



## Fund Balance Policy

Policy Adopted: 4/18/2019

The Walworth-Seely Public Library operates on a January – December fiscal year. Since the majority of the Library's funding is received from the Town of Walworth taxes collected January-March, it is necessary for the Library to establish a fund balance to carry operations through the first quarter (January- March) of the fiscal year.

The Walworth-Seely Public Library shall have a fund balance adequate to meet operating expenses incurred prior to receipt of monies from the Town of Walworth on or about March 1<sup>st</sup>.

Should the Walworth-Seely Public Library not have the required fund balance to finance operations, the Board of Trustees shall be alerted and/or an emergency meeting of the Board be called, at which time the following steps may be taken to maintain said operations:

A. Defer spending and/or

B. Consider the authorization of use of Assigned Reserves to offset cash flow on a temporary basis. Assigned Reserves are replenished upon receipt of a check from the Town of Walworth.

Any of the above activities shall be reported by the Library Director to the Board of Trustees, in writing, at the next Board of Trustees meeting. The Library Director shall maintain a record of the activity and, once any necessary reimbursement is made, notify the Board of Trustees.