



City of Arts & Innovation

Board of Library Trustees

TO: BOARD OF LIBRARY TRUSTEES

DATE: JUNE 26, 2016

FROM: RIVERSIDE PUBLIC LIBRARY

SUBJECT: TRUST FUNDS OVERVIEW

ISSUE:

Receive an overview of the Trust Funds.

RECOMMENDATION:

That the Board of Library Trustees receive and file this report.

BACKGROUND:

On April 26, 2017, Trustees requested an overview of Trust Funds. The Library receives annual funding in various Trust Fund accounts, and in accordance with the spending requirements for that specific fund, purchases library materials throughout the year. In accordance with library policy, trust fund purchases are reported to the Library Board of Trustees.

The City Charter requires all City funds, including private donations, be deposited into the City Treasury. All Trust Fund expenditures are paid from a General Fund expenditure account after the City Council considers the necessary appropriation. On February 13, 2009, the City Council approved Resolution No. 21784 (Attachment 1) pledging that any and all private funds contributed to the Riverside Public Library be used to supplement and not supplant regular funding of the Library by the City.

Trust funds are intended by their donors to be used to improve the level of library service provided by the Library's operating budget. The operating budget consists of public funds appropriated by the City and miscellaneous revenues. Therefore, Trust funds are kept separate from the Library's operating budget.

DISCUSSION:

Trust Fund Overview:

Trust funds are large amounts which are held "in trust" for the benefit of the library, keeping the principal invested and spending only the income (or portion of the income if so specified by the

donor). Trust funds often are received as a bequest or a memorial gift. The terms of each trust fund are specified by the donor.

The City manages the principal on Trust Funds and the income is paid annually to the Library Department.

The Trust Funds and terms are listed below with historical information in the Trust Handbook (Attachment 2).

1. Ethan Allen Chase Fund was established July 2, 1912 for books on history, biography, science, travel and literature for general circulation.
2. John Correja Memorial Fund was established March 2, 1920 for books on architecture, engineering and related subjects.
3. Dorothy Daniels Memorial Fund was established January 12, 1921 for historical and non-circulating children's books.
4. Myra Finton Fund was established February 5, 1942 for the purchase of fiction only.
5. Hartman Trust Fund was established June 20, 1955 with funds invested and the income used for subscriptions to newspapers both regular and microfilm/fiche and newspaper indexes.
6. Frank A. Miller Fund was established March 6, 1947 for City planning and building construction
7. Margaret Morgan and Mary Morgan Pedlow Memorial Fund was established March 27, 1984 for the purchase of books, periodicals and library materials.
8. Iles Family Donor Advised Fund annually designates funds to one of the neighborhood libraries. The current donation is designated for La Sierra Library to specifically supplement the library budget.

FISCAL IMPACT:

There is no general fund impact.

Prepared by: Tonya Kennon, Library Director
Approved by: Alexander T. Nguyen, Assistant City Manager

Attachments:

1. Resolution 21784
2. Handbook
3. Presentation