

Item: Investment of Additional WLS Funds in CDs

Background: Per Westchester Library System's (WLS) investment policy, WLS is:

"committed to investing its funds in a way that will maximize the security of principal, satisfy cash flow requirements, and use approved investments to provide the highest possible return. All investments shall conform with all laws and regulations applicable to library systems in New York State."

Status: At the 4/11/2019 Audit Committee meeting, there was discussion of transferring the Board Restricted monies (approximately \$495,000) from the Operating Account to the Investment Account. There is not an anticipated short-term need for these funds and the transfer would result in a higher return than the money is getting now.

As with the monies already in the investment account, all investments would be made in accordance with WLS Investment Policy into "accounts or securities permitted under Sections 10 and 11 of Article 2 of the General Municipal Law, as from time to time amended and in effect, or any successor or similar laws."

Recommended

Action: We are recommending that the Board approve the transfer of Board Restricted monies not to exceed \$495,000 from the Operating Account to the Investment Account.

May 28, 2019

- Item:** Extension of Current Borrowing Facility
- Background:** WLS has an existing Line of Credit with TD (Toronto Dominion) Bank. The facility allows WLS to borrow up to \$500,000 unsecured for a period of one year. There are neither facility fees nor covenants for this loan agreement. There is no re-application fee, but the process requires submission of audited financial statements on the part of WLS.
- Status:** The current facility expires on June 30, 2019. We have obtained bank approval to extend the facility for an additional year. During the prior year, there were no borrowings under the facility. **At this time, we do not foresee any need to borrow under this facility for the coming year.** Given there are no encumbrances, covenants or facility fees, and due to the uncertainty of when the FY2019-20 State monies will be received, we recommend extending the borrowing agreement for one year to allow for financial flexibility.
- Recommended Action:** We are recommending that the Board approve the extension of the borrowing facility with TD Bank for an additional year.

May 28, 2019