

**DESCHUTES PUBLIC LIBRARY DISTRICT
RESOLUTION TO ESTABLISH FUND BALANCE POLICIES AS
REQUIRED BY GASB 54**

WHEREAS, the Governmental Accounting Standards Board (GASB) has adopted Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, that is effective in the fiscal year 2010-2011, and

WHEREAS, the Deschutes Public Library District (District) wishes to comply with GASB 54 beginning with the current July 1, 2014 - June 30, 2015 fiscal year:

NOW THEREFORE BE IT RESOLVED that the Deschutes Public Library Board (Board) hereby adopts the following policy:

FUND BALANCE POLICY

Fund balance measures the net financial resources available to finance expenditures of future periods. The District's Unassigned General Fund Balance will be maintained to provide the District with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The Unassigned General Fund Balance may only be appropriated by resolution of the Board.

Fund Balance of the District may be committed for a specific purpose by formal action of the Board. Amendments or modifications to the committed fund balance must also be approved by formal action of the Board. Committed fund balance does not lapse at year-end. The formal action required to commit fund balance shall be by Board resolution.

The Board delegates authority to assign fund balance for a specific purpose to the Chief Business Official of the District (Library Director).


For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first and then unrestricted. Expenditures incurred in the unrestricted fund balances shall be reduced first from the committed fund balance, then from the assigned fund balance and lastly, the unassigned fund balance.

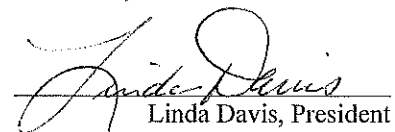
The Board recognizes that good fiscal management comprises the foundational support of the entire District. To make that support as effective as possible, the Board intends to maintain a minimum fund balance of 17% of the District's general fund annual operating expenditures. If a fund balance drops below 17%, it shall be recovered at a rate of at least 1%, each year.

This policy should be revisited each year for review.

PASSED BY THE BOARD OF DIRECTORS THIS 11TH DAY OF FEBRUARY, 2015.

ATTEST:


Todd Dunkelberg, Director


Linda Davis, President