**TREASURER’S REPORT**

**THE NYACK LIBRARY**

**January 31, 2018**

**Current Bonds Status:** As of January 31, 2018, the Library had a total of $9,184,000 in long term debt.

$7,944,000 or 87% 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 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, due on June 1, 2018. These bonds mature in December 2027.

**Cash:** On January 31, available cash balances in the Library’s operating accounts totaled $1,359,026.

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:** The Board of Trustees will be asked to approve $229,921 in January disbursements. 47% of those disbursements or $107 thousand was for payroll, 8% was for property taxes, 6% was for insurances, 3% was debt service on the TD Bank bond, and the remaining 36% was for library materials, utilities, building maintenance, 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 subject to public vote on February 13, 2018.

**Operations and Budget Performance:** For the first seven months of FY 2018, the Library realized a $152,645 Budget surplus from all of its enterprises.

Library operations accounted for $171,819 or 110% of that surplus. Most of that surplus was the result of favorable workforce, library materials, and financial expense variances from the Budget. It was partially offset by unfavorable variances in administrative and building maintenance expenses.

Through January, DePew House operated at a $35,024 cash deficit, unfavorable to budget. Depew is forecast to suffer a cash loss of $62 thousand in FY 2018.

Through January, Stevenson House operated at a $15,881 cash surplus and is on budget. Stevenson is forecast to deliver a cash surplus of $19 thousand in FY 2018.
 **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