



FISCAL MANAGEMENT POLICY

Adopted 12/11/2019

The Jefferson County Library District Board of Trustees shall implement and maintain sound financial management of the entrusted resources provided by the taxpayers and other sources of funding, consistent with the Library's mission.

- In accordance with state law, RCW 27.12.070, the Jefferson County Office of the Treasurer serves as the Library's fiscal agent.
- The Library will comply with all statutory budget, property tax, and financial reporting requirements and due dates established by both Washington State and Jefferson County.
- The Library's financial reporting will be on a cash basis and will follow the prescribed Budget, Accounting, and Reporting System (BARS) for cash basis entities as prescribed by the Washington State Auditor's Office.
- The fiscal year of the Library is January 1st through December 31st.
- The Library Board of Trustees will establish and manage an **Investment Policy** and a **Fund Management Policy** to ensure long-term budget sustainability.

Budget, Revenues, and Expenditures

The Board of Trustees approves an annual budget defining anticipated revenues and operating expenditures.

- At the October Board Meeting, the preliminary budget for the following year is submitted for public inspection and comment. At the November Board Meeting, the budget is formally adopted by the Board of Trustees and a Resolution adopting this final budget is transmitted to the Board of County Commissioners as required by State Law (RCW 27.12.050).

- Current year general fund operations are funded from current year revenues. Permitted exceptions include, but are not limited to, transferring funds between accounts or the incurring of debt.
- Amended or revised budgets may be adopted by the Board as needed.

Funds

Library Funds are established and managed as specified in the **Fund Management Policy**. They include:

- **General Fund**

This fund is used to carry out the Library's normal operations and maintenance activities.

- **Unemployment Reserve**

The Library maintains a self-insured unemployment compensation fund to ensure continuity of staff salaries in the event of a layoff or an emergency situation.

- **Board Designated Unrestricted Funds**

The Jefferson County Library Board of Trustees manages multiple unrestricted funds.

Library Responsibilities

The Board designates the Library Director and any designees to carry out the following responsibilities:

- Establish a budget system and administer the budget process.
- Establish and maintain financial procedures for managing the Library's cash. Document, keep prudently current, and enforce such financial procedures as an implementation of this fiscal policy.
- Administer a cash-flow system as an anticipatory approach to budget for and meet the Library's expenditure needs for future operations, including bill management.
- Maintain a goal of 3% of average annual General Operating Fund revenues to be set aside for Board Designated Unrestricted Fund contributions.
- Implement the State of Washington's Budget, Accounting, and Reporting System (BARS).
- Furnish to the Board financial reports on a monthly basis.

Board Responsibilities

The Board is responsible for the following:

- Assist with budget development.
- Approve, by resolution, the annual budget and any budget amendments/revisions.
- Submit resolution and budget to county commissioners.
- Regularly review financial reports.
- Approve voucher payments.
- Regularly review Board Designated Unrestricted Fund balances and strategies.
- Approve transfer of funds between accounts as needed.
- Participate in annual report and audit processes.