

**CITY OF RYE
MEMORANDUM**

TO: Honorable Mayor and Council Members

FROM: Frank J. Culross, City Manager

SUBJECT: Enclosures - Council Packet

DATE: November 20, 2009

Enclosed with this memorandum are the following items:

- 11-10 Letter from Kurt Hadeler, Director of the Rye Free Reading Room, dated November 13, 2009 with attached financial information.
- 11-11 Notice from the New York State Office of Real Property Services regarding the State Equalization Rate.
- 11-12 Litigation Update from the Corporation Counsel dated November 20, 2009.
- 11-13 Notice from The Committee to Save the Bird Homestead regarding a presentation being given at the Rye Free Reading Room on Sunday, November 29, 2009 at 4:00 p.m.
- 11-14 Meeting notice for the week of November 23, 2009.

FJC/emm
Encs.



RYE FREE READING ROOM

13 November 2009

Mr. Frank Culross, City Manager
City Hall
1051 Boston Post Rd
Rye, NY 10580

Mr. Culross:

Per the Rye Free Reading Room's contract with the City of Rye, I am supplying you with a copy of our most recent audit, covering the year ending December 31, 2007 and 2008. I am also supplying you with a copy of our most recent IRS 990 tax return, covering the year ending December 31, 2008. These documents were recently completed by the library's auditor, Loeb & Troper.

I anticipate that the library's annual report will be finalized in late January or early February and will provide copies when they are available.

Please don't hesitate to contact me if you require additional information.

Sincerely,

Kurt Hadelor
Director

Enclosures:

1. Financial statements and auditor's report, December 31, 2007 and 2008
2. IRS form 990 for the year ending December 31, 2008

THE RYE FREE READING ROOM

**FINANCIAL STATEMENTS
AND AUDITOR'S REPORT**

DECEMBER 31, 2008 AND 2007

THE RYE FREE READING ROOM

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Independent Auditor's Report

Exhibit

- A - Statement of Assets and Net Assets
Arising from Cash Transactions**

- B - Statement of Revenues Collected, Expenses
Paid and Changes in Net Assets**

- C - Statement of Cash Flows**

Notes to Financial Statements



Independent Auditor's Report

Board of Trustees The Rye Free Reading Room

We have audited the accompanying statement of assets and net assets arising from cash transactions of The Rye Free Reading Room (the Library) as of December 31, 2008 and 2007, and the related statements of revenues collected, expenses paid and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Rye Free Reading Room's internal control over financial reporting. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared on the basis of cash receipts and disbursements, except that unrealized gains or losses on investments and depreciation expense are recognized, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and net assets arising from cash transactions of The Rye Free Reading Room as of December 31, 2008 and 2007, and its revenues collected and expenses paid and changes in its net assets and cash flows during the years then ended on the basis of accounting described in Note 2.

Loeb + Troper LLP

September 30, 2009

THE RYE FREE READING ROOM

STATEMENT OF ASSETS AND NET ASSETS
ARISING FROM CASH TRANSACTIONS

DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Assets		
Cash and cash equivalents	\$ 206,949	\$ 370,885
Investments (Note 4)	1,944,694	1,745,581
Fixed assets - net (Note 3)	<u>3,257,604</u>	<u>3,398,575</u>
Total assets	\$ <u>5,409,247</u>	\$ <u>5,515,041</u>
Net assets (Exhibit B)		
Unrestricted		
Board designated (Note 9)	\$ 4,007,043	\$ 4,257,239
Operating	<u>51,742</u>	<u>13,050</u>
Total unrestricted	4,058,785	4,270,289
Temporarily restricted (Note 6)	459,656	353,946
Permanently restricted (Note 9)	<u>890,806</u>	<u>890,806</u>
Total net assets	\$ <u>5,409,247</u>	\$ <u>5,515,041</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

THE RYE FREE READING ROOM

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Excess (deficiency) of revenues collected over expenses paid (Exhibit B)	\$ (105,794)	\$ 12,187
Adjustments to reconcile excess (deficiency) of revenues collected over expenses paid to net cash provided by operating activities		
Depreciation	140,971	140,799
Net loss (gain) on investments	<u>433,225</u>	<u>(34,639)</u>
Net cash provided by operating activities	<u>468,402</u>	<u>118,347</u>
Cash flows from investing activities		
Capital expenditures		(71,179)
Proceeds from sale of investments	384,152	37,605
Purchase of investments	<u>(1,016,490)</u>	<u>(129,707)</u>
Net cash used by investing activities	<u>(632,338)</u>	<u>(163,281)</u>
Net decrease in cash and cash equivalents	(163,936)	(44,934)
Cash and cash equivalents - beginning of year	<u>370,885</u>	<u>415,819</u>
Cash and cash equivalents - end of year	<u>\$ 206,949</u>	<u>\$ 370,885</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

THE RYE FREE READING ROOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 1 - NATURE OF ORGANIZATION

The Rye Free Reading Room (Library) is an Association library located in Rye, New York, which was incorporated under an Act of the Legislature of the State of New York on April 12, 1884. It provides up-to-date information services and recreational materials to the public using a variety of resources including books, technology, media, and public programs targeted for all ages. It is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Library is supported primarily by an annual contract with the City of Rye and by private contributions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting - The financial statements are prepared on the basis of cash receipts and disbursements. Consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. However, unrealized gains and losses on investments and depreciation expense are recognized.

