

Library Surplus Policy

JPAB Policy # 406
Adopted: 6/03/2013
Five-year Review Schedule: 2018

It is in the best interest of the citizens of Santa Cruz County who rely upon the Library System that the Board makes prudent use of one-time resources to provide stability and sustainability to the Library's operations.

Therefore, the Library Board shall by Resolution authorize that beginning with the results of Fiscal Year 2013-14, any future amounts attributed to one-third (1/3) of the Library's last year's audited General Fund surplus (defined as "Net Change in Fund Balance" as contained within the annual Basic Financial Statements "State of Revenues, Expenditures and Changes in Fund Balance-Governmental Fund") shall be used for the purposes as outlined below in priority order:

To take advantage of prepayment, one-time operating discounts such as CalPERS Employer Retirement Obligations.

To pay down outstanding debt

To build up "available Fund Balance" for future, one-time operational purposes

To, if after three (3) consecutive years of surplus, increase the operating budget by one-third of the lowest surplus within any single year of the past the three (3) surplus years.

This policy could supplement future policies to allocate one-third (1/3) of any prior year's surplus to fund Materials and another one-third (1/3) to be transferred to the Facility Capital Project reserve.