

**FORT VANCOUVER REGIONAL
LIBRARY FOUNDATION**

REVIEWED FINANCIAL STATEMENTS

For the years ended June 30, 2024 and 2023

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Fort Vancouver Regional Library Foundation
Vancouver, WA 98668

We have reviewed the accompanying financial statements of Fort Vancouver Regional Library Foundation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. 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 accounting principles generally accepted in the United States of America; this includes 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 AICPA. 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 accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Fort Vancouver Regional Library Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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 accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 19 – 22 is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the review procedures applied in the review of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Matter

The financial statements of Fort Vancouver Regional Library Foundation which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes for the year then ended are presented for comparative purposes. For these financial statements we performed an audit engagement in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. In our opinion, the financial statements for June 30, 2023 presented fairly, in all material respects, the financial position of Fort Vancouver Regional Library Foundation, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our audit report for the year ended June 30, 2023 was released on December 13, 2023.

Williamson & Associates, LLP

Tigard, Oregon
November 25, 2024

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2024 and 2023

	REVIEWED 2024	AUDITED 2023
ASSETS		
CASH AND CASH EQUIVALENTS		
Foundation	\$ 161,017	\$ 10,788
Friends Groups	230,699	225,204
Money market funds and Certificates of Deposit in investment accounts		
Foundation	131,299	34,391
Friends Groups	365,339	441,639
FBO Library Funds	187,322	111,068
TOTAL CASH AND CASH EQUIVALENTS	<u>1,075,676</u>	<u>823,090</u>
INVENTORY	<u>4,900</u>	<u>5,620</u>
INVESTMENTS		
Foundation	4,243,310	3,979,387
FBO Library Investments	2,840,890	2,581,090
Friends Groups	2,001,526	1,642,446
Real Estate Investment Trusts	-	295,421
TOTAL INVESTMENTS	<u>9,085,726</u>	<u>8,498,344</u>
FIXED ASSETS	<u>45,168</u>	<u>46,903</u>
RIGHT OF USE ASSET	<u>33,012</u>	<u>-</u>
 TOTAL ASSETS	 <u><u>\$ 10,244,482</u></u>	 <u><u>\$ 9,373,957</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Credit card payable	\$ 1,530	\$ 5,606
Payroll liabilities	16,276	15,574
Lease liability	<u>33,012</u>	<u>-</u>
TOTAL LIABILITIES	<u>50,818</u>	<u>21,180</u>
NET ASSETS		
NET ASSETS WITHOUT DONOR RESTRICTIONS	3,755,165	3,415,384
NET ASSETS WITH DONOR RESTRICTIONS	<u>6,438,499</u>	<u>5,937,393</u>
TOTAL NET ASSETS	<u>10,193,664</u>	<u>9,352,777</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 10,244,482</u></u>	 <u><u>\$ 9,373,957</u></u>

The accompanying notes are an integral part of these financial statements

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION

STATEMENT OF ACTIVITIES

For the year ended June 30, 2024

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	REVIEWED TOTAL
REVENUES			
Contributions	\$ 72,419	\$ 2,042,485	\$ 2,114,904
Contributions in-kind	74,594	-	74,594
Grants and collections	-	79,580	79,580
Friends groups	-	173,119	173,119
Special events	179,946	-	179,946
Program revenue	28,418	-	28,418
Dividend and interest income	245,058	74,789	319,847
Unrealized gains (losses) on investments	363,585	276,016	639,601
Realized gains (losses) on investments	28,835	10,320	39,155
Satisfaction of program restrictions	2,155,203	(2,155,203)	-
TOTAL REVENUES	3,148,058	501,106	3,649,164
PROGRAM EXPENSES			
Friends of the library	123,303	-	123,303
Grants and collections	149,087	-	149,087
Library program support	1,993,436	-	1,993,436
Special events	174,335	-	174,335
Early learning programs	21,511	-	21,511
TOTAL PROGRAM EXPENSES	2,461,672	-	2,461,672
Administrative expenses	256,781	-	256,781
Fundraising expenses	89,824	-	89,824
TOTAL EXPENSES	2,808,277	-	2,808,277
CHANGE IN NET ASSETS	339,781	501,106	840,887
Net assets, beginning of year	3,415,384	5,937,393	9,352,777
NET ASSETS, END OF YEAR	\$ 3,755,165	\$ 6,438,499	\$ 10,193,664

