

CITY OF SASKATOON COUNCIL POLICY

NUMBER

C03-025

POLICY TITLE <i>Library Stabilization Reserve</i>	ADOPTED BY: <i>City Council</i>	EFFECTIVE DATE <i>October 3, 1983</i>
		UPDATED TO <i>May 2, 2005</i>
ORIGIN/AUTHORITY <i>City Commissioner Report No. CC 35-1983 and 2-1998; City Council Resolutions of March 5 and April 26, 2001; Administrative Reports 12-2005 and 9-2005; and Administration and Finance Committee Report No. 3-2005</i>	CITY FILE NO. <i>CK. 1815-1</i>	PAGE NUMBER <i>1 of 2</i>

1. PURPOSE

To mitigate the impact on the Library's annual mill rate levy resulting from carrying forward annual operating surpluses/deficits to the next year's operating budget.

2. DEFINITIONS

2.1 Library Stabilization Reserve - A reserve of funds administered by the Saskatoon Public Library Board.

3. POLICY

The Board of the Saskatoon Public Library shall maintain an account known as the Library Stabilization Reserve.

3.1 Provisions to the Reserve - Any Operating Budget surpluses commencing with the 1983 fiscal year shall be transferred to the Library Stabilization Reserve.

3.2 Investment - The Board, through the City Treasurer, shall appropriately invest the funds in the Reserve. The investment plan shall have regard for anticipated expenditures. Earned interest shall be considered as belonging to the Reserve.

3.3 Restrictions on the Growth of the Reserve - The total reserve shall not be allowed to exceed the equivalent of 0.017627 mills on the current year's net taxable property assessment, or an equivalent resulting from future reassessments. Any funds in excess of this amount must be disbursed as outlined in 3.5 below.

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- 3.4 Use of Reserve Funds - Except as in 3.5 below, the Reserve shall be used to offset (to the extent of available funds) annual deficits resulting from operations of the Saskatoon Public Library. Commencing in fiscal year 1983, the amount by which any Library deficits incurred during a fiscal year exceed the funds available in the Reserve must be carried forward to the Library's Operating Budget for the immediately succeeding year.

Except as in 3.5 below, the Reserve may not be used for any other purposes.

- 3.5 Use of Excess Funds in the Reserve - Any funds in the Reserve which in any given fiscal year exceed the amount indicated in 3.3 above must be used in that fiscal year for one or more of the following purposes:

- a) To supplement the provision to the Public Library Capital Expansion Fund as specified by Policy No. C03-020.
- b) To finance one-time capital expenditures for the Library as identified through the Capital Budget; eligible capital projects must be in accordance with the definition of "capital" which is applicable for the City's Capital Budget document in the year when the project is undertaken.
- c) To supplement any provisions to a Public Library Automation Capital Fund.

Excess funds may not be used for any other purposes.

4. RESPONSIBILITIES

- 4.1 Board of Directors, Saskatoon Public Library – shall be responsible for:

- a) Administering the Library Stabilization Reserve.

- 4.2 General Manager, Corporate Services - shall be responsible for:

- a) Evaluating, reviewing and updating this policy.