



2010 WISCONSIN LIBRARY OF THE YEAR

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Fund Balance Policy

The Monona Public Library Board of Trustees believes that sound financial management principles require that all public funding received should be expended on providing library services to the community. Fund balance is defined as the difference between the assets and liabilities of the library fund. Excess funds for any given fiscal year are determined by the following formula: total revenue minus total expenditures.

The Board of Trustees will make every reasonable effort to use all funds as budgeted. However, the Board will keep a portion of funds carried forward from previous years as a contingency. The Board will keep a fund balance target of 10% of the Library's operating budget. Should the fund balance exceed 10% of the operating budget, the Library Board may determine to allocate spending from the Library's fund balance for non-recurring expenditures.

Approved April 19, 2011