The accompanying notes are an integral part of these financial statements

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION

STATEMENT OF ACTIVITIES

For the year ended June 30, 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	AUDITED TOTAL
REVENUES			
Contributions	\$ 74,069	\$ 222,340	\$ 296,409
Contributions in-kind	159,172	-	159,172
Grants and collections	-	91,865	91,865
Friends groups	-	180,589	180,589
Special events	166,377	-	166,377
Program revenue	17,455	-	17,455
Dividend and interest income	267,808	63,983	331,791
Unrealized gains (losses) on investments	176,541	82,905	259,446
Realized gains (losses) on investments	5,588	43,604	49,192
Satisfaction of program restrictions	546,947	(546,947)	-
TOTAL REVENUES	1,413,957	138,339	1,552,296
PROGRAM EXPENSES			
Friends of the library	141,163	-	141,163
Grants and collections	38,887	-	38,887
Library program support	469,518	-	469,518
Special events	186,590	-	186,590
Early learning programs	34,722	-	34,722
TOTAL PROGRAM EXPENSES	870,880	-	870,880
Administrative expenses	192,354	-	192,354
Fundraising expenses	83,991	-	83,991
TOTAL EXPENSES	1,147,225	-	1,147,225
CHANGE IN NET ASSETS	266,732	138,339	405,071
Net assets, beginning of year	3,148,652	5,799,054	8,947,706
NET ASSETS, END OF YEAR	\$ 3,415,384	\$ 5,937,393	\$ 9,352,777

The accompanying notes are an integral part of these financial statements

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSE
For the year ended June 30, 2024

	FRIENDS OF THE LIBRARY	GRANTS AND COLLECTIONS	LIBRARY PROGRAM SUPPORT	SPECIAL EVENTS	EARLY LEARNING PROGRAMS	TOTAL PROGRAM EXPENSE	MANAGEMENT AND GENERAL	FUNDRAISING	REVIEWED TOTAL
Executive director	\$ 15,475	\$ 7,738	\$ 30,951	\$ 19,344	\$ 3,869	\$ 77,377	\$ 77,377	\$ 38,688	\$ 193,442
Development Director	8,019	4,009	16,037	10,023	2,005	40,093	40,093	20,046	100,232
Executive Asst	2,885	14,426	31,738	5,770	2,885	57,704	23,082	15,388	96,174
Admin Asst	2,242	11,210	24,662	4,484	2,242	44,840	17,246	6,899	68,985
Payroll Benefits and expenses	409	535	1,478	567	157	3,146	2,256	1,159	6,561
Total personnel expense	29,030	37,918	104,866	40,188	11,158	223,160	160,054	82,180	465,394
Professional services	1,792	1,792	9,853	3,584	899	17,918	17,917	-	35,835
Supplies	-	-	-	-	-	-	1,958	-	1,958
Office expenses	-	-	-	-	-	-	52,243	-	52,243
Memberships and subscriptions	-	-	-	-	-	-	3,397	-	3,397
Bank and investment fees	-	-	-	-	-	-	6,236	-	6,236
Foundation expense	1,704	-	-	-	-	1,704	-	-	1,704
Friends expenses	89,397	-	-	-	-	89,397	-	-	89,397
Grant and collection expenses	-	107,998	-	-	-	107,998	-	-	107,998
Library program support	-	-	1,823,610	-	-	1,823,610	-	-	1,823,610
Authors and illustrators dinner	-	-	-	77,319	-	77,319	-	-	77,319
Youth services programs	-	-	18,016	-	-	18,016	-	-	18,016
Volunteer support	-	-	4,704	-	-	4,704	-	-	4,704
Reach out and read program	-	-	-	-	8,773	8,773	-	-	8,773
Donor expenses	-	-	-	-	-	-	-	2,522	2,522
Printing and postage	160	160	880	320	80	1,600	942	596	3,138
Mileage and travel	432	432	2,367	862	210	4,303	2,535	1,599	8,437
Board expenses	-	-	-	-	-	-	421	-	421
Staff training	-	-	-	-	-	-	-	-	-
Foundation director's discretionary expenses	-	-	-	-	-	-	1,082	-	1,082
Advertising expenses	463	463	2,554	930	231	4,640	2,733	1,731	9,104
Insurance expense	324	324	1,765	640	160	3,213	1,887	1,196	6,296
In-Kind Donations	-	-	24,822	50,493	-	75,315	-	-	75,315
Depreciation expense	-	-	-	-	-	-	1,735	-	1,735
Miscellaneous	1	-	-	-	-	1	3,641	-	3,642
Total expenses	<u>\$ 123,303</u>	<u>\$ 149,087</u>	<u>\$ 1,993,436</u>	<u>\$ 174,335</u>	<u>\$ 21,511</u>	<u>\$ 2,461,672</u>	<u>\$ 256,781</u>	<u>\$ 89,824</u>	<u>\$ 2,808,277</u>

The accompanying notes are an integral part of these financial statements

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSE
For the year ended June 30, 2023

