



The City of Kawartha Lakes Public Library

Policy Number: LIB2021-11

Policy Name: RESERVES
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Developed By:	Jamie Anderson, Library Director/CEO	Date:	30 April 2021
		Adoption Date:	6 May 2021
Resolution #:	LIB2021-11	Effective:	6 May 2021
Review Cycle:	Once per term	Last Reviewed Date:	

POLICY STATEMENT AND RATIONALE

The purpose of this policy is to provide an overall framework and the terms of conditions for the use of the Library’s Reserve Funds.

SCOPE

This policy shall apply to the City of Kawartha Lakes Public Library Board and staff responsible for budget and spending decisions. The policy is specific to the surplus funds from the annual operating budget placed into reserve at the end of the budget year.

DEFINITIONS

In reading and interpreting this policy, the following definitions shall apply:

“Capital” means assets that have a useful life over 1 year

“CEO” means the Chief Executive Officer of the City of Kawartha Lakes Public Library

“City” means the Corporation of the City of Kawartha Lakes

“Council” means the Council of the City of Kawartha Lakes

“Library” means the City of Kawartha Lakes Public Library

“Library Board” means the City of Kawartha Lakes Public Library Board

“Surplus” means remaining funds from the annual operating budget

POLICY, PROCEDURE AND IMPLEMENTATION

1.0 Statement of Authority

- 1.1 The 2017 Memorandum of Understanding between the Library Board and City established a reserve fund based on any annual operating surpluses.
- 1.2 The reserve is placed under the control of the Library Board.

2.0 Uses

- 2.1 The Reserve Fund is to be used for
 - Unforeseen or unanticipated Capital items or projects not otherwise covered under the approved Capital budget
 - Special one-time projects or capital expenses which do not require sustained funding as approved by the Board
 - Emergency uses that may include situations where items are damaged and need to be replaced but are not due for regular replacement or maintenance under the approved Capital budget
 - Unforeseen or unanticipated consultant or legal fees
 - Any operating year where expenses are greater than revenues and a shortfall is expected. However, Reserves are not to be used to cover regular operating expenses in a sustained manner

3.0 Implementation

- 3.1 The Library Board will authorize use of funds from the Reserve based on approval of reports presented by the CEO.
- 3.2 Expenditures from the Reserves Fund will be handled in accordance with the City's Purchasing Policy.