

2015 BUDGET GUIDELINES

With the 2015 operating budget, the Library Board of Trustees will be a responsible steward of the Library's public and private funds, and manage NOLS resources prudently.

1. Having fulfilled its pledge to the voters by completing implementation of the 2012 (business) Plan, the Board now recognizes the need to move forward in a manner consistent with current fiscal realities.
2. Working within available resources, the budget will emphasize services, programs and projects that respond to community needs and support the Library's Strategic Roadmap.
3. The Board agrees that prudence and fiscal responsibility require that operational efficiencies will be continually sought, identified and implemented swiftly wherever appropriate.
4. Recognizing that timber receipts are highly volatile, and this volatility undermines the Library's ability to maintain a stable source of operating funds, in 2015 the Board will continue its practice of directing all timber revenues into capital replacement funds to be used for future capital needs.
5. The Board will maintain a Reserve for Economic Uncertainty of at least three months of operating expenses, to be used in the event of an emergency as declared by the Board.
6. The Library will maintain the following Reserve Accounts:
 - a. Grants and Donations
 - b. Capital Reserves:
 - i. *Capital Replacement Fund* for major building repairs at all NOLS properties, as well as the purchase or replacement of major systems and equipment such as mechanical systems and vehicles;
 - ii. *Technology Reserve Fund* for the upgrade and replacement of hardware, software, and systems such as the Polaris integrated library system;
 - iii. *Port Angeles Capital Fund*, totaling at least \$1,113,670 by 2016, in compliance with the terms of the lease agreement with the City of Port Angeles.
 - c. Budget Reserve, to augment annual revenues in future years when operations and maintenance costs may exceed annual revenues.
7. The Board will maintain a minimum combined balance in all Reserve Funds of at least the equivalent of four months of operating costs, to be used to manage cash flow without the need to borrow money.