Cash and cash equivalents - Cash and cash equivalents include investments in highly liquid debt instruments with maturities when acquired of three months or less.

Investments - Investments in mutual funds and certificates of deposit are recorded at fair value, based on quoted market price. Investment in the limited partnership is recorded at fair value based on the equity value attributed to the Library's share of the partnership as determined by the partnership's manager.

Fixed assets - Fixed assets are recorded at cost. Items in excess of \$1,000 with an estimated useful life of more than one year are capitalized. Depreciation of fixed assets is provided on the straight-line method over the estimated useful lives of the assets.

Contributions - The Library reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of revenues collected, expenses paid and changes in net assets as net assets released from restrictions.

Government grants - Revenues from government grants are recognized as reimbursable expenses, and are incurred under the terms of the contract. Such revenues are subject to audit by the agencies. No provision for any disallowances is reflected in the financial statements, since management does not anticipate any material adjustments.

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THE RYE FREE READING ROOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Dues and membership fees - The Library records dues and membership revenue based on amounts received during the current period.

Functional allocation of expenses - Expenses have been charged to program and supporting services based on direct expenses and other specific allocation methods.

Books - The Library expenses acquisitions of books.

Unrestricted net assets - Unrestricted net assets include funds having no restriction as to use or purpose imposed by donors.

Restricted net assets - Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Permanently restricted net assets are limited by donors for investment and maintained by the Library in perpetuity.

Financial Accounting Standards Board (FASB) Interpretation No. 48 - Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No. 109 (FIN 48)

In July 2006, the FASB issued Interpretation No. 48, *Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No. 109 (FIN 48)*. FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. FIN 48 was effective for fiscal years beginning after December 15, 2006. On November 7, 2007, the FASB voted to defer FIN 48 for one year until fiscal years beginning after December 15, 2007. On October 15, 2008, the FASB voted to continue the deferral of FIN 48 for non-public companies and not-for-profits for an additional year until fiscal years beginning after December 15, 2008.

As FIN 48 has not yet been adopted, the Library is continuing to use FASB Statement No. 5, *Accounting for Contingencies (FAS 5)* to evaluate uncertain tax positions. The Library is currently evaluating the impact on the financial statements of adopting FIN 48.

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THE RYE FREE READING ROOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurements

FASB Statement No. 157, *Fair Value Measurements* (FASB Statement No. 157), establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB Statement No. 157 are described below. Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Library has the ability to access. Level 2 inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2008.

Mutual funds - Valued at the net asset value ("NAV") of the shares held at year end.

Certificates of deposit - Valued at the closing price reported on the active market on which the individual certificates of deposit are traded.

Limited Partnership - There are no observable inputs and certain of the underlying investments are not publicly traded, and there is no secondary market for such funds. The fund is valued at the NAV of shares held at year end by the managers of the underlying funds.

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THE RYE FREE READING ROOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurements (continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Library believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the assets at fair value as of December 31, 2008:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$ 1,395,693	\$ -	\$ -	\$ 1,395,693
Certificates of deposit	-	225,000	-	225,000
Limited Partnership	<u>-</u>	<u>-</u>	<u>324,000</u>	<u>324,000</u>
	<u>\$ 1,395,693</u>	<u>\$ 225,000</u>	<u>\$ 324,000</u>	<u>\$ 1,944,693</u>

Level 3 Gains and Losses

The table below sets forth a summary of changes in the fair value of the Level 3 assets for the year ended December 31, 2008:

	<u>Alternative Investments</u>
Balance, beginning of year	\$ -
Purchases	<u>324,000</u>
Balance, end of year	<u>\$ 324,000</u>

SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities - Including an Amendment of SFAS No. 115* (SFAS No. 159), permits but does not require measurement of financial instruments and certain other items at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. As the Library did not elect to fair value any of the financial instruments under the provisions of SFAS No. 159, the adoption of this statement effective January 1, 2008 did not have an impact on the financial statements.

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THE RYE FREE READING ROOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 3 - FIXED ASSETS

The Library received a donation of land on March 23, 1910 and subsequently constructed the library. The Library assigned the land and building a nominal value of \$7. The cost basis (value) of the land when acquired would be immaterial to the current financial statements and the building would be fully depreciated. The Library continues to reflect the nominal value on the balance sheet.

