

GALWAY PUBLIC LIBRARY POLICIES AND PROCEDURES

01.15 POLICY – RESERVE FUND

Policy Statement: It is the policy of the Galway Public Library to have an Operating Reserve Fund to cover operating expenses not in the budget/in excess of the budget.

Policy Interpretation and Implementation:

- A. The purpose of the Reserve Fund is to pay for operating expenses that are not in the budget/exceed the budget.
- ~~B.~~—The Reserve Fund is limited to an amount not to exceed 15% of the current fiscal year budget. This will be determined after the annual appropriations check is received from the School District. ~~After that, excess should be moved to the Operating Savings account. Excess will become part of regular Operating Savings funds.~~
- B. Contributions not designated for a specific purpose by the donor will be deposited into the Library's Operating Reserve Fund for operating expenses. The Director will record the contributions in the receipt log. The Bookkeeper will record the amount of each contribution, the donor, and the account benefiting from the contribution.
- D. The Board of Trustees will decide when to utilize the Reserve Fund.
- E. The Reserve funds will be held in the General Operating **Savings** account, and the Bookkeeper will keep track of the amount held in Reserve.

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I certify our Board of Trustees adopted the above on 20 August 2025

Cate La Barre (PRESIDENT) 8/20/25 DATE

01.15-17