

## Library Depreciation Reserve Fund and GASB Standard

----- Original Message -----

**Subject:**RE: question about library depreciation funds and districts

**Date:**Fri, 21 Jan 2011 17:41:28 +0000

**From:**Cooper, Bob <[bocooper@mt.gov](mailto:bocooper@mt.gov)>

**To:**Cook, Tracy <[Tcook@mtlib.org](mailto:Tcook@mtlib.org)>, Marilyn Trospen  
<[mtrosper@polson.lib.mt.us](mailto:mtrosper@polson.lib.mt.us)>

Tracy. I think having the board pass a resolution would be a safe way to do this.  
Bob

-----Original Message-----

From: Tracy Cook [<mailto:tcook@mtlib.org>]

Sent: Friday, January 21, 2011 9:42 AM

To: Cooper, Bob; Marilyn Trospen

Subject: question about library depreciation funds and districts

Hi Bob,

I was working with Marilyn yesterday, and we came across a question for you. The Polson City Library had a depreciation fund that will be transferred over to the new district. My question for you is does the district board need to establish a new depreciation fund under MCA 22-1-716? I'm thinking the board needs to pass a resolution establishing this fund, since the original fund was established under a different MCA. Is that correct? And is it the board that would pass the resolution? A new GASB ruling states that the highest authority over budgets must establish special funds by resolution (motions in minutes don't count). We can thank Marilyn and Magda from the Dept. of Administration for making us aware of this GASB ruling. So I'm thinking the board would have to pass a resolution establishing a depreciation fund. Am I on the right track? -Thanks for your help,  
Tracy