	<u>FRIENDS OF THE LIBRARY</u>	<u>GRANTS AND COLLECTIONS</u>	<u>LIBRARY PROGRAM SUPPORT</u>	<u>SPECIAL EVENTS</u>	<u>EARLY LEARNING PROGRAMS</u>	<u>TOTAL PROGRAM EXPENSE</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUNDRAISING</u>	<u>AUDITED TOTAL</u>
Executive Director	\$ 14,228	\$ 7,114	\$ 28,456	\$ 17,785	\$ 3,557	\$ 71,140	\$ 71,140	\$ 35,570	\$ 177,850
Development Director	7,816	3,908	15,632	9,770	1,954	39,080	39,079	19,540	97,699
Executive Asst	2,582	12,909	28,400	5,164	2,582	51,637	20,655	13,770	86,062
Admin Asst	2,067	10,333	22,733	4,133	2,067	41,333	15,897	6,359	63,589
Payroll benefits and expenses	293	377	1,047	405	112	2,234	1,613	827	4,674
Total personnel expense	26,986	34,641	96,268	37,257	10,272	205,424	148,384	76,066	429,874
Professional services	1,313	1,313	7,223	2,627	659	13,135	13,133	-	26,268
Supplies	-	-	-	-	-	-	1,729	-	1,729
Office expenses	-	-	-	-	-	-	2,689	-	2,689
Memberships and subscriptions	-	-	-	-	-	-	2,754	-	2,754
Bank and investment fees	-	-	-	-	-	-	4,655	-	4,655
Foundation expense	3,009	-	-	-	-	3,009	2,751	-	5,760
Friends expenses	108,244	-	-	-	-	108,244	-	-	108,244
Grant and collection expenses	-	1,323	-	-	-	1,323	-	-	1,323
Library program support	-	-	212,180	-	-	212,180	-	-	212,180
Authors and illustrators dinner	-	-	-	101,522	-	101,522	-	-	101,522
Youth services programs	-	-	19,918	-	-	19,918	-	-	19,918
Volunteer support	-	-	814	-	-	814	-	-	814
Reach out and read program	-	-	-	-	22,992	22,992	-	-	22,992
Donor expenses	-	-	-	-	-	-	-	1,782	1,782
Printing and postage	318	318	1,751	637	159	3,183	1,873	1,186	6,242
Mileage and travel	311	311	1,706	622	151	3,101	1,828	1,153	6,082
Board expenses	-	-	-	-	-	-	342	-	342
Staff training	-	-	-	-	-	-	60	-	60
Foundations director's discretionary expenses	-	-	-	-	-	-	1,406	-	1,406
Advertising expenses	601	601	3,320	1,208	301	6,031	3,553	2,250	11,834
Insurance expense	380	380	2,071	752	188	3,771	2,215	1,404	7,390
In-Kind Donations	-	-	124,267	41,965	-	166,232	-	-	166,232
Depreciation expense	-	-	-	-	-	-	1,735	-	1,735
Miscellaneous	1	-	-	-	-	1	3,247	150	3,398
Total expenses	<u>\$ 141,163</u>	<u>\$ 38,887</u>	<u>\$ 469,518</u>	<u>\$ 186,590</u>	<u>\$ 34,722</u>	<u>\$ 870,880</u>	<u>\$ 192,354</u>	<u>\$ 83,991</u>	<u>\$ 1,147,225</u>

The accompanying notes are an integral part of these financial statements

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2024 and 2023

	REVIEWED 2024	AUDITED 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 840,887	\$ 405,071
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	1,735	1,735
(Increase) Decrease in Inventory	720	7,060
(Increase) Decrease in unconditional promise to give	-	50,000
Donation of capitalized assets	-	-
Realized (gain)/losses on investments	(39,155)	(49,192)
Unrealized (gain)/losses on investments	(639,601)	(259,446)
Increase (Decrease) in liabilities	29,638	5,077
	<u>194,224</u>	<u>160,305</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of depreciable assets	-	(2,907)
Proceeds from investments	499,787	482,827
Purchase of investments	(408,413)	(322,233)
	<u>91,374</u>	<u>157,687</u>
CASH FLOWS FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	285,598	317,992
Cash and cash equivalents at beginning of year	<u>823,090</u>	<u>505,098</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 1,108,688</u></u>	<u><u>\$ 823,090</u></u>

The accompanying notes are an integral part of these financial statements

**FORT VANCOUVER REGIONAL LIBRARY
FOUNDATION
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2024 and 2023**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Fort Vancouver Regional Library Foundation (the Foundation) is a Washington Non-Profit Organization. Since its inception in 1991, the focus of the Foundation has been to extend the reach and enhance the depth of public library services to residents of Southwest Washington. In order to meet the emerging needs of libraries in this region, the Foundation has undertaken both a leadership and a fundraising role. The Foundation is supported primarily through donor contributions, grants, and special events.

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all debt securities at their fair values in the statement of financial position. Realized and unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. Interest income is accrued as earned and reported net of investment advisory fees.

Property and Equipment

In September 2002, the Foundation entered into an agreement with the Fort Vancouver Regional Library District in which the Library District will provide office and storage space, utilities, office equipment, supplies and part-time staff and other benefits in exchange for the fundraising efforts of the Foundation on the Library District's behalf. This agreement was renewed as of August 2015. A new agreement is in the process of being developed. As of July 1, 2023, the Foundation no longer shares office space with the Library District. Acquisitions of property and equipment in excess of \$500 are capitalized. Works of art purchased or donated to the organization will not be depreciated.

**FORT VANCOUVER REGIONAL LIBRARY
FOUNDATION
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2024 and 2023**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Under FASB ASC 958-605-05, "Revenue Recognition for Not-for-Profit Entities", contributions received are recorded as support without donor restrictions or without donor restrictions, depending on the existence or nature of any donor restrictions.

