POLICY 109
FINANCIAL GOALS

Operating Budget:

- The Library will be in compliance with all statutory requirements related to the tax levy.

- The budget process is aimed at securing the lowest possible tax levy while maintaining service levels that the community has come to expect. Every effort will be made to remain within the tax cap levy as provided for in the General Municipal Law. The Board recognizes that because of circumstances beyond its control, or the control of the Library Director, this may not always be attainable. This guideline does reflect, however, the Library Board’s commitment to managing costs in both the short and long term.

- A prospective and retrospective look at budgeted expenditures, revenues and tax increases is provided to the Board each year as part of the budget preparation process.

- The Board, at its discretion, seeks to maintain a free cash balance of between one and six months of budgeted expenditures.

Capital Fund:

- Under-expenditures in the budget that result in exceeding the Board’s goal of a free cash balance as stated above may be transferred to the capital fund. The capital fund should not exceed the amount required by the Library’s 5-year capital plan.

Reserve for Accrued Employee Liability

- Accounting standards require that the Library account for long-term liabilities related to payments for sick leave at the time of retirement, and vacation time at the time of retirement or resignation. It is the goal of the Library Board to have reserves in the amount that equals 85% of such liabilities. Whenever possible, terminal pay for vacation and unused sick leave is charged against the operating budget.
Enhancement and Endowment Funds:

- The Enhancement and Endowment Funds were established by the Board to provide for the Library's current and future needs that might not be deemed appropriate for the expenditure of public funds. The Board expects that these funds may grow through contributions, and the accumulation of interest.

Adopted, BOT, March 13, 2006
Revised July 2006 (renamed from “Reserve for Compensated Absences”)
Revised July 2008 (to reflect 4% goal and free cash balance)
Under study audit committee, December 2009
Revision adopted as policy, BOT, December 2009
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Affirmed, BOT, July 19, 2017
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