

Companion Guide for the Preparation of the Statement of Receipts and Disbursements and Budget

(including Direct Payments)

Municipal Affairs, Government of Alberta

February 2020

Companion Guide for the Preparation of the Statement of Receipts and Disbursements and Budget

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Introduction

This guide will assist with the completion of the Statement of Receipts and Disbursements and Budget templates provided by the Public Library Services Branch (PLSB).

Statement of Receipts and Disbursements

Municipal and intermunicipal library boards may use the provided Statement of Receipts and Disbursements template for their financial review **or** submit the financial review in the format provided by the financial reviewer.

Budget

Municipal and intermunicipal library boards may use the provided Budget template **or** submit their own budget document (please remember to include the legal name of the library board on the document and have it signed and dated by the board chair).

Where do I find the instructions and templates?

They are available on our website at <https://www.alberta.ca/public-library-board-operating-grants.aspx>.

When is the deadline for submitting the Statement of Receipts & Disbursements and Budget?

June 15, 2020

Completing the templates

The Statement of Receipts and Disbursements

This is the board's financial statement for the previous year. The statement is completed by the library board's financial reviewer, as per section 9 of the *Libraries Act*, and must be signed by the individual.

The Financial Reviewer

The library manager and/or library board assist by having all financial records available for the reviewer when they are ready to do the review, and by keeping the accounts up to date. **If the board decides to change its reviewer, it must notify municipal council, who must indicate that the new reviewer is satisfactory to council. Please notify PLSB if the financial reviewer changes.** Documentation (a letter or meeting minutes from council) should be attached to the statement to show council finds the new financial reviewer to be satisfactory.

Direct Payments Form – Receipts and Disbursements

The last page is the Direct Payments form. It is to be completed and signed by a Municipal Administrator if the municipality expended money directly on behalf of the library board. These expenditures are referred to as “direct payments”.

The Budget

This form is filled out by the Board Treasurer or a person designated by the board after the budget has been approved by the board. The Budget should be signed and dated.

Direct Payments Form – Budget

The last page is the Direct Payments form. It is to be completed and signed by a Municipal Administrator if the municipality will be expending money on behalf of the library board. These expenditures are referred to as “direct payments”.

NOTE: Instructions for the Budget are the same as for the Statement of Receipts and Disbursements, except that the figures are estimates. The categories on the two templates are the same so that the figures for the two years can be compared.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

Financial Review Authorization

On page 2, identify the library board by its **legal** name as per section 3(4) of the *Libraries Act* - i.e., “The (name of municipality) Library Board”. The Financial Review statement must be signed and dated by the person selected by the board and accepted by council to conduct the financial review on behalf of the board. **If the board decides to change its reviewer, it must notify municipal council, who must indicate that the new reviewer is satisfactory to council. PLSB must be notified if the financial reviewer changes.**

Receipts for the Year

Cash balance at beginning of year, January 1

Record the cash balance as of January 1 of the reporting year. The cash balance is composed of the following:

01 Cash on hand

Any funds held in petty cash or in the daily float at the beginning of the year.

02 Total in current bank accounts

03 Total in savings accounts

04 Term deposits

May include other long term savings accounts.

05 Other committed funds (e.g., trusts and bequests, reserves, capital)

These are funds that are banked separately and/or are in trust for a specific purpose, such as a grant for a literacy project or a building fund.

06 TOTAL OPENING CASH ON HAND

Total of lines 01 to 05 (if you are using the Excel document, this figure will calculate automatically). This figure is your cash balance at the beginning of the reporting year.

Lines 07 to 25 below list the library board's income from various sources. All categories may not apply to your board, but all income should be reported here.

Government contributions

07 Local appropriation (contribution from your council to the operation of library)

This is the amount of money transferred from your municipality to the library board for the delivery of library services.

Do not include any special grants for capital, or expenditures made directly by the municipality on behalf of the library board (these are listed on the page entitled "Direct Payments" which follows these forms).

08 Provincial library operating grant

Enter the amount of the grant received from the Public Library Services Branch for the operation of the library.

Other government contributions

09 Cash transfer from neighbouring municipality (e.g. village, town, county, municipal district)

Total payments directly from municipalities other than your own to the library board. For example, if a neighbouring county funds the library board to serve its residents.

10 Cash Transfer from Improvement District/Summer Village

Total payments to your library board by improvement districts, summer villages or Special Areas whose residents use the library.

11 Cash transfer from another municipal library board

This line refers to payments from other municipal library boards to subsidize service to their residents.

12 Cash transfer from library system (do not include system book allotment)

Total funding transferred to the library board by the library system board of which its municipality is a member. Do not include system book allotment account.