All donor-restricted support is reported as an increase in unrestricted net assets or temporarily restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Income Taxes

The Foundation is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and is classified by the Internal Revenue Service as other than a private foundation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fundraising Activities

The activities of the Foundation and the Friends groups are supported principally through dues from members and fundraising activities consisting of book sales, special events, grants, direct mail, planned gifts and other miscellaneous activities. In the case of fundraising activities held for the benefit of the individual Friends of the Library groups, all the net proceeds are considered to be for the group that performed the activity. All the fundraising activities of the Foundation and Friends groups have been reported accordingly in these financial statements.

**FORT VANCOUVER REGIONAL LIBRARY
FOUNDATION
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2024 and 2023**

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Services

During the years ended June 30, 2024 and 2023, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Foundation, but these services do not meet the criteria for recognition as contributed services.

Friends of the Library

There are fourteen libraries in the Fort Vancouver Regional Library District that have a Friends of the Library Group that collects dues, holds book sales and other fundraising events and campaigns to support that library. These groups collect public contributions and support through the Foundation's tax-exempt status and do not have separate entity status and, therefore, are considered part of the Foundation.

The Foundation also provides financial services, fundraising support, and other benefits to the groups. The revenues and expenses of the Friends' groups are included in the financial statements of the Foundation. The investment accounts of the Friends' groups are included in the statement of financial position of the Foundation. The income from these investments and the net proceeds from each group's activities are considered to be restricted to the group that performed the activity and are reported as increases in temporarily restricted net assets unless the restriction has been released by the group.

Functional Allocation of Expenses

Expenses are charged directly to programs based on specific identification. Indirect expenses are charged to management and general and have not been allocated to programs.

Compensated Absences

Compensated absences are used by eligible employees on a timely basis throughout the year. Therefore no accrual has been made for compensated absences.

**FORT VANCOUVER REGIONAL LIBRARY
FOUNDATION
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2024 and 2023**

NOTE B. SHORT-TERM INVESTMENTS

The Foundation includes cash in bank, money market and investment accounts for the Friends' groups in cash and current assets, in the Statement of Financial Position at June 30, 2024 and 2023. Even though the Foundation considers these cash assets temporarily restricted to the groups, they qualify as available cash and cash equivalents within the groups themselves. These amounts totaled \$596,038 and \$666,843 for the years ended June 30, 2024 and 2023, respectively.

NOTE C. RESTRICTIONS ON NET ASSETS

The majority of the restrictions on net assets for the years ended June 30, 2024 and 2023 are related to cash and investment account assets restricted to the various Friends of the Library groups affiliated with the Foundation. Other restricted net assets are related to contributions received by the Foundation in which the restriction had not been met at the end of the fiscal year.

Temporarily restricted net assets are available for the following purposes:

	<u>2024</u>	<u>2023</u>
Friends of the Library groups		
Cash accounts	\$ 231,231	\$ 324,592
Investment accounts	2,363,830	1,979,421
Restricted monies in Foundation savings:		
FBO Library funds	954,316	913,321
Library Plaza	999,877	999,877
Dorothy Howard Endowment Fund	502,531	331,362
Three Creeks Media Grant	579	578
Altrusa Fund	6,286	16,286
Reach Out and Read Campaign	<u>10,547</u>	<u>2,656</u>
	<u>\$5,069,197</u>	<u>\$4,568,092</u>

Permanently restricted net assets consisted of the following:

	<u>2024</u>	<u>2023</u>
Dorothy Howard Endowment Fund	<u>\$ 1,369,301</u>	<u>\$ 1,369,301</u>

**FORT VANCOUVER REGIONAL LIBRARY
FOUNDATION
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2024 and 2023**

NOTE D. BOARD DESIGNATED NET ASSETS

The Board of Directors of the Foundation has designated certain amounts of unrestricted net assets for an endowment fund and early learning program. For the years ended June 30, 2024 and 2023, board designated net assets were for the following:

	<u>2024</u>	<u>2023</u>
Endowment – General	\$372,706	\$324,180
Early Learning Programs	<u>7,480</u>	<u>6,768</u>
	<u>\$380,186</u>	<u>\$330,948</u>

NOTE E. ENDOWMENT FUNDS

The Endowment Funds are invested with the objective of preserving the long-term real purchasing power of the Funds' assets while realizing appropriate investment income. Endowment Fund assets may be invested in certificates of deposit, Treasury bills, commercial paper, bankers acceptances, repurchase agreements, mutual funds, exchange traded funds, equities (including common stock, preferred stock, convertible securities and other equities, whether traded on an exchange or not publicly traded), fixed income securities, real estate, commodities, natural-resource related stock, hedge funds, derivatives, alternate investment vehicles and, as to an appropriate portion, cash equivalent investments. The asset allocation of each of the Endowment Funds is determined from time to time by the Board of Directors, in consultation with any managers or advisors if desired (unless the Board delegates such task to an external manager), which allocation shall reflect a proper balance of such Fund's investment objective, any risk tolerance standard and the need for liquidity.

