

## Grand Valley Public Library

### Financial Policy

#### Financial Control/Oversight

The board is accountable to the community for the library's financial affairs. The board must ensure adequate controls are in place to manage finances and see that the library has adequate resources to deliver service and fulfill its mission. This policy sets out the board's financial practices.

#### Section 1: Accountability

1. Financial year

The financial year of the Grand Valley Public Library shall terminate on the 31<sup>st</sup> day of December in each year.

2. Bank accounts

In accordance with the **Public Libraries Act**, R.S.O. 1990, c. P44 s. 15(4b), the treasurer will open an account or accounts in the name of the board in a chartered bank, trust company or credit union approved by the board.

3. Signing officers

- The board shall appoint at least three signing officers, one of which will be the treasurer.
- All cheques or other orders for the payment of money in the name of the Grand Valley Library Board shall be signed by any two signing officers.
- The CEO may apply for, and bind, any grants deemed appropriate for the operations of the library.
- The CEO may accept donations of cash, in-kind, or materials to support the operations of the library.

4. Budget

- The CEO and library board, shall develop an annual operating budget showing potential revenue from all sources (province, local, donations, self-generated) and proposed expenses for library operations.
- The CEO and board may prepare a long-term capital budget which supports the library's approved long-term goals.
- The Annual Operating and Capital budgets shall be approved at a meeting of the library board.

#### 5. Estimates

- In accordance with the Public Libraries Act, s. 24(1), the board shall submit to council, annually on or before the date and in the form specified by council, estimates of all sums required during the year for the purposes of the board.
- The board will provide sufficient information to support the estimates.

### **Section 2: Financial Monitoring**

- The board monitors the finances in order to ensure that accurate records of the Library's finances are maintained in the fashion outlined by applicable legislation or advised accounting practices. The board shall monitor the monthly financial report as prepared by the treasurer, at each meeting.
- In accordance with the **Public Libraries Act**, s. 24(7), the accounts of the board shall be audited, by a person appointed under section 296 of the **Municipal Act**, S.O. 2001, c. 25 and submitted to the council annually on or before the date specified by the council.
- An audit may also be undertaken, upon the death, resignation, dismissal or other termination of the treasurer of the board, and at such other times as the board shall direct.

### **Section 3: Financial Responsibilities of Chief Executive Officer (CEO)**

- The CEO is authorized to operate the library within the approved budget.
- The CEO may apply for, and bind, any grants deemed appropriate for the operations of the library.
- The CEO may accept donations of cash, in-kind, or materials to support the operations of the library.

### **Section 4: Financial Reports to Government**

- The Board ensures that full and accurate financial and post project reports are submitted in a timely manner to applicable levels of government, or organizations acting on their behalf, for any project, strategic or capital funding received.
- The Board ensures that the Annual Survey of Public Libraries, Public Library Operating Grant application form and financial reporting requirements are completed and submitted in accordance with provincial government requirements.

### **Section 5: Reserve Accounts**

- The library reserve accounts will be held by the library and will be credited with any interest earned on the fund balances. The CEO under the direction of the library board can invest the library reserves.
- The Library Board Reserve shall provide funds for emergency situations experienced by the library, for unforeseen expenditures, for minor capital projects, for any project deemed in

support of the library strategic plan or for any other purpose deemed appropriate by resolution of the board.

- The Library Board Reserve may be used in an operating year where expenses are greater than revenues and a shortfall is expected. However, Reserves are not to be used to cover regular operating expenses in a sustained manner
- Board resolution is required when requesting or recommending Council-held reserves be accessed, such as funds in the Development Charge reserves. The Finance Department and/or Council shall approve such requests, according to the municipal by-law.

**Revised/Approved: June 2025**

**Reviewed/Approved: April 2021**

**Reviewed/Approved: April 2018**

**Next scheduled Review: April 2029**