

UNBUDGETED EXPENDITURES	Department: Administration	Policy Source: Council
	Authorized by: Council Signature:	Date: October 31, 2018 Date Revised: Date Effective: November 15, 2018 Date to be Reviewed: October 2021

POLICY: Pursuant to Section 248 of the Municipal Government Act (MGA), a municipality may only make an expenditure that is included in the operating budget, interim operating budget, capital budget, for an emergency, legally required to pay or otherwise authorized by Council.
Section 248(2) states “each council must establish procedures to authorize and verify expenditures that are not included in a budget”. The Village of Alliance recognizes that circumstances arise that result in changes to programs and services planned for in the annual operating and capital budgets.
This policy will ensure that all unbudgeted expenditures require an appropriate level of approval prior to being made.

PURPOSE: The purpose of this policy is to encourage the practice of sound stewardship of resources, to meet the requirements of budgetary accountability to ensure as much as possible that no Village employee or Council member is put in a position where his or her probity might be questioned.

DEFINITIONS: **Chief Administrative Officer (CAO)**-The administrative head of the Village of Alliance as contracted by Council, or in the absence of the CAO, the Assistant Administrator.

Chief Elected Official (CEO)-The Mayor of the Village of Alliance as elected by members of Council at the annual organizational meeting or, in the absence of the Mayor, the Deputy Mayor of the Village of Alliance as elected by members of Council at the annual organizational meeting.

Emergency-An occurrence or situation which presents a time-sensitive financial opportunity for the Village or which could jeopardize the safety, health or welfare of people, or the protection of property in the municipality. For purposes of this policy, “Emergency” does not refer to an emergency as defined by the Disaster Services Act, RSA 2000, as amended.

Function-A principal service category or operation of the Village of Alliance carried out through a number of related sub-functions or activities. Example: Public Works is a function, road repairs is a sub-function, dust control is an activity.

Unbudgeted Expenditure-Any expenditure that is not included in the interim operating budget, operating budget, or capital budget, or is legally required to be paid, or is otherwise authorized by Council.

PROCEDURE:

1. If a proposed unbudgeted expenditure is not of an emergency nature and:

- a) The expenditure is an operating expense that will not exceed the budget for the function, the Chief Administrative Officer may approve the expenditure;
 - b) The expenditure is an operating expense that will exceed the budget for the function, Council must approve the expenditure;
 - c) The expenditure is a capital expense, Council must approve the expenditure.
2. If the proposed unbudgeted expenditure is for an emergency as determined by the Chief Elected Official or the Chief Administrative Officer, the Chief Elected Official or the Chief Administrative Officer may approve the expenditure.
 3. At the next Council meeting following the expenditure of unbudgeted funds for an emergency, Council shall consider and authorize the expenditure by resolution.