All spending from each of the organization's endowment funds is required to comply with any donor restrictions on spending imposed on such fund and with the Washington State Prudent Management of Institutional Funds Act. In creating an endowment fund, the donor also may have restricted the purpose or purposes for which funds from the endowment may be spent. All decisions regarding expenditures from an endowment fund restricted as to purpose must comply with such purpose restrictions. Expenditures from endowment funds that are not restricted as to purpose may be used for any purposes of the Organization. As of the years ended June 30, 2024 and 2023, endowment funds and income and expenditures for the years then ended were as follows:

**FORT VANCOUVER REGIONAL LIBRARY
FOUNDATION
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2024 and 2023**

NOTE E. ENDOWMENT FUNDS(Continued)

General Endowment Fund	
Balance as of June 30, 2023	\$ 324,180
Net investment earnings, gains and losses	<u>48,526</u>
Balance as of June 30, 2024, Unrestricted	<u>\$ 372,706</u>
Dorothy Howard Endowment Fund	
Balance as of June 30, 2023	\$1,700,363
Net investment earnings, gains and losses	171,469
Earnings released from restrictions	<u>-</u>
Balance as of June 30, 2024	<u>\$1,871,832</u>
Permanently Restricted	\$1,369,301
Temporarily Restricted	<u>502,531</u>
	<u>\$1,871,832</u>

Net asset classifications vary depending on the specifications of the donor's gift. Each gift will be evaluated depending on the relevant facts and circumstances. For example, if a donor states that the original gift must be maintained in perpetuity but that any earnings can be used for organization purposes, the original gift will be classified as a permanently restricted net asset and the asset earnings will be temporarily restricted net assets until appropriated for expenditure.

In situations where the donor is silent in regard to treatment on all elements of the unrestricted gift, Washington State law will be used to determine its proper treatment.

Quasi endowments created by the Organization's board of directors out of unrestricted net assets should be classified as unrestricted net assets.

NOTE F. FAIR VALUE MEASUREMENTS

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2024, are as follows:

**FORT VANCOUVER REGIONAL LIBRARY
FOUNDATION
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2024 and 2023**

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Other Unobservable Inputs (Level 3)
Short-term investments:			
Money Market funds	\$ 683,960	\$ -	\$ -
Total short-term investments	<u>\$ 683,960</u>	<u>\$ -</u>	<u>\$ -</u>
Long-term investments:			
Common stocks and mutual funds	\$ 9,085,725	\$ -	\$ -
Real estate investment trusts	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term investments	<u>\$ 9,085,725</u>	<u>\$ -</u>	<u>\$ -</u>

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2023, were as follows:

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Other Unobservable Inputs (Level 3)
Short-term investments:			
Money Market funds	\$ 587,098	\$ -	\$ -
Total short-term investments	<u>\$ 587,098</u>	<u>\$ -</u>	<u>\$ -</u>
Long-term investments:			
Common stocks and mutual funds	\$ 8,202,923	\$ -	\$ -
Real estate investment trusts	<u>-</u>	<u>-</u>	<u>295,421</u>
Total long-term investments	<u>\$ 8,202,923</u>	<u>\$ -</u>	<u>\$ 295,421</u>

The Organization recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the year ended June 30, 2023. During the year ended June 30, 2024, the investments in Level 3 (Real estate investment trusts) were closed with funds being transferred to Level 1 investments.

**FORT VANCOUVER REGIONAL LIBRARY
FOUNDATION
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2024 and 2023**

NOTE F. FAIR VALUE MEASUREMENTS(Continued)

Short-term investments and long-term investments are reported at fair value on a recurring basis determined by reference to quoted market prices and other relevant information generated by market transactions. Level 3 investments values are based on monthly statements from the Real Estate Investment Trusts.

The following table presents the changes in assets classified in Level 3 of the fair value hierarchy for the year ended June 30, 2024.

		Beginning Balance July 1, 2023	Unrealized Appreciation (Depreciation)	Dividends (Reinvested)	Transfers Out of Level 3	Ending Balance June 30, 2024
Investments at Fair Value						
Real Estate Investment Trusts		<u>\$ 295,421</u>	<u>(21,786)</u>	<u>10,977</u>	<u>(284,612)</u>	<u>\$ -</u>
Total Level 3 Investments		<u>\$ 295,421</u>	<u>(21,786)</u>	<u>10,977</u>	<u>(284,612)</u>	<u>\$ -</u>

NOTE G. RECLASSIFICATION OF 2023 COMPARATIVE TOTALS

Certain 2023 amounts presented in the financial statements have been reclassified to conform to the 2024 presentation. Net Assets have been reclassified to meet the requirements of FASB ASU 2016-18.