	December 31, 2008			Estimated Useful Lives
	Cost	Accumulated Depreciation	Net	
Land	\$ 3		\$ 3	
Buildings	3,838,444	\$ 650,620	3,187,824	30 years
Furniture and equipment	<u>166,899</u>	<u>97,122</u>	<u>69,777</u>	3-10 years
	<u>\$ 4,005,346</u>	<u>\$ 747,742</u>	<u>\$ 3,257,604</u>	

	December 31, 2007			Estimated Useful Lives
	Cost	Accumulated Depreciation	Net	
Land	\$ 3		\$ 3	
Buildings	3,838,444	\$ 522,672	3,315,772	30 years
Furniture and equipment	<u>166,899</u>	<u>84,099</u>	<u>82,800</u>	3-10 years
	<u>\$ 4,005,346</u>	<u>\$ 606,771</u>	<u>\$ 3,398,575</u>	

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THE RYE FREE READING ROOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 4 - INVESTMENTS

	<u>2008</u>	<u>2007</u>
Mutual funds	\$ 1,395,693	\$ 1,745,581
Certificates of deposit	225,000	
Limited Partnership	<u>324,000</u>	
Total investments	<u>\$ 1,944,693</u>	<u>\$ 1,745,581</u>

The Library invests in various investments. Investments are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, based upon the markets' fluctuations, and that such changes could materially affect the Library's balance sheet.

NOTE 5 - RETIREMENT PLAN

Full-time employees of the Library are enrolled in a pension plan administered by the New York State Employees' Retirement System. Cash payments of \$53,008 and \$24,571 were contributed in 2008 and 2007, respectively.

NOTE 6 - TEMPORARILY RESTRICTED NET ASSETS

The temporarily restricted net assets of the Library are contributions with donor-imposed stipulations. These stipulations are removed when the Library expends the donated funds for the purposes specified. Temporarily restricted net assets are available for the following purposes:

	<u>2008</u>	<u>2007</u>
Library services	<u>\$ 459,656</u>	<u>\$ 353,946</u>

Temporarily restricted net assets were released by incurring expenses satisfying the following:

	<u>2008</u>	<u>2007</u>
Library services	\$ 115,704	\$ 164,184
Capital expenditures		<u>34,373</u>
	<u>\$ 115,704</u>	<u>\$ 198,557</u>

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THE RYE FREE READING ROOM
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008 AND 2007

NOTE 7 - CONCENTRATIONS

The Library receives a substantial amount of support from the City of Rye. Therefore, if a significant reduction in the level of this support were to occur, it could have an effect on the Library's programs and activities.

NOTE 8 - FUNCTIONAL EXPENSES PAID

The Library provides library services. Expenses paid related to providing these services are as follows:

	<u>2008</u>	<u>2007</u>
Library services	\$ 1,627,167	\$ 1,607,630
Management and general	121,525	146,351
Fund raising	<u>62,542</u>	<u> </u>
	<u>\$ 1,811,234</u>	<u>\$ 1,753,981</u>

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THE RYE FREE READING ROOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 9 - ENDOWMENT FUNDS

General

The Library's endowment consists of five donor-restricted endowment funds established to fund library services. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Trustees has interpreted the Uniform Management Institutional Funds Act (UMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Library classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The endowment fund that is not classified in permanently restricted net assets is classified as unrestricted net assets.

Return Objectives, Strategies Employed and Spending Policy

The objective of the Library is to maintain the principal endowment funds at the original amount designated by the donor. The investment policy to achieve this objective is to invest in low-risk investments. Investment income earned in relation to the endowment funds is recorded as unrestricted income.

Funds with Deficiencies

The Library does not have any funds with deficiencies.

Endowment Net Asset Composition by Type of Fund as of December 31, 2008

Endowment net asset composition consists of permanent and unrestricted donor-restricted funds.

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THE RYE FREE READING ROOM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NOTE 9 - ENDOWMENT FUNDS (continued)

Changes in Endowment Net Assets for the Year Ended December 31, 2008

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 854,769	\$ 890,806	\$ 1,745,575
Interest and dividends	56,350		56,350
Unrealized losses	(393,611)		(393,611)
Appropriation of endowment assets for expenditure	<u>(56,350)</u>	<u> </u>	<u>(56,350)</u>
Endowment net assets, end of year	<u>\$ 461,158</u>	<u>\$ 890,806</u>	<u>\$ 1,351,964</u>

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2008 calendar year, or tax year beginning _____ **and ending** _____

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization		D Employer identification number
		THE RYE FREE READING ROOM		13-1740028
		Doing Business As		
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite		E Telephone number
1061 BOSTON POST ROAD			914-967-0480	
City or town, state or country, and ZIP + 4		G Gross receipts \$ 2,092,680.		
RYE, NY 10580-2945		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
F Name and address of principal officer: KURT HADELER		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No		
SAME AS C ABOVE		If "No," attach a list. (see instructions)		
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number ▶		
J Website: ▶ RYELIBRARY.ORG		L Year of formation: 1884 M State of legal domicile: NY		
K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶				

