Massena Public Library

Budget Policy

Purpose

The purpose of the Budget Policy is to provide a protocol for the Massena Public Library Board of Trustees in the preparation, implementation and review of the annual budget in support of its mission and goals. The Board of Trustees is committed to the responsible use of public and private funds for delivering library service and transparent budgeting and operation to funding sources and to the public.

Definitions

Budget - a financial plan that details the Library's projected revenues and expenditures for a defined period of time. It is a binding legal document that can only be changed through a formal process similar to the adoption of the budget itself.[1]

Fund - a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.[2]

Public Library Fund (L) – accounts for transactions of a library established and supported, in whole or in part, by real property taxes. The use of this fund assures compliance with New York State Education (EDN) Law §259 Library taxes[3], which provides that all moneys received from taxes or other public sources for library purposes shall be kept in a separate fund.[4]

Modified accrual basis of accounting - Revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.[5]

Authority

The Massena Public Library Board of Trustees has sole responsibility for the proper financial oversight of all funds to support the Library's mission and goals, while maintaining compliance with federal, state and local laws. This includes approval of an annual budget, expenditures, investments, and all other financial matters.

Policy

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[1] Citizens' Guide to Local Budgets, Office of the New York State Comptroller, Division of Local Government and School Accountability, Dec. 2010, p. 2, https://www.osc.ny.gov/files/local-government/publications/pdf/LocalBudgetGuide2010.pdf.

[2] Accounting and Reporting Manual Counties, Cities, Towns, Villages, Libraries, Soil and Water Conservation Districts (ARM), p. 3, Office of the New York State Comptroller, April 2024, https://www.osc.ny.gov/files/local-government/publications/pdf/arm.pdf.

[3] New York State Education Law §259(1)(a) Library taxes https://www.nysenate.gov/legislation/laws/EDN/259.

[4] ARM, p. 15.

[5] ARM, p. 6.

The Board of Trustees shall exercise fiduciary responsibility for the appropriate use of all public and private funds. The Board ensures that the Library provides the best possible service within funding constraints to meet the needs of the community. Part of the Board's duties is the adoption of a written annual budget. The careful planning and review in the budget process will help ensure financial integrity, accountability and engender public trust in Library governance. The budget shall reflect the Library's mission and long-range plan of service previously defined and approved by the Board. The Director leads the budget development process. The Director brings their perspective and planning for the Library's programs, services and costs that will meet the goals of the Library. Making the budget available to the community provides transparency and accountability for Library operations.

Budget Preparation

1. The Massena Public Library fiscal year shall be January 1 through December 31.
2. The Director is responsible for developing a draft budget that aligns with the Library's mission and long-range plan of service. This draft should include collection development, programming, staffing and facility maintenance to meet the goals of the Library and the community. The budget should include a wage schedule for all Library staff for the upcoming year and narrative outlining major changes in expenditures or revenues from previous years. The Board is required to approve all staff wages and benefits pursuant to EDN §226(7).[6]
3. Budget preparation may consider
    a. The success of the prior year's objectives, programming and services
    b. Several prior years' and the current year's budget, revenues and expenditures
    c. Community needs and the coming year's objectives
    d. Facility needs
    e. Projected future costs of personnel, materials, supplies and equipment
    f. Projected future increases in contractual and collective bargaining agreements
    g. Predicted future economic conditions
4. The Director shall develop this draft budget in consultation with the Finance Committee.
5. After reviewing, the Finance Committee shall approve the draft budget and forward it to the whole Board of Trustees.
6. All Trustees shall thoroughly review, discuss and decide any changes to the draft budget before approving it.[7]
7. The Board shall send the budget to the Library's funding authority, the Town of Massena, for inclusion in its upcoming budget. This submission should meet the format and deadline prescribed by the Town of Massena to meet its own budgetary preparation guidelines and fiscal year requirements.
8. The approved budget shall be posted to the Library website and be available in print in

[6] New York State Education Law §226(7) Powers of trustees of institutions. https://www.nysenate.gov/legislation/laws/EDN/226.

[7] State Compilation of Codes, Rules and Regulations of the State of New York, 8 CRR-NY 90.2 (b)(5), Standards for registration of public, free association and Indian libraries. https://govt.westlaw.com/nycrr/Document/I36517e98c22211ddb29d8bee567fca9f?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default)&bhcp=1.

the Library for review by the public.

