**TREASURER’S REPORT**

**THE NYACK LIBRARY**

**December 31, 2017**

**Current Bonds Status:** On December 1, $8,455,000 of 2007 tax-exempt Series A bonds were called and redeemed by the bond trustee, Bank of New York Mellon. They were replaced by an $8,000,000 tax-exempt bond directly placed with TD Bank.

$1,240,000 in principal amount of 2007 taxable Series B bonds remain outstanding. They mature in 2027 and are not subject to call.

The Library’s December 31, 2017 balance sheet reflects the major changes in the Library’s long term debt structure.

**Cash:** On December 31, available cash balances in the Library’s operating accounts totaled $1,574,213.

An additional $173,642 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:** Debt service payments of $522,628 were made on the Series A and B bonds on December 1. That was the final debt service payment on the Series A bonds, as those bonds are now retired.

The Board of Trustees will be asked to approve $380,443 in December disbursements. 46% of those disbursements or $172 thousand represented the Library’s contribution to the NY State Retirement Fund, 28% was for payroll, 11% was debt service on the TD Bank bond, 5% was for insurances, 3% was for building maintenance, and the remaining 7% was for library materials, utilities, and other miscellaneous expenses.

**FY 2019 Budget:** At its December 11 meeting, the Board of Trustees unanimously approved the FY 2019 Preliminary Budget presented by management. The Budget calls for a 1.0% increase in the Library’s tax levy.

The FY 2019 Budget will be voted on by the public on February 13, 2018.

**The Library’s Operating Accounts:** The Library’s primary operating accounts now reside with TD Bank. The accounts with Sterling National Bank were closed. With TD Bank’s agreement, a depository account was opened with the Nyack branch of Key Bank for the convenience of Library management. That account will act as a receptacle for deposit of miscellaneous cash receipts.

**Operations and Budget Performance:** For the first six months of FY 2017, the Library realized a $138,284 cash surplus from all of its enterprises.

Library operations accounted for $153,707 or 110% of that cash surplus. Most of that cash surplus was the result of favorable workforce, library materials, and financial expense variances from the Budget, offset by an unfavorable variance in administrative expenses.

Through December, DePew House operated at a $28,267 cash deficit, unfavorable to budget. Depew is forecast to suffer a cash loss of $50 thousand in FY 2017.

Through December, Stevenson House operated at a $12,848 cash surplus and is on budget. Stevenson is forecast to deliver a cash surplus of $19 thousand in FY 2017.
 **Short Term Financial Remedies:** The property tax grievances filed with the Orangetown tax assessor on the two rental properties have not been resolved. Approximately $15 – 20 thousand in additional property tax relief could be achieved through prosecution of the Library’s claims.

Stephen R. Beck