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	19
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	19
	5	Total number of employees (Part V, line 2a)	5	51
	6	Total number of volunteers (estimate if necessary)	6	0
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0.
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 1,337,943.	Current Year 1,636,029.
	9	Program service revenue (Part VIII, line 2g)	301,917.	286,150.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	195,196.	73,313.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	9,839.	88,828.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,844,895.	2,084,320.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14	Benefits paid to or for members (Part IX, column (A), line 4)		
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	846,507.	1,045,654.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	907,474.	703,038.	
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	1,753,981.	1,748,692.	
19	Revenue less expenses. Subtract line 18 from line 12	90,914.	335,628.	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Year 5,515,041.	End of Year 5,409,247.
	21	Total liabilities (Part X, line 26)		
	22	Net assets or fund balances. Subtract line 21 from line 20	5,515,041.	5,409,247.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	▶ Signature of officer	Date		
	▶ KURT HADELER, EXECUTIVE DIRECTOR			
Type or print name and title				
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4	LOEB & TROPER LLP 655 THIRD AVENUE, 12TH FLOOR NEW YORK, NY 10017	EIN ▶	Phone no. ▶ (212) 867-4000

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission: SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,627,167. including grants of \$) (Revenue \$) PROVIDE UP-TO-DATE INFORMATION SERVICES & RECREATIONAL MATERIALS. 225,834 LIBRARY MATERIALS CURCULATED, 1,529 PROGRAMS HELD ATTENDED BY 26,941 CHILDREN AND 9,866 ADULTS.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses \$ 1,627,167. (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	X	
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	X	
13 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		X

Part IV Checklist of Required Schedules *(continued)*

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>		X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X

Form 990 (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
	1a	4	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a	51	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note.</i> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	X	
b	If "Yes," enter the name of the foreign country: CAYMAN ISLANDS See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
5c			
6a	Did the organization solicit any contributions that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
6b			
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	X	
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		X
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		X
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
8			
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
9b			
10	Section 501(c)(7) organizations. Enter: N/A		
a	Initiation fees and capital contributions included on Part VIII, line 12		
	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
	10b		
11	Section 501(c)(12) organizations. Enter: N/A		
a	Gross income from members or shareholders		
	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year: N/A		
	12b		

Part V Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

		Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body		19
1b	Enter the number of voting members that are independent		19
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	X	
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	a The governing body?	X	
8b	b Each committee with authority to act on behalf of the governing body?		X
9a	Does the organization have local chapters, branches, or affiliates?	X	
9b	b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	X	
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	X	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done		X
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
15a	a The organization's CEO, Executive Director, or top management official?	X	
15b	b Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)		X
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed	NONE
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request	
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization:	JUDY RYEN - 914-231-3164 1061 BOSTON POST ROAD, RYE, NY 10580-2945

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

• List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and current key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
KAREN BRESOLIN PRESIDENT	3.00	X		X				0.	0.	0.
DAVID GREENHOUSE VICE PRESIDENT	2.00	X		X				0.	0.	0.
MARK A. MOORE TREASURER	3.00	X		X				0.	0.	0.
PAULA S. BUTLER TRUSTEE	1.00	X						0.	0.	0.
JAMES R. BILLINGSLEY, JR TRUSTEE	1.00	X						0.	0.	0.
GRETCHEN KAYE CROWLEY TRUSTEE	1.00	X						0.	0.	0.
KENNETH FOEGE TRUSTEE	1.00	X						0.	0.	0.
DEBRA E. JULIAN TRUSTEE	1.00	X						0.	0.	0.
ROBERT N. KAPLAN TRUSTEE	1.00	X						0.	0.	0.
ROBERT A. KINDLER TRUSTEE	1.00	X						0.	0.	0.
ORAN G. KIRKPATRICK TRUSTEE	1.00	X						0.	0.	0.
FLORENCE R. KRAUT TRUSTEE	1.00	X						0.	0.	0.
LAWRENCE H. LEHMAN TRUSTEE	1.00	X						0.	0.	0.
BARBARA ORMEROD-GLYNN SECRETARY	2.00	X		X				0.	0.	0.
ANTHONY MASON TRUSTEE	1.00	X						0.	0.	0.
WERNER E. TIETJEN TRUSTEE	1.00	X						0.	0.	0.
JULIA DAILEY TRUSTEE	1.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
ANN SULLIVAN TRUSTEE	1.00	X						0.	0.	0.
MARK ZWERGER TRUSTEE	1.00	X						0.	0.	0.
KURT HADELER EXECUTIVE DIRECTOR	36.50			X				94,188.	0.	17,434.
1b Total								94,188.	0.	17,434.

