

Bequests and Trust Fund Accounts: A Summary

FY 2008-09

FINKELDEY TRUST

Donor:

Stella A. H. Finkeldey, a teacher and principal in the Santa Cruz City School System, left her estate to the Santa Cruz Public Library in 1949.

Terms:

". . .the net income therefrom, plus the annual sum of \$100.00 from the principal, [shall] be used and expended solely for the purchase of musical literature for and to be kept in the music department of the Santa Cruz Public Library."

Amount:

On May 24, 1949 the sum of \$11,912.24 was distributed to a trust account for the library. The management of the trust was subsequently turned over to the City of Santa Cruz.

Use:

Each fiscal year the Library System budgets \$700 to \$800 from the Trust for the purchase of music materials; these funds are anticipated as revenue. On January 31, 2007 the Trust balance was \$10,793.

MCCASKILL TRUST — LOCAL HISTORY

Donor:

Annie McCaskill, who died in 1981, named the City of Santa Cruz as one of two residual legatees for her estate. The other was the First Presbyterian Church. Upon the death of her sister, Frances McCaskill, the City's share of the estate was to be divided into two equal parts: one for local history and the other for providing materials and services to people with defective sight. Frances McCaskill died in 1986, and the Library received its distribution during the summer of that year.

Terms:

Half the City's share is to be used ". . . in establishing and maintaining a department in the City of Santa Cruz Public Library System devoted to the preservation of historical documents and objects and promulgation of the local history of the City of Santa Cruz and of the State of California.

Amount:

The McCaskill Trust for Local History totaled \$224,007.86 in November 1986. It is managed by the City of Santa Cruz.

Use:

Each year the Library System budgets an amount from the Trust for the purchase of local history materials. In FY 2008-2009, this was \$5,000. In addition over the years the System has spent about \$100,000 on Central Branch renovations creating the Californiana/Local History Room, microfilm equipment, microfilming local newspapers, and inventorying and preserving local historic photographs. On July 1, 2008 Trust balance was \$266,869.20. The accrued income on that date was \$22,261.34. Less the FY 2008-09 appropriations, available income should be about \$17,361.34

MCCASKILL TRUST--VISUALLY IMPAIRED

Donor:

See above

Terms:

Half the City's share of the McCaskill Trust is to be used ". . . in establishing and maintaining a braille department in the City of Santa Cruz Public Library System and for the purpose of providing braille books, materials, records, and tapes for use of patrons with defective sight."

Amount:

The McCaskill Trust for the Visually Impaired totaled \$224,007.86 in November, 1986. It is managed by the City of Santa Cruz.

Income:

Each year the Library System budgets an amount from the Trust for the purchase of large print books and books on tape. In FY 2007-08 \$6,300 was budgeted for this use. In addition, Trust funds have been spent to acquire equipment to serve people with visual impairments, including a System-wide ADA signage project. On July 1, 2008 the Trust balance was \$264,055.78. The accrued income on that date was \$20,047.92. Less the FY 2008-09 appropriations, available income should be about \$9,647.92.

RICHARDSON TRUST

Donor:

Dr. James B. Richardson died in 1979, leaving the Library a Testamentary Trust for book purchases. His other legatees were the Cornell University Veterinary School and a personal friend.

Terms:

The Richardson will specifies that the Library use the funds ". . . for the purchase of nonfiction books written for the general public, and not to include textbooks, technical or statistical books, or religious or sociological studies."

Amount:

As Executor of the Richardson Estate, the County Bank of Santa Cruz was instructed to establish a Trust that would provide the Library with \$10,000 per year for book purchases. By the time Dr. Richardson's real estate had been sold, the Trust was producing more than this amount. So in 1981 the Superior Court ruled that all net income be distributed annually, one-fifth to Cornell (for research on dogs) and four-fifths to the Library. COMERICA Bank remains the manager of the Trust, distributing annual payments to the Library.

Use:

Each year the Library System budgets an amount from the Trust for the purchase of library materials that meet the criteria of the will. In FY 2008-09 \$20,000 is budgeted for this purpose, and anticipated as revenue. On December 31, 2007 the assets of the Trust (market value) totaled \$499,159.09.

OTHER INCOME ACCOUNTS

The Library System periodically receives cash gifts from individuals for memorial and other purposes. Also, service organizations donate funds for the purchase of materials in their areas of interest. The staff makes every effort to persuade donors to make gifts to the [Friends of the Santa Cruz Public Libraries, Inc.](#), which has nonprofit, tax exempt status, since this greatly simplifies accounting procedures.

POLICY RE FINANCIAL DONATIONS

In 1989 the Library Oversight Committee adopted a Financial Donations policy, which the Library Joint Powers Authority Board accepted without change. It outlines procedures for making cash gifts, bequests, or testamentary trusts, and has three other key provisions:

- All financial gifts to the Library System are treated as additional revenue, over and above the regular operating budget, and are expended according to the wishes of the donor, if these are specified.
- The Library Joint Powers Board must consider and approve unusual conditions imposed by donors, and will also approve the acceptance of funds to create special collections.
- In the absence of restrictions by the donor, the Library Joint Powers Authority Board reserves the right to determine whether bequests will be invested or spent.