NOTE H. FURNITURE AND EQUIPMENT

The following is a summary of furniture and equipment as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Furniture and Equipment	\$ 56,380	\$ 56,380
Accumulated Depreciation	<u>(11,212)</u>	<u>(9,477)</u>
	<u>\$ 45,168</u>	<u>\$ 46,903</u>

NOTE I. LEASE COMMITMENT

On June 16th, 2023, the Foundation entered into a lease agreement with Andresen Building, LLC, to rent a 3,250 square foot office space at rate of \$2,751 per month, through June 30,

**FORT VANCOUVER REGIONAL LIBRARY
FOUNDATION
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2024 and 2023**

NOTE I. LEASE COMMITMENT(Continued)

2025. The first payment of \$2,751 was made in June, 2023. The lease is classified as an operating lease with minimum rental commitments at June 30, 2024 as follows:

Year ending June 30, 2025	<u>\$ 33,012</u>
	<u>\$ 33,012</u>

Rent expense was incurred for the years ended June 30, 2024 and June 30, 2023 of \$32,968 and \$0, respectively. The Foundation used office space shared with the Library District prior to those years.

NOTE J. SUBSEQUENT EVENTS

FASB ASC 855-10-5-2 requires accounting and disclosure for subsequent events. Subsequent events have been evaluated through November 25, 2024, which is the date the financial statements were available to be issued. This date coincides with the review report date.

NOTE K. ASSETS AVAILABLE FOR GENERAL EXPENDITURE

The organization's financial assets available within one year of June 30, 2024, for general expenditure are as follows:

Cash and cash equivalents				
	Foundation Cash		\$ 161,017	
	Foundation Money market funds		131,299	
less:				
Board Designated Funds				
	General Endowment Cash		(251)	
	Early Learning Programs Cash		(4)	
Funds with Donor Restrictions				
	Library Plaza Cash		(684)	
	Three Creeks Media Grant Cash		(555)	
	Reach Out and Read Cash		(10,547)	
	Altrusa Fund Cash		(29)	
	Dorothy Howard Endowment Cash		<u>(127,293)</u>	
Total assets available for general expenditure			<u>\$ 152,953</u>	

Supplementary Information

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION
SCHEDULE OF REVENUE AND RELATED EXPENSES - FOUNDATION

For the year ended June 30, 2024

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT			
Donations for foundation	\$ 72,419	\$ 2,042,485	\$ 2,114,904
In-kind donations	74,594	-	74,594
Grants for foundation	-	79,580	79,580
Friends groups income into foundation held accts	-	10,526	10,526
Special events	179,946	-	179,946
Other programs	28,418	-	28,418
TOTAL SUPPORT	355,377	2,132,591	2,487,968
INVESTMENT INCOME			
Dividends and interest	245,058	-	245,058
Realized gains (losses)	28,835	10,320	39,155
Unrealized gains (losses)	363,585	162,411	525,996
TOTAL INVESTMENT INCOME	637,478	172,731	810,209
TOTAL SUPPORT AND INVESTMENT INCOME	992,855	2,305,322	3,298,177
EXPENSE			
Professional services	35,835	-	35,835
Executive director salary and funds	194,522	-	194,522
Grant and collection expenses	11,998	96,000	107,998
Library program support	3,499	1,820,111	1,823,610
Friends group expense from foundation held accts	12,340	-	12,340
Reach out and read program	-	8,773	8,773
Special events	77,319	-	77,319
Administrative expense:			
Foundation salaries and expense	273,658	-	273,658
DH Endowment funds released for operations	(153,261)	153,261	-
Board expense	421	-	421
Staff training	-	-	-
Donor expense	2,522	-	2,522
Membership and dues	3,397	-	3,397
Office expense	54,201	-	54,201
Printing and postage	3,138	-	3,138
Mileage and travel	8,437	-	8,437
Advertising expenses	9,104	-	9,104
Summer reading expenses	18,016	-	18,016
Volunteer support	4,704	-	4,704
Insurance expense	6,296	-	6,296
In-Kind donations	75,315	-	75,315
Depreciation	1,735	-	1,735
Miscellaneous	3,642	-	3,642
Bank fees	6,236	-	6,236
TOTAL EXPENSE	653,074	2,078,145	2,731,219
CHANGE IN NET ASSETS - FOUNDATION	339,781	227,177	566,958
CHANGE IN NET ASSETS - FRIENDS GROUPS	-	273,929	273,929
TOTAL CHANGE IN NET ASSETS	\$ 339,781	\$ 501,106	\$ 840,887

