



RESERVE POLICY

Reserve funds shall be identified as restricted, committed, assigned or unassigned reserves.

Restricted reserves are amounts subject to externally enforceable legal restrictions and shall consist of:

- ✓ State-mandated reserves, such as TABOR reserve requirements
- ✓ Funds specifically mandated for debt service
- ✓ Future legal requirements which may be placed on the Library District

Committed reserves are resources whose use is constrained by a limitation that a government imposes upon itself at its highest decision-making level. The decision to classify funds as committed reserves requires approval by the Board of Trustees.

Examples of committed reserves include:

- ✓ Liquid assets for cash flow, no less than 3 months' worth of operating expenditures
- ✓ Funds for future major maintenance and improvements based on a detailed replacement schedule
- ✓ Other funds restricted by the Board of Trustees

Assigned reserves shall consist of any other monies in the general fund identified with a specific intended use. Unassigned reserves are amounts that are not placed into any other reserve category listed above.

Restricted, committed and assigned reserves shall be reserved and invested in accordance with the District's Investment Policy or as otherwise required.


Committed reserves that are set aside for a specific purpose can be used for other purposes once that need is realized, but only with a resolution of the Board of Trustees.

This policy and the allocation of actual reserves will be evaluated annually, and any proposed changes will be presented to the Board of Trustees for approval.

This Policy was adopted by a unanimous vote of the Library Board of Trustees in their regularly scheduled meeting on September 29, 2011.

This Policy was re-adopted by a unanimous vote of the Library Board of Trustees at their regularly scheduled meeting on July 23, 2015.

ATTEST:


Elaine Barnett, President


Dean DiDario, Secretary