



Palmyra Community Library Fund Balance Policy

The Palmyra Community Library operates on a January – December fiscal year. Since the majority of the Library’s funding is received from the tax levy collected annually by the Town of Palmyra in January-February, 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 Palmyra Community Library shall have a fund balance adequate to meet operating expenses incurred prior to receipt of monies from the Town of Palmyra on or about March 1st.

Should the Palmyra Community 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 the Building Reserve Fund to offset cash flow on a temporary basis. The Building Reserve Fund would then be replenished upon receipt of the tax levy funds from the Town of Palmyra.

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.

Adopted: February 20, 2020

Amended: November 21, 2024