
Municipality of Cumberland Policy 15-03

Expenditures Policy

Title

1. This Policy is entitled the “Expenditures Policy”.

Interpretation

2. In this Policy,
 - (1) “budgeted expenditure” means an expenditure which, when taken together with other expenditures made in, or committed for, the fiscal year to date that are in the same specific budget category, does not exceed the amount currently budgeted by resolution of Council, provided however that an expenditure shall not be considered to be a budgeted expenditure solely because of the existence of a general contingency category to meet unbudgeted expenses;
 - (2) “CAO” means the Municipality’s Chief Administrative Officer, or designate;
 - (3) “signing officer” means the CAO, Director of Finance, Accountant, Deputy CAO/Director of Policy and Research, and Warden
 - (4) “funds-over-budget resolution” means a resolution authorizing resources from unbudgeted revenues or underutilized budget expenditure categories to be used for other budget expenditure categories;
 - (5) “immediate expenditure condition” means a condition that was not foreseen at a preceding Council meeting and which, in the CAO’s reasonable judgment, requires a decision to be made:
 - (a) before the next scheduled Council meeting, in the case of expenditures aggregating \$50,000 or less; and
 - (b) before an emergency meeting of Council can practically be convened.
3. In making expenditures or incurring a liability to make expenditures, the CAO and any employee of the Municipality to whom the CAO delegates authority to make expenditures shall comply with all applicable By-laws, Policies or resolutions of Council, and with any other restriction imposed by law.

4. In the absence of an express direction by Council to the contrary in regards a specific possible expenditure, and subject to the other provisions in this Policy, the CAO may make or may authorize an employee of the Municipality to make expenditures:
 - (1) which are budgeted expenditures not greater than \$30,000;
 - (2) which have been specifically authorized by resolution of Council;
 - (3) which are necessary to carry out a contract which has been authorized by resolution of Council;
 - (4) which are within the terms and conditions of a funding agreement authorized by resolution of Council;
 - (5) to discharge a specific statutory obligation of the Municipality, such as, but not limited to, payments to a School Board mandated by the *Education Act*;
 - (6) to transfer tax revenues rated and collected for a special purpose body, such as, but not limited to, a village commission;
 - (7) to comply with a Court Order or other valid and subsisting legal obligation;
 - (8) which are within the parameters of a “funds over budget resolution” of Council authorizing the use of budget authority to be transferred from one budget category to another;
 - (9) to respond to an immediate expenditure condition; or
 - (10) which are within a temporary spending authority conferred by Council resolution.

5. The CAO shall not delegate to any Director of the Municipality the authority to make expenditures in excess of \$15,000.

6. The CAO or any Director shall not delegate to any Supervisor the authority to make expenditures in excess of \$3,000.



7. The CAO or any Director or Supervisor shall not delegate to any other employee the authority to make expenditures in excess of \$1,000.

8. For purposes of sections 2 to 7 of this Policy, the amount of an expenditure which is made in installments or other periodic payments is deemed to be the aggregate of the installments or periodic payments.

9. The following expenditures of the Municipality may be paid by:
 - (1) Pre-authorized debit:

- (a) approved debenture payments;
 - (b) bank service charges in accordance with approved credit agreement;
 - (c) approved lease payments; and
 - (d) Canada Savings Bonds contributions;
- (2) Electronic funds transfers
- (a) quarterly operating grants to volunteer fire departments
 - (b) payroll;
 - (c) council travel reimbursement;
 - (d) statutory payroll remittances;
 - (e) registered pension plan contributions;
 - (f) corporate visa remittance; and
 - (g) purchasing card remittance.
- (3) Corporate visa
- (a) At the discretion of the CAO.
- (4) Purchasing Cards
- (a) In accordance with the Purchasing Card Policy
10. Expenditures to persons owing money to the Municipality may be made by set-off.
11. Low value, less the \$100, expenditures may be made from petty cash.
12. All pre-authorized debit agreements are to be approved by the Director of Finance and one other signing officer.
13. Electronic fund transfers are to be approved in advance by any two of the signing officers.
14. All cheques are to be signed by any two of the signing officers.

15. When being presented with cheques to sign, and/or electronic fund transfers to approve, the signing officers shall be presented with supporting documentation indicating authorization, propriety and account distribution signed by the person authorized under this Policy to make the expenditure. The signing officers may request any additional information required to determine that the expenditure is in accordance with the expenditure and procurement policies.
16. This Policy is effective upon adoption and replaces any previous Expenditure Policies.

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| <u>Clerk's Annotation for Official Policy Book</u> | |
| Date of Notice to Council Members of Intent to consider (7 days minimum): <u>January 21, 2015</u> | |
| Date of Passage of Current Policy: <u>February 4, 2015</u> | |
| I certify that this Expenditures Policy was adopted by Council as indicated above. | |
|  Municipal Clerk |  Date |