

TREASURER'S REPORT
THE NYACK LIBRARY
August 31, 2016

Cash: On August 31, cash balances in the Library's accounts totaled \$113,027. Most of the cash is invested in a money market fund with Sterling Bank. Those deposits are secured by collateral held at M&T Bank.

An additional \$953,510 in cash is held by the Bond Trustee, BONY Mellon, in the Library's Debt Service Reserve account. This Debt Service Reserve account is required to satisfy covenants on the Library's outstanding bonds and is not available for expense coverage. These Debt Reserve funds are invested in a ladder of FDIC-insured CDs.

Current Bonds Status: As of August 31, the Library had \$10,225,000 in outstanding bonds. On December 1, debt service payments of \$518,825 will be due.

FY 2016 Audit: Baldessari & Coster visited the Library in July to lay the foundation for the FY 2016 audit. The formal audit will begin in mid-September.

Replacement Bonds: The program to restructure the Library's long term debt continued to advance in July and August.

Representatives of Sterling National Bank toured the facility and met with the Library Director, the Board of Trustees President, and the Treasurer in July. This meeting was very productive.

At this point, the Library has four banks that are definitely supportive of our financial restructuring plan: First Niagara, TD Bank, Provident Bank (NJ), and Sterling. We will continue to carry forward discussions with these institutions in the coming months.

The Finance Committee met on August 30 to review the progress of the financial restructuring program. The minutes of that meeting, with its associated attachments, are attached to this Report.

Rental Property Reassessment: Valuation Consultants of Newburgh, NY completed their appraisal of the DePew property in July. They calculated at an appraised value of \$500,000, well below the Orangetown Property Assessor's recent valuation of 614,095. The Library will file an appeal of our latest assessment, seeking an additional 8.1% tax reduction beyond the 9.2% reduction already realized in 2016. This latest tax reduction should result in additional property tax savings of \$2,160 in 2017 and beyond.

Operations and Budget Performance: For the first two months of FY 2017, the Library realized a \$51,004 cash surplus from all of its enterprises.

Library operations accounted for \$61,629 or 120% of that cash surplus. Most of that cash surplus was the result of favorable workforce, administrative, and library materials variances from Budget. These were offset by higher than budgeted building maintenance costs.

Through August, DePew House operated at a \$7,364 cash deficit, essentially on budget. Depew is forecast to lose \$47 thousand in FY 2017.

Through August, Stevenson House produced a \$3,262 cash deficit, \$3 thousand worse than budget. Stevenson is forecast to have a cash profit of \$21 thousand in FY 2017.

Disbursements: The Board of Trustees will be asked to approve \$335,792 in disbursements for the months of July and August combined. 63% of those disbursements were for payroll, and the remaining 37% was for insurance, library materials, RCLS contributions, and other miscellaneous expenses.

Stephen R. Beck