



Albany Public Library

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PRESS RELEASE

Albany Public Library Gives Early Holiday Present to Taxpayers Bond Refinancing Saves \$200,000 Annually for Next 20 Years

ALBANY, NY—Albany Public Library is sharing a special gift with the people of Albany this holiday season—savings on their library taxes. The library is able to save \$200,000 each year for the next 20 years by refinancing the 2007 Branch Improvement Plan bonds, which funded the construction of two library branches and renovation of three others.

“We are thrilled to save Albany taxpayers \$200,000 a year through the new bond,” said APL Executive Director Scott Jarzombek. “The project is a similar concept to refinancing a home mortgage, where a new interest rate results in lower annual payments. By refinancing our branch construction bonds, the library is saving a total of \$4 million over the 20-year life of the bond. This is significant savings for Albany Public Library and the city’s taxpayers.”

The new bonds are rated Aa1 by Moody’s Investors Services. This is an extremely high-grade credit rating, just one notch below the top grade of AAA, and one that is shared by New York State. According to the credit opinion issued by Moody’s, “The Aa1 rating reflects the library district’s moderately-sized tax base, moderate resident income levels, ample reserves and liquidity, and minimal debt burden.” The skill of the library’s management team and strong financial administration were also cited.

“Our careful and prudent stewardship of the library’s finances is evidenced by the excellent credit rating assigned by Moody’s. That Aa1 rating helped pave the way for a very successful sale of our Branch Improvement Plan bonds, resulting in a savings of \$4 million to the people of Albany,” Jarzombek said.

“The people of Albany are the true winners of this process,” said Mary-Ellen Piché, president of the Albany Public Library Board of Trustees. “The savings we achieved from refinancing the bonds will go back into taxpayers’ pockets and help the library maintain the high quality services, programs, and materials our patrons expect and deserve.”

The new bonds, like those originally sold in 2007, are issued by the Dormitory Authority of the State of New York (DASNY). The bond refinancing project took about four months to complete during which time the library worked with DASNY and a finance team. The bond deal officially closed today.

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“DASNY is proud to partner with Albany Public Library and support the role it plays as a center for learning, gathering, and advancement in its community,” said Gerrard P. Bushell, DASNY president and CEO. “This refunding is a testament to DASNY’s effort to provide libraries in New York State with a low-cost financing alternative that helps them better serve New Yorkers.”

During the 2018 budget process, the library’s elected Board of Trustees will clarify the savings impact on taxpayers. The next board meeting is Tuesday, Dec. 13, at 6:00 pm at the Arbor Hill/West Hill Branch. Library board meetings are open to the public and include public comment periods at the start and end of each meeting.

The refinancing project secured a lower interest rate on the original bonds, thereby decreasing the tax levy for the BIP libraries and reducing the cost to Albany taxpayers. The new \$22.8 million, 20-year bonding saves taxpayers an average of \$200,000 each year, or a total of \$4.002 million over the life of the bonds. The original 30-year, \$29.1 million bonds were sold in 2007, after voter approval, to fund the renovation of three library branches and construction of two new branches. Those libraries—Arbor Hill/West Hill, Bach, Delaware, Howe, and Pine Hills—opened between November 2009 and June 2010 and were named “Best Use of Public Funds” by Metroland magazine.

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Albany Public Library (APL) educates, entertains, and empowers our community. APL operates seven award-winning branches serving the residents of Albany. Each month, about 74,000 people use the libraries to borrow materials, attend programs, access computers, and research information. More than 85,000 books, DVDs, and other materials are circulated each month. The libraries also provide 45,000 WiFi sessions and 13,000 public computer sessions monthly. Visit APL online at www.albanypubliclibrary.org. Look for the free “Albany Public Library Mobile” app for Apple and Android devices. And, follow @AlbanyNYLibrary on social media.