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION
SCHEDULE OF REVENUE AND RELATED EXPENSES - FOUNDATION

For the year ended June 30, 2023

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT			
Donations for foundation	\$ 74,069	\$ 222,340	\$ 296,409
In-kind donations	159,172	-	159,172
Grants for Foundation	-	91,865	91,865
Friends group income in foundation held accts	10,785	-	10,785
Special events	166,377	-	166,377
Other programs	17,455	-	17,455
TOTAL SUPPORT	427,858	314,205	742,063
INVESTMENT INCOME			
Dividends and interest	267,808	-	267,808
Realized gains (losses)	5,588	-	5,588
Unrealized gains (losses)	176,541	79,761	256,302
TOTAL INVESTMENT INCOME	449,937	79,761	529,698
TOTAL SUPPORT AND INVESTMENT INCOME	877,795	393,966	1,271,761
EXPENSE			
Professional services	26,268	-	26,268
Executive director salary and funds	179,256	-	179,256
Grant and collection expenses	1,323	-	1,323
Library program support	6,340	205,840	212,180
Friends expense from foundation held accts	-	23,714	23,714
Reach out and read program	-	22,992	22,992
Special events	101,522	-	101,522
Administrative expense:			
Foundation salaries and expense	58,699	-	58,699
DH Endowment funds released for operations	-	199,086	199,086
Board expense	342	-	342
Staff training	60	-	60
Donor expense	1,782	-	1,782
Membership and dues	2,754	-	2,754
Office expense	4,417	-	4,417
Printing and postage	6,242	-	6,242
Mileage and travel	6,082	-	6,082
Advertising expenses	11,834	-	11,834
Summer reading expenses	19,918	-	19,918
Volunteer support	814	-	814
Insurance expense	7,390	-	7,390
In-Kind donations	166,232	-	166,232
Depreciation	1,735	-	1,735
Miscellaneous	3,398	-	3,398
Bank fees	4,655	-	4,655
TOTAL EXPENSE	611,063	451,632	1,062,695
CHANGE IN NET ASSETS - FOUNDATION	266,732	(57,666)	209,066
CHANGE IN NET ASSETS - FRIENDS GROUPS	-	196,005	196,005
TOTAL CHANGE IN NET ASSETS	<u>\$ 266,732</u>	<u>\$ 138,339</u>	<u>\$ 405,071</u>

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION
DETAILED SCHEDULE OF REVENUE AND RELATED EXPENSES - FRIENDS OF THE LIBRARY
For the year ended June 30, 2024

	<u>Battle Ground</u>	<u>Cascade Park</u>	<u>Goldendale</u>	<u>La Center</u>	<u>Ridgefield</u>	<u>Stevenson</u>	<u>Three Creeks</u>	<u>Vancouver Mall</u>	<u>Vancouver Community</u>	<u>Washougal</u>	<u>White Salmon</u>	<u>Woodland</u>	<u>Yacolt</u>	<u>Yale</u>	<u>Total</u>
REVENUE															
Dues	\$ 415	\$ 270	\$ 462	\$ 760	\$ 810	\$ 35	\$ -	\$ -	\$ -	\$ 402	\$ 790	\$ 350	\$ 280	\$ 50	\$ 4,624
Book sales	8,619	23,144	3,418	3,564	8,416	4,048	13,743	-	21,396	4,871	14,784	6,461	1,189	234	113,887
Special events	2,002	716	598	424	2,170	4,206	618	-	4,610	1,559	-	8,624	-	127	25,654
Donations	365	-	210	547	833	1,676	500	-	313	3,703	745	8,132	63	-	17,087
Interest	6	5	58	-	26	5	10	-	-	1	-	-	-	1	112
Programs, other	20	257	-	390	-	-	98	-	-	185	250	-	19	10	1,229
TOTAL REVENUE	11,427	24,392	4,746	5,685	12,255	9,970	14,969	-	26,319	10,721	16,569	23,567	1,551	422	162,593
EXPENSES															
Program expense	5,683	8,056	1,716	3,351	3,558	10,238	4,759	-	6,877	456	7,617	2,586	208	-	55,105
Fundraising	2,703	-	737	2,813	926	-	2,680	-	1,410	225	215	3,011	-	-	14,720
Management and general	393	647	1,347	652	170	98	539	-	236	258	2,151	614	127	-	7,232
TOTAL EXPENSES	8,779	8,703	3,800	6,816	4,654	10,336	7,978	-	8,523	939	9,983	6,211	335	-	77,057
NET CHANGE	2,648	15,689	946	(1,131)	7,601	(366)	6,991	-	17,796	9,782	6,586	17,356	1,216	422	85,536
Transfers to/from Foundation	(2,040)	-	-	(500)	-	-	-	-	(21,200)	(15,800)	(25,000)	(10,000)	(5,500)	-	(80,040)
Beginning cash	25,463	20,587	10,627	10,516	15,329	17,879	31,202	2,555	20,448	11,722	42,883	8,272	5,065	2,656	225,204
ENDING CASH	\$ 26,071	\$ 36,276	\$ 11,573	\$ 8,885	\$ 22,930	\$ 17,513	\$ 38,193	\$ 2,555	\$ 17,044	\$ 5,704	\$ 24,469	\$ 15,628	\$ 781	\$ 3,078	\$ 230,700
RECONCILIATION OF NET CHANGE															
Net change in cash accounts	\$ 2,648	\$ 15,689	\$ 946	\$ (1,131)	\$ 7,601	\$ (366)	\$ 6,991	\$ -	\$ 17,796	\$ 9,782	\$ 6,586	\$ 17,356	\$ 1,216	\$ 422	\$ 85,536
Investment interest/dividends	6,309	2,950	-	17,539	1,728	604	1,192	930	13,078	7,616	9,265	13,337	240	-	74,788
Realized gains/losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gains (see NOTE)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	113,605
TOTAL NET CHANGE	\$ 8,957	\$ 18,639	\$ 946	\$ 16,408	\$ 9,329	\$ 238	\$ 8,183	\$ 930	\$ 30,874	\$ 17,398	\$ 15,851	\$ 30,693	\$ 1,456	\$ 422	\$ 273,929

