the financial statement date through November 25, 2024 which is the date the financial statements were available to be issued. Based on this evaluation, the Library has determined that no subsequent events have occurred which require disclosure in the financial statements.

(K) LITIGATION, CLAIMS AND CONTINGENT LIABILITIES

In the ordinary conduct of its business, the Library may be a party to litigation. At December 31, 2023, in the opinion of management based upon consultation with legal counsel, there were no matters pending or threatened which would have a material adverse effect on the financial position of the Library.

TOWNSHIP OF EDISON PUBLIC LIBRARY
CURRENT FUND
SCHEDULE OF DUE FROM TOWNSHIP OF EDISON

Due from Township at December 31, 2022		\$ 2,129,086
Add:		
2023 Budget Appropriation		6,422,293
2023 Added and Omitted Taxes		<u>35,872</u>
		<u>6,458,165</u>
Less:		
Expenditures:		
Disbursements by Township-Splits	\$ 2,281,280	
Cash Transfer to Library	<u>4,771,880</u>	
		<u>7,053,160</u>
Due from Township at December 31, 2023		<u><u>\$ 1,534,091</u></u>

TOWNSHIP OF EDISON PUBLIC LIBRARY

CURRENT FUND

SCHEDULE OF STATE LIBRARY AID

<u>GRANT NAME</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>RECEIVED</u>	<u>REALIZED</u>	<u>BALANCE DECEMBER 31, 2023</u>
State Library Aid	\$ -	\$ 59,224	\$ 59,224	\$ -
	\$ -	\$ 59,224	\$ 59,224	\$ -

Note: Funds Received by the Township of Edison

TOWNSHIP OF EDISON PUBLIC LIBRARY

CURRENT FUND

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Balance, December 31, 2022		\$	5,193,552
Receipts:			
2023 Municipal Contribution	\$	3,474,325	
Prior Year Municipal Contribution A-14		1,297,555	
Fines and Fees/ Donations		190,285	
State Library Aid 2023		59,224	
Interest on Investments		139,654	
<u>Total Receipts</u>			<u>5,161,043</u>
		\$	<u>10,354,595</u>
Disbursements:			
Payments to Employees and Vendors	\$	<u>3,869,194</u>	
<u>Total Disbursements</u>			<u>3,869,194</u>
Balance, December 31, 2023		\$	<u><u>6,485,401</u></u>

CASH RECONCILIATION - DECEMBER 31, 2023

Balance on Deposit Per Certification of:
TD Bank

Operating Account	\$	552,832
Payroll Account		3,589,924
Capital Account		2,154,839
North Grant Account		<u>187,806</u>

BOOK BALANCE \$ 6,485,401

TOWNSHIP OF EDISON PUBLIC LIBRARY

CURRENT FUND

SCHEDULE OF MISCELLANEOUS RESERVES

<u>RESERVE NAME</u>	<u>BALANCE DECEMBER 31, 2022</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>BALANCE DECEMBER 31, 2023</u>
Capital Reserve	\$ 2,389,000	\$	\$	2,389,000
	\$ 2,389,000	\$	\$	2,389,000

TOWNSHIP OF EDISON PUBLIC LIBRARY

DECEMBER 31, 2023

GENERAL COMMENTS AND RECOMMENDATIONS

That the Library maintain a general ledger on a current basis and that it be reconciled on a regular basis.

That the Library reconcile its bank accounts on a monthly basis and that the balances agree to the general ledger.