1 ◻ **Library Depreciation Fund**
versus
County Capital Improvement Fund
Based on a presentation created by Harold Blattie, Montana Association of Counties

2 ◻ **Library Depreciation Fund**
- Fund established by city, county, or combination
- Money is used for "replacement and acquisition of property, capital improvements, and equipment necessary to maintain and improve city, county, or city-county library services." MCA 22-1-305
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3 ◻ **Moneys for the Fund**
- Where does the money come from?
  - Any unspent monies allocated to the library. MCA 22-1-306
- What happens to the money in the fund?
  - May be invested (we encourage this, so ask the person in charge of handling money to do this for you.) MCA 22-1-307
  - Interest should be credited back to the fund. MCA 22-1-307
- How much money can we put in this fund?
  - As much as you need, but don't treat it like a personal savings account

4 ◻ ***I want to spend money in the library depreciation fund, but the county is saying it has to cost more than $5000***

5 ◻ **County Capital Improvement Fund**
- What is this?
  - County, city, or special district can establish a capital improvement fund MCA 7-6-616
  - for the replacement, improvement, and acquisition of property, facilities, or equipment that costs in excess of $5,000 and that has a life expectancy of 5 years or more.

6 ◻ **What about money for this fund?**
- Comes from any source of unspent allocations
- Must be invested and any interest is returned to the fund

7 ◻ **So what's the difference?**
¹ County Capital Improvement
² - Established by Governing Body
- Source: Any Source
- Interest Must Be Credited to Fund
- Purpose
  - Replacement, Improvement and Acquisition of Property or Equipment
  - Must Cost over $5,000 and have Life of over 5 Years
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³ Library Depreciation
⁴ - Established by Governing Body
- Source: Unspent Funds Allocated to Library
- Interest Must Be Credited to Fund
- Purpose
  - Replacement and Acquisition of Property, Capital Improvements and Equipment

- No Restriction on Cost or Useful Life
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8 **Questions?**