13 School board, FCSS

Payments from the school board or FCSS to serve students or youth.

14 Employment programs (e.g. STEP, Canada Summer Jobs)

Total revenues from employment grants.

15 Other grants (e.g. capital grants from your municipality, CFEP, CIP) please list

This category could include capital/special time-limited (i.e. money over and above the annual appropriation) grants from the municipality, provincial grants such as Community Facility Enhancement Program (CFEP) from Culture, Multiculturalism and Status of Women, literacy grants from Advanced Education, or any other grants which have not been reported above. List the grants received and their amounts.

Other revenue

16 Book sales

Total revenues raised by the sale of discarded and unwanted books and materials.

17 Fundraising (donations and other fundraising activities, incl. from Friends Groups)

Private monetary contributions and revenues from fundraising activities, or provided by "Friends" societies or other community groups.

18 Fees and fines (card fees, fines, non-resident deposits)

Total amount from library card fees, non-resident fees and overdue fines. Where possible, report fees and fines separately on the lines provided.

19 Program revenue

Applicable only to boards which charge for program attendance.

20 Room rentals

Applicable only to boards that rent out rooms.

21 Other service revenue (e.g. photocopying, faxing, contracts)

Receipts from photocopier charges, faxing, etc. May also include any contracts for service the library board has entered into.

22 GST refund

If your library board receives a refund from the Federal Government for the Goods and Services Tax (GST) provide the amount.

23 Interest

Report total interest from bank accounts or long term investments.

24 Transfers from reserve accounts

If funds have been transferred from a reserve account into a spending account, record it here.

25 Other income (please list)

Report any revenues which do not fit into categories above. List the sources of these revenues.

26 TOTAL CASH RECEIPTS

Total of lines 07 to 25 inclusive (if you are using the Excel document, this figure will calculate automatically). This is the library board's total revenue for the reporting year.

27 TOTAL CASH TO BE ACCOUNTED FOR

Total of lines 06 and 26 (if you are using the Excel document, this figure will calculate automatically). This figure represents the total of monies carried over from the previous year, and raised during the current year, thus giving the total amount available for expenditure during the reporting year.

CASH DISBURSEMENTS FOR YEAR

Staff**28 Salaries, wages and benefits**

Give the amount the library board spends on salaries, wages and benefits for staff.

29 Honoraria (volunteers)

Honoraria paid to library board members will be reported on line 40. Include here only honoraria paid to library volunteers.

30 Moving expenses

If your library board pays moving costs incurred by new staff in moving to your community, include the costs here.

31 Course or conference fees

Give the amount up to which library staff was reimbursed for attendance at conferences or library related courses. Costs of board attendance at such events will be reported on line 40.

32 Travel and hospitality (staff)

Include travel costs for trips or meetings, and for library supported staff events.

33 TOTAL STAFF EXPENSES

Total of lines 28 to 32 (if you are using the Excel document, this figure will calculate automatically).

Library resources

34 Books

Include freight and purchased cataloguing costs. Do not include money the board transfers to a library system for book purchases (i.e., “book allotment”) – this should be included on line 59.

35 Periodicals and newspapers

Total of money spent by the library board on purchasing periodicals and newspapers.

36 Non-print materials (e.g. audio-visual materials, loanable objects)

Total of money spent by the library board on non-print materials, such as audio-visual materials and loanable objects.

37 Digital and electronic resources

Total of money spent by the library board on digital and electronic resources. Do not include money the board transfers to a library system for electronic resource purchases (e.g. ebooks, emagazine subscriptions) – this should be included on line 59.

38 TOTAL LIBRARY RESOURCES

Total of lines 34 to 37 (if you are using the Excel document, this figure will calculate automatically).

Administration

39 Audit and/or annual financial report

Give the cost of preparing the library board’s financial report for the reporting year.

40 Board expenses

If the library board pays its members an honorarium and/or travel allowance, include the amount here. Also include any reimbursement for other expenses such as course or conference fees. Costs for staff attendance at such events will be reported on line 31.

41 Equipment rentals and maintenance

Include costs of renting/leasing equipment such as photocopiers, and costs of repairing the same.

42 Contracts for services (e.g. bookkeeping, IT services)

If the library board has a contract with a company to provide services such as bookkeeping or IT services, provide the annual cost of the contract.

43 Legal fees, bank charges refunds and deposits

Bank charges could include interest charges on overdrafts, account confirmations for the auditor/financial reviewer, charges for NSF cheques, etc.

44 Library supplies (incl. binding & repair)

Include costs for supplies which are specifically for library use, e.g., library cards, books labels and jackets, etc. Also include costs of binding and repair of library materials. General office supplies will be reported on line 48.