NOTE: Unrealized gains and losses for Friends' group accounts has not been tracked by individual group, therefore, it is recorded on this report in total only.
"Cash" means cash held by the Friends group and not in any investment, CD or money market account held by the foundation

FORT VANCOUVER REGIONAL LIBRARY FOUNDATION
DETAILED SCHEDULE OF REVENUE AND RELATED EXPENSES - FRIENDS OF THE LIBRARY
For the year ended June 30, 2023

	Battle Ground	Cascade Park	Goldendale	La Center	Ridgefield	Stevenson	Three Creeks	Vancouver Mall	Vancouver Community	Washougal	White Salmon	Woodland	Yacolt	Yale	Total
REVENUE															
Dues	\$ 235	\$ 402	\$ 411	\$ 763	\$ 1,235	\$ 503	\$ -	\$ -	\$ -	\$ 344	\$ 679	\$ 260	\$ 410	\$ 50	\$ 5,292
Book sales	7,016	22,014	2,615	2,829	9,307	8,251	11,076	-	19,918	5,604	15,678	6,418	1,404	318	112,448
Special events	3,079	780	-	81	5,008	-	619	-	4,057	566	-	8,005	195	150	22,540
Donations	1,815	130	50	2,538	1,719	1,908	500	-	2,500	4,044	7,461	5,811	-	-	28,476
Interest	6	5	14	-	13	5	8	-	-	1	-	-	-	-	52
Programs, Other	-	69	-	-	-	-	-	-	-	27	150	750	-	-	996
TOTAL REVENUE	12,151	23,400	3,090	6,211	17,282	10,667	12,203	-	26,475	10,586	23,968	21,244	2,009	518	169,804
EXPENSES															
Program expense	7,134	9,708	2,209	1,885	4,695	8,821	4,145	-	6,354	614	12,922	466	-	12	58,965
Fundraising	2,150	157	1,648	-	2,386	-	1,924	-	1,941	-	332	4,633	101	-	15,272
Fixed asset purchase	-	-	-	-	2,908	-	-	-	-	-	-	-	-	-	2,908
Management and general	417	515	676	1,619	665	119	567	5	372	402	752	809	463	3	7,384
TOTAL EXPENSE	9,701	10,380	4,533	3,504	10,654	8,940	6,636	5	8,667	1,016	14,006	5,908	564	15	84,529
NET CHANGE	2,450	13,020	(1,442)	2,707	6,628	1,727	5,567	(5)	17,808	9,570	9,962	15,336	1,445	503	85,275
Transfers to/from Foundation	(1,500)	(18,600)	-	-	(2,000)	-	-	-	(17,500)	(8,000)	-	(22,000)	-	(750)	(70,350)
Beginning cash	24,513	26,167	12,069	7,809	10,701	16,152	25,635	2,560	20,140	10,152	32,921	14,936	3,620	2,903	210,278
ENDING CASH	<u>\$ 25,463</u>	<u>\$ 20,587</u>	<u>\$ 10,627</u>	<u>\$ 10,516</u>	<u>\$ 15,329</u>	<u>\$ 17,879</u>	<u>\$ 31,202</u>	<u>\$ 2,555</u>	<u>\$ 20,448</u>	<u>\$ 11,722</u>	<u>\$ 42,883</u>	<u>\$ 8,272</u>	<u>\$ 5,065</u>	<u>\$ 2,656</u>	<u>\$ 225,203</u>
RECONCILIATION OF NET CHANGE															
Net change in cash accounts	\$ 2,450	\$ 13,020	\$ (1,442)	\$ 2,707	\$ 6,628	\$ 1,727	\$ 5,567	\$ (5)	\$ 17,808	\$ 9,570	\$ 9,962	\$ 15,336	\$ 1,445	\$ 503	\$ 85,275
Investment interest/dividends	8,015	1,992	-	5,606	2,340	549	1,083	845	11,236	6,293	9,054	16,834	137	-	63,984
Realized gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,604
Unrealized gains (see NOTE)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,144
TOTAL NET CHANGE	<u>\$ 10,465</u>	<u>\$ 15,012</u>	<u>\$ (1,442)</u>	<u>\$ 8,313</u>	<u>\$ 8,968</u>	<u>\$ 2,276</u>	<u>\$ 6,650</u>	<u>\$ 840</u>	<u>\$ 29,044</u>	<u>\$ 15,863</u>	<u>\$ 19,016</u>	<u>\$ 32,170</u>	<u>\$ 1,582</u>	<u>\$ 503</u>	<u>\$ 196,007</u>

NOTE: Unrealized gains and losses for Friends' group accounts has not been tracked by individual group, therefore, it is recorded on this report in total only.
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