

**TREASURER'S REPORT
THE NYACK LIBRARY
March 31, 2018**

Current Debt: As of March 31, 2018, the Library had a total of \$9,144,400 in long-term debt.

\$7,904,400 or 86% of that is tax-exempt debt with TD Bank. The interest rate is fixed at 2.57%. Debt service is \$36,300 monthly. This bond is subject to call by the Bank in October 2027, at which time the principal balance will be \$5,455,000.

The remaining 14% of the long-term debt is \$1,240,000 of 2007 taxable Series B bonds. The interest rate is fixed at 6.22%. The next debt service payment on the Series B bonds is \$38,600 in interest, due on June 1, 2018. These bonds mature in December 2027.

The Library has a \$450,000 short-term line of credit with TD Bank. The line had a zero balance throughout the month of March.

Cash: On March 31, available cash balances in the Library's operating accounts totaled \$965,082.

An additional \$173,792 in cash associated with the 2007 Series B bonds is held in the Library's Debt Service Reserve account by the bond trustee, Bank of New York Mellon. These funds will remain in the possession of the bond trustee until the Series B bonds mature in 2027 or the bonds are defeased prior to 2027. There is no Debt Service Reserve on the TD Bank bond.

Disbursements: The Board of Trustees will be asked to approve \$234,197 in March disbursements. Two-thirds of those disbursements or \$156 thousand was for payroll, 15% was debt service on the TD Bank bond, 6% was for library materials, and the remaining 12% was for insurances, utilities, building maintenance, and other miscellaneous expenses.

Pledges Receivable: At its March 12 meeting, the Board of Trustees discussed the \$11,290 balance of pledges receivable currently residing on the Library's balance sheet. The Business Manager provided the Trustees with an aging analysis of the nine individual pledges comprising the total receivable amount. Half of the dollar amount of unfulfilled pledges originated with the 2010 building program. For most of these, there has been no payment activity since 2014. Another large pledge was initiated in 2013, but payments on that pledge ceased in 2016.

Trustee Ellyse Berg, Chair of the Development Committee, will send a polite reminder to the prospective donors to encourage the fulfillment of these pledges. The Library will write off any pledge amounts not received by June 30.

Operations and Budget Performance: For the first nine months of FY 2018, the Library realized a \$213,716 Budget surplus from all of its enterprises.

Library operations accounted for \$237,553 or 111% of that surplus. Most of that surplus was the result of favorable debt service, workforce, and library materials variances from the Budget. It was partially offset by unfavorable variances in administrative and building maintenance expenses.

Through March, DePew House operated at a \$47,841 cash deficit, unfavorable to budget. Depew is forecast to suffer a cash loss of \$66 thousand in FY 2018.

Through March, Stevenson House operated at a \$24,004 cash surplus and is on budget. Stevenson is forecast to deliver a cash surplus of \$20 thousand in FY 2018.

Short Term Financial Remedies: At its March 12 meeting, the Board of Trustees discussed the property tax levy on the DePew property. The assessed value of the property is \$651 thousand, while the appraised value is \$500 thousand. As noted above, the rent roll does not cover the operating costs at DePew. Trustee Roger Seiler agreed to lead the effort to have the DePew property reassessed. He will file a formal tax grievance with the Orangetown Tax Assessor and attend the grievance hearings. Approximately \$10 thousand in annual property tax relief could be achieved through successful prosecution of the Library's claim.

Stephen R. Beck