



## ***FUND BALANCE POLICY***

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### **I. Purpose**

This document outlines the amount of fund balance the library board may maintain for financial stability to address shortfalls and unexpected costs.

### **II. Library Board Financial Responsibility**

- A.** Chapter 43.58 of the Wisconsin State Statutes state Library Boards shall have exclusive control of the expenditure of all moneys collected, donated, or appropriated for the library fund.
- B.** The Sun Prairie Public Library Board believes that sound financial management principles require that all public funding received should be expended on providing library service to the community.
- C.** The Sun Prairie Public Library Board recognizes that there may be times of shortfalls and unexpected costs.
- D.** To respond to these unexpected costs, the Sun Prairie Public Library may keep a portion of funds carried forward from previous years as contingency.
- E.** The Library Board may determine to allocate spending from the Library's fund balance for non-recurring expenditures.
- F.** The Library Board may carry forward fund balance for planned large expenses.

*Adopted: November 9, 2017*

*Reviewed: July 12, 2018*

*Amended: August 9, 2018*

*Reviewed: July 11, 2019*

*Reviewed: July 8, 2021*

*Amended: June 13, 2024*