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization 0

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization 0

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c	113,924.				
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	1,178,736.				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	343,369.				
	g	Noncash contributions included in lines 1a-1f \$		324,000.				
	h	Total. Add lines 1a-1f		1636029.				
	Program Service Revenue	2 a	MEMBERSHIP FEES	Business Code 519100	209,794.	209,794.		
		b	OSBORNE BRANCH	519100	37,304.	37,304.		
c		FINES/BOOK RENTAL FEES	519100	32,803.	32,803.			
d		BOOK SALES	519100	6,249.	6,249.			
e								
f		All other program service revenue	900099					
g		Total. Add lines 2a-2f		286,150.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		73,313.			73,313.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents	(i) Real (ii) Personal					
		b	Less: rental expenses					
		c	Rental income or (loss)					
		d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other					
		b	Less: cost or other basis and sales expenses					
		c	Gain or (loss)					
		d	Net gain or (loss)					
	8 a	Gross income from fundraising events (not including \$ 113,924. of contributions reported on line 1c). See Part IV, line 18	a	85,017.				
		b	Less: direct expenses	b	8,360.			
		c	Net income or (loss) from fundraising events		76,657.			76,657.
	9 a	Gross income from gaming activities. See Part IV, line 19	a					
b		Less: direct expenses	b					
c		Net income or (loss) from gaming activities						
10 a	Gross sales of inventory, less returns and allowances	a						
	b	Less: cost of goods sold	b					
	c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code					
11 a	MISCELLANEOUS INCOME	900099	8,323.	8,323.				
	COPIER AND PRINTING	900099	3,848.	3,848.				
	c							
	d	All other revenue						
	Total. Add lines 11a-11d		12,171.					
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		2084320.	298,321.		0.	149,970.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	94,188.		94,188.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	780,014.	780,014.		
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	51,655.	45,944.	5,711.	
9 Other employee benefits	50,953.	39,230.	11,723.	
10 Payroll taxes	68,844.	67,941.	903.	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	9,000.		9,000.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	68,394.	68,394.		
14 Information technology	64,265.	64,265.		
15 Royalties				
16 Occupancy	140,185.	140,185.		
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	140,971.	140,971.		
23 Insurance	35,119.	35,119.		
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a LIBRARY MATERIALS	225,834.	225,834.		
b CONTRACTED SERVICES	18,480.	18,480.		
c STAFF DEVELOPMENT	790.	790.		
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	1,748,692.	1,627,167.	121,525.	0.
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation ...				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	370,885.	2	431,949.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost basis ... 10a	4,005,346.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D ... 10b	747,742.		
		3,398,575.	10c	3,257,604.
	11 Investments - publicly traded securities	1,745,581.	11	1,395,694.
	12 Investments - other securities. See Part IV, line 11		12	324,000.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11		15		
16 Total assets. Add lines 1 through 15 (must equal line 34)	5,515,041.	16	5,409,247.	
Liabilities	17 Accounts payable and accrued expenses		17	
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	0.	26	0.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	4,270,289.	27	3,734,785.
	28 Temporarily restricted net assets	353,946.	28	783,656.
	29 Permanently restricted net assets	890,806.	29	890,806.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	5,515,041.	33	5,409,247.
	34 Total liabilities and net assets/fund balances	5,515,041.	34	5,409,247.

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b Were the organization's financial statements audited by an independent accountant?	X	
c If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits?		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

2008
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

THE RYE FREE READING ROOM

Employer identification number

13-1740028

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only one organization.)

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii). (Attach Schedule H.)
- 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete the Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4). (see instructions)
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule A (Form 990 or 990-EZ) 2008

Part I Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1,556,791.	1,339,601.	1,443,911.	1,337,943.	1,636,029.	7,314,275.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 - 3	1,556,791.	1,339,601.	1,443,911.	1,337,943.	1,636,029.	7,314,275.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						7,314,275.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	1,556,791.	1,339,601.	1,443,911.	1,337,943.	1,636,029.	7,314,275.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	39,221.	54,302.	72,673.	81,830.	73,313.	321,339.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	7,018.	7,367.	14,170.	9,839.	12,171.	50,565.
11 Total support. Add lines 7 through 10						7,686,179.

12 Gross receipts from related activities, etc. (see instructions) 12 1,078,635.

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	95.16 %
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	95.45 %

16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization

17a 10% -facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization

b 10% -facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 - 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%

19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Schedule D
(Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization **THE RYE FREE READING ROOM** Employer identification number **13-1740028**

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically important land area
 Protection of natural habitat Preservation of certified historic structure
 Preservation of open space

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?

Yes No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b Assets included in Form 990, Part X

▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIV and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	1745575.				
b Contributions					
c Investment earnings or losses	-385,066.				
d Grants or scholarships					
e Other expenditures for facilities and programs	8,168.				
f Administrative expenses	375.				
g End of year balance	1351966.				

- 2 Provide the estimated percentage of the year end balance held as:
- a Board designated or quasi-endowment 34.11 %
 - b Permanent endowment 65.89 %
 - c Term endowment _____ %
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|-----------------------------|--------------------------|-------------------------------------|
| (i) unrelated organizations | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (ii) related organizations | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? Yes No
- 4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other		4,005,346.	747,742.	3,257,604.
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				3,257,604.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	2,084,320.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	1,748,692.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	335,628.
4	Net unrealized gains (losses) on investments	4	-441,422.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4-8	9	-441,422.
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	-105,794.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	1,642,898.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	-441,422.
b	Donated services and use of facilities	2b	54,182.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	-387,240.
3	Subtract line 2e from line 1	3	2,030,138.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	54,182.
c	Add lines 4a and 4b	4c	54,182.
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	2,084,320.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	1,748,692.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	1,748,692.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	1,748,692.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

RECONCILING ITEMS TO REVENUE INCLUDE THE GIFT IN KIND CONTRIBUTION AND RELATED EXPENSES OF DONATED GOODS AND SERVICES FOR SPECIAL EVENTS.

