

Fund Balance

The Library District shall have a fund balance adequate to meet operating expenses incurred prior to receipt of tax revenues on or about April 1.

Should the Library District not have the fund balance to finance operations, the following steps may be taken to maintain said operations:

- A. Defer spending.
- B. Consider any of the following three options, depending on prevailing conditions:
 1. The Board of Trustees authorizes use of Special Revenue and Permanent Funds to offset cash flow on a temporary basis. Reimbursement, with interest, will be made within ten (10) days of receipt of general revenue expected on or about April 1. Interest shall be paid at a rate not less than the money market rate of the Library District's primary financial institution. The Board of Trustees shall periodically review the rate of repay.
 2. The Board of Trustees authorizes a request to the City and Town of Poughkeepsie for an advance payment in anticipation of and in lieu of taxes.
 3. The Board of Trustees authorizes the Library director to secure a tax anticipation line of credit sufficient to meet the operational needs of the Library District in advance of tax receipts from the city or town of Poughkeepsie.

This authority is renewed at the annual reorganization meeting each January.

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.