

LaRue County Public Library Financial Reserve Policy

Contingency Fund

The library board will keep __6__ months' worth of library expenditures in a contingency fund. This fund may be used for unforeseen emergencies such as late tax collection, property damage, and any other circumstance that would hinder the normal operation of the public library.

Capital Development Fund

The library board will establish a capital development fund to adequately support future building, renovation, and repair maintenance to the existing building, bookmobile, large technology upgrades and land acquisition projects for expansion purposes. The money may also be used to prepay existing debt. Money will be invested in securities allowed by statute.