

CITY OF CORVALLIS

ADMINISTRATIVE POLICY MANUAL

POLICY AREA 5 - FINANCIAL MATTERS

AP 93-5.05 Library 2010 Legal Reserve

Adopted 1993
Revised November 1997
Revised April 2001
Revised June 2005
Revised September 2009

5.05.010 Purpose

To secure dedicated funding for automation system upgrades, equipment, furnishings, and structural maintenance for the Corvallis Public Library, the City shall establish and administer an expendable legal reserve. These monies shall be in excess of and not serve to supplant dollars dedicated for Library services. The purpose of the Library 2010 Legal Reserve is to ensure that the Library is never again allowed to deteriorate.

5.05.020 Policy

The City Council has established the Library 2010 Legal Reserve in the Library Fund. The uses of the Library 2010 Legal Reserve include public furnishings and equipment, automation system upgrades, and structural maintenance. The principal purpose of the Library 2010 Legal Reserve is to provide funding for enhancements over and above the annual operation funding provided by the City of Corvallis and Benton County.

5.05.030 Definitions

Name: The 2010 Legal Reserve was formerly called the Library 2010 Trust. The name was changed in 2003 because of changes in governmental accounting methods under Governmental Accounting Standards Board (GASB) 34, but the purposes and protection of the funds remain the same.

Allocations Board: The Library Board serves as the Allocation Board.

5.05.040 Funding Sources

- a. Unspent Library expansion proceeds, principal, and interest.
- b. Other funds remaining from capital improvement project.
- c. Current interest earnings.

5.05.050 Parameters

\$400,000 of principal is secured and invested in accordance with City investment practices. Interest earnings on the Library 2010 Legal Reserve may be spent annually upon approval by the Allocations Board and appropriation by the City Council.

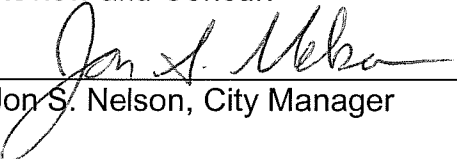
Funding from the Library 2010 Legal Reserve may be used for:

- a. Major Library automation equipment and software upgrades beyond the annual maintenance and upkeep of the system as contained in the operating budget.
- b. Library shelving, furnishings, and equipment above and beyond what is included in the Library's regular budget.
- c. Structural maintenance. These funds are not to supplant dollars dedicated to routine and long-term maintenance projects. The City maintains the Library facility as part of normal operations via its Financial Plan. The 2010 Legal Reserve shall ensure the Corvallis Library facility is not allowed to deteriorate.

5.05.060 Review and Update

This Policy shall be reviewed triennially by the Library Director.

Review and Concur:



Jon S. Nelson, City Manager

10-19-09

Date