Part I Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col. (a) through col. (c))	
		NOVEL NIGHT (event type)	CONVERSATION S AND COCKTA (event type)	1 (total number)		
Revenue	1	142,804.	29,509.	26,628.	198,941.	
	2	113,924.			113,924.	
	3	28,880.	29,509.	26,628.	85,017.	
Direct Expenses	4					
	5					
	6					
	7	8,360.			8,360.	
	8	Direct expense summary. Add lines 4 through 7 in column (d) ▶				(8,360.)
	9	Net income summary. Combine lines 3 and 8 in column (d) ▶				76,657.

Part II Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col. (a) through col. (c))	
Revenue	1					
	2					
Direct Expenses	3					
	4					
	5					
	6	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No		
	7	Direct expense summary. Add lines 2 through 5 in column (d) ▶				()
	8	Net gaming income summary. Combine lines 1 and 7 in column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? _____

b If "No," Explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? _____

b If "Yes," Explain: _____

11 Does the organization operate gaming activities with nonmembers? _____

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? _____

	Yes	No
9a		
10a		
11		
12		

13 Indicate the percentage of gaming activity operated in:

a The organization's facility	13a	%
b An outside facility	13b	%

14 Provide the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?

b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____ .

c If "Yes," enter name and address:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

Director/officer Employee Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

	Yes	No
13a		
13b		
14		
15a		
16		
17a		

**SCHEDULE M
(Form 990)**

NonCash Contributions

OMB No. 1545-0047

2008

Open to Public Inspection

▶ To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 29 or 30.

▶ Attach to Form 990.

Department of the Treasury
Internal Revenue Service

Name of the organization

THE RYE FREE READING ROOM

Employer identification number

13-1740028

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests	X	1	324,000	OPINION OF EXPERTS
12 Securities - Miscellaneous				
13 Qualified conservation contribution (historic structures)				
14 Qualified conservation contribution (other)				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ()				
26 Other ()				
27 Other ()				
28 Other ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgment

29

1

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

	Yes	No
30a		X
31		X
32a		X

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If "Yes," describe in Part II.

33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II.

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) 2008

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

THE RYE FREE READING ROOM

Employer identification number
13-1740028

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

TO PROVIDES UP-TO-DATE INFORMATION SERVICES TO THE PUBLIC USING A VARIETY OF RESOURCES, INCLUDING BOOKS, STATE-OF-THE-ART TECHNOLOGY, MEDIA AND PUBLIC PROGRAMS; AND, TO SERVE AS A CENTRAL DYNAMIC GATHERING PLACE AND LEARNING FACILITY FOR RYE RESIDENTS OF ALL AGES AND BACKGROUNDS AND FOR ITS COMMUNITY ORGANIZATIONS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

TO PROVIDES UP-TO-DATE INFORMATION SERVICES TO THE PUBLIC USING A VARIETY OF RESOURCES, INCLUDING BOOKS, STATE-OF-THE-ART TECHNOLOGY, MEDIA AND PUBLIC PROGRAMS; AND, TO SERVE AS A CENTRAL DYNAMIC GATHERING PLACE AND LEARNING FACILITY FOR RYE RESIDENTS OF ALL AGES AND BACKGROUNDS AND FOR ITS COMMUNITY ORGANIZATIONS.

FORM 990, PART VI, SECTION A, LINE 4: THE BY-LAWS WERE REVISED 11/08.

ATTACHED IS A DRAFT OF CHANGES THAT WERE VOTED ON AND REVISED BY-LAWS.

CHARTER WAS AMENDED 10/08 WHEN WE WERE INFORMED BY THE NYS EDUCATION

DEPARTMENT IN 2/08 THAT OUR CHARTER ONLY ALLOWED 7 TRUSTEES. CHARTER WAS

AMENDED TO ALLOW 15-25. APPROVED BY THE NYS BOARD OF REGENTS.

FORM 990, PART VI, SECTION A, LINE 8B: THE FINANCE COMMITTEE REPORTS ALL DECISIONS AND DISCUSSIONS FROM MEETINGS TO THE BOARD AT THE BOARD MEETING FOLLOWING THE FINANCE COMMITTEE MEETING, BUT THEY DO NOT TAKE MINUTES OF THE MEETINGS.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization

THE RYE FREE READING ROOM

Employer identification number
13-1740028

FORM 990, PART VI, SECTION A, LINE 10: THE EXECUTIVE DIRECTOR, FINANCE COMMITTEE CHAIR AND BUSINESS MANAGER REVIEW THE 990.

FORM 990, PART VI, SECTION B, LINE 15: AN INDEPENDENT SEARCH FIRM WAS HIRED TO LOCATE POSSIBLE CANDIDATES FOR POSITION OF DIRECTOR IN 2007. THEY COMPARED THE DATA REGARDING QUALIFICATIONS OF CANDIDATES AND SALARY TO BE OFFERED. BOARD HAD FINAL VOTE ON DECISIONS OF JOB NOMINEE AND SALARY.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST.

