

1. This Policy is entitled the “Expenditures Policy”.
2. The purpose of the Expenditures Policy is to establish parameters for expenditures of the Municipality of the County of Cumberland (“Municipality”). It establishes purchasing expectations and limits for the Municipality.

### **DEFINITIONS**

3. 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 a person authorized by Policy 21-07 Signing Authority Policy.
  - (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.

### **APPLICATION**

4. 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.
5. In the absence of an express direction by Council to the contrary in regards to 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 up to \$250,000;
  - (2) which exceed the approved budget by 25% or \$50,000, whichever is less. This will be done when it is reasonable to do so and when options to achieve project completion or item procurement are limited;
  - (3) which have been specifically authorized by resolution of Council;
  - (4) which are necessary to carry out a contract which has been authorized by resolution of Council;
  - (5) which are within the terms and conditions of a funding agreement authorized by resolution of Council;
  - (6) 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*;
  - (7) to transfer tax revenues rated and collected for a special purpose body, such as, but not limited to, a village commission;
  - (8) to comply with a Court Order or other valid and subsisting legal obligation;
  - (9) which will not result in the Municipality running an overall deficit in the year;
  - (10) to respond to an immediate expenditure condition; or
  - (11) which are within a temporary spending authority conferred by Council resolution.
6. The CAO shall not delegate to any Director of the Municipality the authority to make expenditures in excess of \$20,000 excluding HST.
7. Authority shall not be delegated to any employee other than the CAO, Director, Supervisor or Manager to make expenditures in excess of \$3,000 excluding HST.
8. For purposes of sections 5 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;
    - (d) Group Insurance remittances;
    - (e) Payroll;
    - (f) Statutory payroll remittances;
    - (g) Registered pension plan contributions; and
    - (h) Purchasing Cards
  - (2) Electronic funds transfers/Wire transfers
    - (a) Quarterly operating grants to volunteer fire departments
    - (b) Transfers between bank accounts;
    - (c) Payments to suppliers; and
    - (d) PSSP contributions;

10. Expenditures to persons owing money to the Municipality may be made by set-off.
11. All pre-authorized debit agreements are to be approved by signing officers as detailed in Policy 21-07 the Signing Authority Policy.
12. Electronic fund transfers and wire transfers are to be approved in advance by signing officers as detailed in Policy 21-07 the Signing Authority Policy.
13. All cheques are to be signed by signing officers as detailed in Policy 21-07 the Signing Authority Policy.
14. 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.
15. This Policy is effective upon adoption and replaces any previous Expenditure Policies.

**Clerks Annotation for the Official Policy Book**

Date of Notice to Council of Intent to Consider (7 day minimum): July 8, 2020

Date of Passage of Policy: July 22, 2020

Date of Notice to Council of Intent to Consider: July 24, 2023

Date of Passage of Amended Policy: August 24, 2023

Date of Notice to Council of Intent to Consider: April 22, 2026

Date of Passage of Current Amended Policy: April 27, 2026

I hereby certify that this Expenditures Policy was adopted by Council as indicated above.

Deputy Clerk: *Amanda Kinnear*

Date: April 29, 2026