Approximate Budget Preparation Schedule[8]

Massena Public Library Budget Proposal Preparation – June to July
Budget Proposal Submitted to Massena Town Supervisor – July 31 or requested date
Massena Town Council Budget Workshops – September
Massena Town Budget Officer Files Tentative Budget with Town Clerk – by Sep. 30
Massena Town Clerk Presents Tentative Budget to Town Council – by Oct. 5
Massena Town Council Prepares Preliminary Budget
Massena Town Council Holds Public Hearing on Preliminary Budget - By the Thursday immediately following the general election
Massena Town Council Adopts Final Budget – by Nov. 20

Ongoing Operations

The Director is responsible for administering the approved budget. The Library shall use the modified accrual basis of accounting. The Director shall provide the following to the Board of Trustees before all regular meetings:

- Claim package and abstract of claims as described in the Claims Audit Policy
- Year to date expenditures and revenues and comparison to budgeted amounts
- Investment summary of all deposit accounts of Library funds and endowment funds

Trustees are responsible for reviewing all provided financial information in preparation for each meeting.

Budget Amendments and Adjustments

The budget may be modified within the fiscal year. An appropriation can be increased or created by

- transferring from the unexpended balance of an existing appropriation (transferring between line items)
- transferring from contingency appropriations, if any
- appropriating unrestricted fund balance or unanticipated revenues received
- grants in aid or gifts

Budget modifications are made upon the recommendation of the Director and approval of the Trustees. Such a Board resolution must stipulate both the appropriation account(s) to be increased and financing source(s) to support the modification .[9]

Revenue

The primary public sources of income for the Library are the Town of Massena, the Town of Louisville, and New York State. Funding received from the Towns of Massena and Louisville is

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[8]Understanding the Budget Process, Local Government Management Guide, Office of the New York State Comptroller, Updated May 2016, p. 17, https://www.osc.ny.gov/files/local-government/publications/pdf/understanding-the-budget-process.pdf.

[9] ARM, p. 33.

designated to be in exchange for providing these towns with Library service.[10] Other sources of income are gifts and donations, fines and fees, investment income, and grants.

Expenditures
The primary Library expenditures are for personnel (wages and benefits), maintenance (building repairs, utilities), materials (books, DVDs, newspapers, emedia) and supplies.

Financial Reporting
The Massena Public Library is required to submit a financial report as part of its Annual Report for Public and Association Libraries submitted to the New York State Library's Division of Library Development in March of each year.[11]

Since the Library is recognized as a tax-exempt organization under Internal Revenue Code 501(c)(3), the Library must file a Form 990, Return of Organization Exempt from Income Tax, with the Internal Revenue Service annually.[12]

The Town of Massena is required to file an Annual Financial Report (previously Annual Update Document) with the Office of the State Comptroller under New York State General Municipal Law §30.[13] The fiscal officer of the Town of Massena shall include Library financial information in its Annual Financial Report, as well as in any annual audit performed by an outside accounting firm.

Relationship with the Town of Massena
The fiscal officer of the sponsoring local government, the Town of Massena, shall serve as the Treasurer of the Massena Public Library.[14] The Town acts as the custodian of funds for the Library. EDN §259 states that "All moneys received from taxes or other public sources for library purposes shall be kept as a separate library fund by the treasurer of the municipality or district making the appropriation and shall be expended only under direction of the library trustees on properly authenticated vouchers". The Town of Massena shall use the Public Library Fund (L) for the use of the Massena Public Library.

The Town of Massena shall provide bookkeeping and payroll services to the Massena Public Library. The Library shall submit relevant financial information (claim packages, timecards, employee benefit information, etc.) in the requested format to the Town of Massena to

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[10] (1 Educ. Dept. Rpts. 755, Formal Op. of Counsel No. 60, February 25, 1953). https://www.counsel.nysed.gov/sites/counsel/files/60-80.pdf.
[11] State Compilation of Codes, Rules and Regulations of the State of New York, 8 CRR-NY 11.4 Annual report of libraries, https://govt.westlaw.com/nycrr/Document/Iec9f8710c22111dd97adcd755bda2840?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default), New York State Education Law §215 Visitation and reports https://www.nysenate.gov/legislation/laws/EDN/215.
[12] About Form 990, Return of Organization Exempt from Income Tax, https://www.irs.gov/forms-pubs/about-form-990.
[13] New York State General Municipal Law §30 Reports https://www.nysenate.gov/legislation/laws/GMU/30.
[14] ARM, p. 15

facilitate these services.

Retention of Budget Documents
Budget documents are to be retained according to the Library's Record Retention Policy and Records Retention Schedule.

This policy was adopted by the Massena Public Library Board of Trustees on June 9, 2026.