**TREASURER’S REPORT**

**THE NYACK LIBRARY**

**February 28, 2018**

**Current Debt:** As of February 28, 2018, the Library had a total of $9,163,000 in long-term debt.

$7,923,000 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 during the month of February.

**Cash:** On February 28, available cash balances in the Library’s operating accounts totaled $1,162,635.

An additional $173,666 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 $223,168 in February disbursements. 48% of those disbursements or $106 thousand was for payroll, 16% was debt service on the TD Bank bond, 9% was for insurances, and the remaining 27% 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 called for a 1.0% increase in the Library’s tax levy.

The FY 2019 Preliminary Budget was approved by public vote on February 13, 2018, with 84% of the voters supporting the funding resolution.

**Operations and Budget Performance:** For the first eight months of FY 2018, the Library realized a $200,716 Budget surplus from all of its enterprises.

Library operations accounted for $221,611 or 110% 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 February, DePew House operated at a $37,103 cash deficit, unfavorable to budget. Depew is forecast to suffer a cash loss of $62 thousand in FY 2018.

Through February, Stevenson House operated at a $16,208 cash surplus and is on budget. Stevenson is forecast to deliver a cash surplus of $20 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