THE REVIEW PROCESS HAS NOT CHANGED FROM PRIOR YEARS.

Asset No.	Description	Date Acquired	Method	Life	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	BUILDINGS	VARIES		.000	16	3,838,444.			3,838,444.	522,672.		127,948.
2	FURNITURE AND EQUIPMENT	VARIES		.000	16	166,899.			166,899.	84,099.		13,023.
3	LAND	VARIES		.000	16	3.			3.			0.
* TOTAL 990 PAGE 10 DEPR						4,005,346.		0.	4,005,346.	606,771.	0.	140,971.

825102 04-25-08 (D) - Asset disposed * ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print	Name of Exempt Organization THE RYE FREE READING ROOM	Employer identification number 13-1740028
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 1061 BOSTON POST ROAD	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. RYE, NY 10580-2945	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

JUDY RYEN

- The books are in the care of ▶ **1061 BOSTON POST ROAD - RYE, NY 10580-2945**
 Telephone No. ▶ **914-231-3164** FAX No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2009**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year **2008** or
 ▶ tax year beginning _____, and ending _____

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form 8868 (Rev. 4-2009)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization The Rye Free Reading Room	Employer identification number 13 : 1740028
	Number, street, and room or suite no. If a P.O. box, see instructions. 1061 Boston Post Road	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Rye, New York 10580-2945	

Check type of return to be filed (File a separate application for each return):

- Form 990
- Form 990-BL
- Form 990-EZ
- Form 990-PF
- Form 990-T (sec. 401(a) or 408(a) trust)
- Form 990-T (trust other than above)
- Form 1041-A
- Form 4720
- Form 5227
- Form 6069
- Form 8870

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

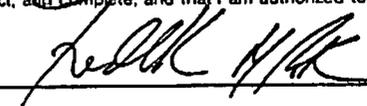
- The books are in the care of **Judy Ryan**
Telephone No. **(914) 231-3164** FAX No. **()**
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until **November 15**, 20**09**.
- 5 For calendar year **2008**, or other tax year beginning _____, 20____, and ending _____, 20____.
- 6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 7 State in detail why you need the extension **Certain information necessary to file a complete and accurate return is not yet available. It is anticipated that all data will be available prior to the extended due date.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature  Title **CPA** Date **07/31/09**

551400

State of New York
State Board of Real Property Services
16 Sheridan Avenue
Albany, New York 12210-2714

Received

NOV 16 2009

Certificate of the Final State Equalization Rate
for the 2009 Assessment Roll

City Manager's Office
Rye, New York

Mr. Steven Otis , Mayor
City of Rye
City Hall
1051 Boston Post Road
Rye, NY 10580

County of Westchester
City of Rye

Final State Equalization Rate: * 1.94 *

I, Patricia L. Holland, hereby certify that on November 10, 2009 the State Board of Real Property Services established a final State equalization rate of 1.94 for the above named municipality.



Patricia L. Holland
Real Property Analyst 3

Note: Since your municipality did not file a complaint with respect to the tentative rate, the final equalization rate is the same as the tentative rate. Notice of the final rate will be filed with the clerk of the county legislative body and in the office of the State Comptroller.

Ms. Noreen P. Whitty , Appointed Assessor
City of Rye
City Hall
1051 Boston Post Road
Rye, NY 10580

Municipal Code	Municipal Name	(A) 2008 State Equalization Rate	(B) 2009 State Equalization Rate and Status	(C) Percentage Change in Estimate of Full Value
550800	City of Mt Vernon	2.64	2.72 Final	-2.94%
551000	City of New Rochelle	2.44	2.44 Final	-3.37%
551200	City of Peekskill	3.00	3.00 Final	-0.79%
551400	City of Rye	1.98	1.94 Final	1.02%
551700	City of White Plains	2.75	2.84 Final	-5.14%
551800	City of Yonkers	2.34	2.55 Final	-10.02%
552000	Town of Bedford	8.88	8.80 Final	-0.50%
552200	Town of Cortlandt	1.61	1.62 Final	-1.04%
552201	Village of Buchanan	2.13	2.25 Final	-5.35%
552203	Village of Croton-on-Hudson	3.18	3.30 Final	-3.64%
552400	Town of Eastchester	1.38	1.43 Final	-6.41%
552401	Village of Bronxville	100.00	92.71 Tentative	-0.98%
552403	Village of Tuckahoe	1.50	1.46 Final	-0.07%
552600	Town of Greenburgh	2.96	2.95 Final	0.34%
552601	Village of Ardsley	2.76	2.79 Final	-1.31%
552603	Village of Dobbs Ferry	2.78	2.82 Final	-1.81%
552605	Village of Elmsford	2.97	3.00 Final	-2.35%
552607	Village of Hastings-on-Hudson	2.74	2.80 Final	-2.83%
552609	Village of Irvington	2.84	2.92 Final	-3.19%
552611	Village of Tarrytown	2.78	2.77 Final	-1.42%
552800	Town of Harrison	1.56	1.51 Final	0.26%
553000	Town of Lewisboro	8.46	8.90 Final	-4.94%
553200	Town of Mamaroneck	1.62	1.59 Final	0.20%
553201	Village of Larchmont	1.62	1.64 Final	-1.36%
553203	Village of Mamaroneck	1.69	1.72 Final	-2.18%
553400	Town of Mount Pleasant	1.40	1.31 Final	6.87%
553401	Village of Sleepy Hollow	22.13	21.89 Final	0.13%
553403	Village of Pleasantville	7.76	8.08 Final	-4.37%
553600	Town of New Castle	17.00	17.45 Final	-2.58%
553800	Town of North Castle	1.91	1.94 Final	-2.28%
554000	Town of North Salem	8.11	8.88 Final	-9.58%
554200	Town of Ossining	5.05	5.12 Final	-2.96%
554400	Town of Pelham	100.00	100.00 Final	-0.14%

