

EAST FISHKILL PUBLIC LIBRARY DISTRICT

FUND BALANCE POLICY

The East Fishkill Library District seeks to maintain a minimum fund balance to ensure the Library has access to funds in case of an emergency or severe economic downturn.

The Board of Trustees of the Library shall require a minimum reserve be the larger of 10% of the annual operating budget or \$100,000. These funds shall be maintained in a separate interest-bearing account that meets the requirements as set forth in the Investment Policy.

Any excess funds shall be maintained in a separate Capital Improvement fund and used to fund needed improvements or strategic initiatives as approved by the Board of Trustees.

In the event the fund balance falls below the minimum due to emergency use, the Board of Trustees shall be required to approve a plan to restore the minimum fund balance within a reasonable and practical time period.