45 Association memberships (do not include payments to a regional library system)

Refers to fees for membership in library associations (e.g., LAA, ALTA, etc.), chambers of commerce, etc. If the board pays for staff memberships in such organizations, include those costs here. DO NOT include transfer payments (aka "levies") paid to a regional library system – that information goes in line 59.

46 Postage and box rental

If the library board rents a post office box, include the cost here. Also include any postage costs that the library board is not reimbursed for.

47 Program expense

Costs of film rental, publicity/advertising for programs, rental of equipment and/or supplies, fees for author readings, entertainers or artists are included here.

48 General office supplies (incl. stationery, printing and copier supplies)

Give costs of general office supplies, including computer supplies.

49 Telephone and telecommunications (incl. internet connections)

Include phone line and Internet Service Provider (ISP) charges.

50 Other materials and supplies

Report any expenditures on materials or supplies which do not fit into categories above.

51 Other expenses

Report any other administration expenditures that do not fit into categories above.

52 TOTAL ADMINISTRATION EXPENSE

Total of lines 39 to 51 (if you are using the Excel document, this figure will calculate automatically).

Building costs

53 Insurance

Report the amount the library board spends on insurance.

54 Janitorial and maintenance

Janitorial service and supplies, maintenance and minor repairs to building and grounds.
Includes small paint jobs, such as painting of the children's section and other similar jobs.

55 Utilities

Report the amount the library board spends on utilities.

56 Occupancy costs (e.g. share of building costs in joint-use buildings)

If the library is housed in a joint-use facility (e.g. in a school, recreation centre or municipal building), include the amount the library board pays for its share of building costs (e.g., utilities and janitorial). This is NOT rent.

57 Rent

If the library board is required to pay rent for the space that houses the library, include the amount the library board pays in rent. If the library board pays rent to the municipality, the amount of the rent will be deducted from the local appropriation (line 07).

58 TOTAL BUILDING EXPENSE

Total of lines 53 to 57 (if you are using the Excel document, this figure will calculate automatically).

Transfer payments

59 Transfer to other library boards (please specify boards: may include municipal or library system boards for membership fees, etc.)

This line refers to payments to other municipal library boards as a subsidy for service to the municipality's residents. This category also includes payments to library systems for materials & service (including book allotment). Please specify which library board(s) received payment(s).

60 Contract payments to library societies (please list)

This line refers any payment to library societies that manage a library service point on behalf of the library board under a contract agreement. Please specify which library society(ies) received payment(s).

61 TOTAL TRANSFER PAYMENTS

Total of lines 59 and 60 (if you are using the Excel document, this figure will calculate automatically).

62 TOTAL OPERATING EXPENDITURE

Total of lines 33, 38, 52, 58, and 61 (if you are using the Excel document, this figure will calculate automatically).

63 Loan interest and payments

If the library board has borrowed money, enter the total payments here.

64 Transfer to other accounts (e.g. capital, operating reserves)

If the library board has transferred money into another account, e.g. a reserve or savings account, record it here.

Capital expenditures**65 Building repairs and renovations (e.g. roof, carpet, partitions)**

Major renovations or repairs such as roof, carpet, partitions, etc. Also includes major painting jobs, such as whole interior or exterior of library. Smaller renovations, such as painting of the children's section and other similar jobs, should be recorded on line 54.

66 Furniture and equipment (incl. computer hardware)

Includes computer hardware and other media devices.

67 Other (please list)

Any capital expenditures not described above.

68 TOTAL CAPITAL EXPENDITURE

Total of lines 65 to 67 (if you are using the Excel document, this figure will calculate automatically).

69 TOTAL CASH DISBURSEMENTS

Total of lines 62, 63, 64, and 68 (if you are using the Excel document, this figure will calculate automatically).

Cash balance at end of reporting year**70 Cash on hand**

Any funds held in petty cash or in the daily float at the end of the year.

71 Total in current bank accounts

72 Total in savings accounts

73 Term deposits

May include other long term savings accounts.

74 Other committed funds (e.g., trusts and bequests, reserves, capital)

Report the actual cash balances at year end (December 31 of reporting period). These amounts will be transferred to the corresponding fields on the first page of the next year's Budget form.

75 TOTAL CASH ON HAND

Total of lines 70 to 74 (if you are using the Excel document, this figure will calculate automatically). This total will be transferred to the first page of the next year's Budget form.

76 TOTAL CASH ACCOUNTED FOR

Total of lines 69 and 75 (if you are using the Excel document, this figure will calculate automatically). The total on this line should equal the TOTAL CASH TO BE ACCOUNTED FOR on line 27 of this form.