Column C is the percentage change in the estimate of full value between the 2008 State equalization rate and the 2009 State equalization rate due to the change in full value standard.

This percentage change is important because county and school taxes are apportioned according to a municipality's share of the full value of the county or the school. A municipality will be apportioned a larger share of the tax levy if its full value increases by a larger percentage than others, or if its full value decreases less than the decrease for other municipalities in the county or school.

The information shown in columns B and C is subject to change as the other tentative rates are established in the county and as rates are finalized after the completion of rate complaint processing. You will be sent a complete report when we have established 2009 State equalization rates for all municipalities in your county.

Municipal Code	Municipal Name	(A) 2008 State Equalization Rate	(B) 2009 State Equalization Rate and Status	(C) Percentage Change in Estimate of Full Value
554600	Town of Pound Ridge	13.75	14.56 Final	-6.29%
554800	Town of Rye	100.00	100.00 Final	-1.88%
555000	Town of Scarsdale	1.64	1.66 Final	-3.10%
555200	Town of Somers	11.25	11.70 Final	-3.95%
555400	Town of Yorktown	2.10	2.20 Final	-4.55%
555600	Town of Mount Kisco	17.39	17.68 Final	-1.64%
555601	Village of Mount Kisco	8.52	8.69 Final	-2.96%

Column C is the percentage change in the estimate of full value between the 2008 State equalization rate and the 2009 State equalization rate due to the change in full value standard.

This percentage change is important because county and school taxes are apportioned according to a municipality's share of the full value of the county or the school. A municipality will be apportioned a larger share of the tax levy if its full value increases by a larger percentage than others, or if its full value decreases less than the decrease for other municipalities in the county or school.

The information shown in columns B and C is subject to change as the other tentative rates are established in the county and as rates are finalized after the completion of rate complaint processing. You will be sent a complete report when we have established 2009 State equalization rates for all municipalities in your county.

**CITY OF RYE
MEMORANDUM**

TO: Honorable Mayor and Rye City Council
FROM: Kevin J. Plunkett, Corporation Counsel
SUBJECT: Litigation Update
DATE: November 20, 2009

CLAIMS

A Notice of Claim has been served on the City by Meghan O'Donnell of 78 Soundview Avenue. The notice states that a screen and window at Ms. O'Donnell's residence was damaged when it was struck by a golf ball. The claim has been forwarded to our insurance carrier.

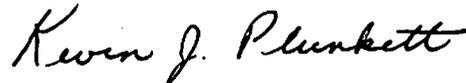
LITIGATION

In June I reported to you that Steven M. Schwartz had filed a notice of claim that alleged false arrest, false imprisonment, harassment, gross negligence and battery by the Rye Police Department on April 23, 2009. A Summons and Complaint was served on the City this week seeking \$5 million in damages together with a separate award for punitive damages to be determined by the court.

CITY COURT

Routine calendar with no unusual dispositions.

Respectfully submitted,



Kevin J. Plunkett
Corporation Counsel

KJP/dfn

The Committee to Save the Bird Homestead

presents

Tom Andersen

What is Long Island Sound For?

with a brief introduction to Westchester Land Trust and its work

Sunday, Nov. 29

4:00 pm

Rye Free Reading Room

Free and open to the public



Tom Andersen is author of the acclaimed book *This Fine Piece of Water: An Environmental History of Long Island Sound* (Yale University Press) and a prominent speaker on Long Island Sound issues. He is Director of Communications for Westchester Land Trust and a member of the Committee to Save the Bird Homestead's Advisory Council.

Co-sponsored by

***Friends of Marshlands, Friends of Read Wildlife Sanctuary,
Read to Marshlands Stewardship Group, Science Friday Initiative,***

Audubon Council of New York

Rye Free Reading Room, 1061 Boston Post Road, Rye, New York

For further information: preservehistory@earthlink.net or 914-967-0383

**CITY OF RYE
MEMORANDUM**

TO: Department Heads
FROM: City Clerk's Office
SUBJECT: Weekly Meeting Notice
DATE: November 13, 2009

Meetings scheduled to be held during the week of November 23, 2009.

MONDAY, NOVEMBER 23, 2009

Board of Architectural Review
8:00 P.M.
Council Chambers
Mayor's Conference Room

cc: News Media
Kerry Donahue