



## Palmyra Community Library Reserve/Restricted Funds Policy

The Palmyra Community Library has set up and maintains the following funds:

1. **Capital Fund:** This fund is designated for the acquisition of, or addition to, fixed assets such as buildings or major equipment. Often end-of-year surplus from the operating fund is transferred into this fund for future use.
2. **Building Reserve Fund:** This fund is for necessary repairs and maintenance, especially those arising unexpectedly. The fund was also established to ensure a cash flow reserve adequate to cover operating expenses from January until the receipt of the library tax levy (early March).
3. **Memorial Fund:** This fund was established to receive bequests and memorial donations. These monies are used as directed by the donor or at the discretion of the Board of trustees.
4. **The Palmyra Community Library Fund:** This fund is managed by the Rochester Area Community Foundation with the purpose of providing support for the general activities of the library. Grants from this fund are deposited in the Capital Fund or Reserve Fund as needed.

*Adopted:* December 16, 2021

*Amended:* June 20, 2024