

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 be paid, or otherwise authorized by Council.

Section 248(2) states: “Each council must establish procedures to authorize and verify expenditures that are not included in the budget.” The Village of Innisfree recognizes that circumstances arise that result in changes to programs and services planned for in the annual operating and capital budgets.

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 integrity is questioned.

1.0 Definitions:

1.1 Chief Administrative Officer (CAO) is the administrative head of the Village of Innisfree as appointed by Council pursuant to the *Municipal Government Act*.

1.2 Chief Elected Official (CEO) is the Mayor of Innisfree 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 Innisfree as elected by members of Council at the annual Organizational meeting.

1.3 Emergency is an occurrence or situation which represents 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.

1.4 Function is a principal service category or operation of the Village carried out through a number of related sub-functions or activities. Example: Public Works is a function; Road Repairs is a sub-function, Snow Removal or Dust Control is an Activity.

1.5 Unbudgeted Expenditure is 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.

2.0 Procedure:

2.1 If a proposed unbudgeted expenditure is **not of an emergency nature** and:

- a. The expenditure is an operating expenditure that will not exceed the budget for the function, the Chief Administrative Officer may approve the expenditure;
- b. The expenditure is an operating expenditure 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.

2.2 If the proposed unbudgeted expenditure is **for an emergency** as determined by the Chief Elected Official or the Chief Administrative Officer, the Chief Elected Officer or the Chief Administrative Officer may approve the expenditure.

2.3 At the next regular council meeting, following the expenditure of the unbudgeted funds for an emergency, Council shall consider and approve the expenditure by resolution.

3.0 End of Procedure