Summary of cash receipts and disbursements statement

Enter the totals as indicated as of December 31 of the reporting year.

If you are using the Excel document, these totals will auto-populate. If there are discrepancies between the figures on this page and the corresponding lines listed, you may need to review the figures you have entered.

DIRECT PAYMENTS

When giving the Direct Payments forms to the Municipal Administrator to fill out, please also provide the following instructions. A separate version of these instructions specifically for Municipal Administrators is also available on our website at <https://www.alberta.ca/public-library-board-operating-grants.aspx>.

Costs paid directly by the municipality on behalf of the library board are referred to as “direct payments.” If the municipality makes direct payments in addition to, or in lieu of, local appropriation to the library board, this form must be completed by a Municipal Administrator. Local appropriation is the annual cash transfer from the municipality to the library board to deliver public library service.

The library board will have to contact the Municipal Administrator to obtain this information, and he or she must sign and date the bottom of the Direct Payments form to account for the veracity of the information it contains.

Include only that portion of the municipal expenditure that is paid directly to a company, organization or individual, etc. on behalf of the library board. Only actual funds expended should be reported - **do not include in kind payments**. Because these expenditures are paid on behalf of the library board, not by the library board, the figures in lines a. to L. should not be included in the library board's budget or financial review.

Instructions for the Direct Payments - Budget form are the same as for the Direct Payments - Statement of Receipts and Disbursements except that the figures are estimates.

Operating Expenditures Paid by Municipality (Direct Payments)

a. Staff (e.g. salaries, wages and benefits, moving expenses, course fees)

Any funds paid by the municipality directly to library staff for wages, salaries, or benefits, or to cover things such as moving expenses or course fees.

b. Building maintenance (e.g. janitor, supplies, maintenance, repairs)

Any funds paid by the municipality directly to service providers for the cost of janitorial, maintenance or repair services. Also include the expense of any supplies purchased directly by the municipality for library use.

c. Insurance

Any funds paid by the municipality directly to an insurance provider for the cost of insurance (e.g. building, contents) on behalf of the library board.

d. Utilities

Any funds paid by the municipality directly to a utility company on behalf of the library board.

e. Audit/financial review

Any funds paid by the municipality directly to a financial reviewer (either an individual or company) for the library board's financial review.

f. Rent (paid to private landlord, not to municipality)

Any funds paid by the municipality directly to a private landlord on behalf of the library board.

Do not include in kind amounts for libraries located in municipally owned spaces.

g. Telephone/Internet

Any funds paid by the municipality directly to a telecommunications company on behalf of the library board.

H. TOTAL OPERATING EXPENDITURES PAID BY MUNICIPALITY (add lines a. to g.)

Total of lines a. to g. (if you are using the Excel document, this figure will calculate automatically).

Other Expenditures Paid by Municipality

i. Debenture interest and principal

Any funds paid by the municipality on behalf of the library board for interest or principal on a debenture.

j. Capital or special grants (one-time grants)

Any grants given by the municipality to the library board for capital expenditures, or given as a special grant for specific projects or purchases. This amount does not include the annual local appropriation given to the library board for the operation of the library.

k. Library system membership

If the municipality is a member of a regional library system (Chinook Arch, Marigold, Northern Lights, Parkland, Peace, Shortgrass, or Yellowhead), report the amount the municipality paid for the annual membership fee/levy.

L. TOTAL OTHER EXPENDITURES PAID BY MUNICIPALITY (add lines i. to k.)

Total of lines i. to k. (if you are using the Excel document, this figure will calculate automatically).

Authorization

When completing the authorization section of the Direct Payments page, please use the legal name of the library board. The legal name of the board is set out in the Libraries Act, 3(4): “On being established, the municipal library board is a corporation and shall be known as “The (name of municipality) Library Board”. Therefore, the Town of Springfield’s library board’s legal name is The Town of Springfield Library Board.

BUDGET

This form reports the budget approved by your library board for the current operating year. You will want to use your previous year’s financial report, or Statement of Receipts and Disbursements for information. **Instructions for the Budget form are the same as for the Statement of Receipts and Disbursements except that the figures are estimates.** The categories on the two forms are the same so that the figures for the two years can be compared.

If the information is not available on the current year’s provincial grants (line 08), base this figure on the previous year’s grant level. All other budget figures are based on figures developed by the board with assistance from the library manager.

Conclusion

When these forms have been completed, forward them, along with your operating grant application form, to PLSB using the contact information provided. Keep a copy for your own files.

The forms required from your library board by PLSB ensure that all legal reporting is complete. The forms are designed to assist your board with its budgeting process and in collecting important statistics. If you have any comments or questions about the forms or the grant application process, please contact:

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