

The Summer Village of Sandy Beach



Financial Reporting and Expenditure Policy 01-2022

A. General

The Chief Administrative Officer, (CAO) has the authority to receive income and spend funds in accordance with the annual budget approved by Council on a line-by-line basis.

Where expenditure(s) are to exceed the approved budget amount, the CAO shall provide to Council **(1)** a written explanation for the specific cost overrun and **(2)** a proposal of where to obtain the increased funding, i.e., a reduction in another budget line item or payment from general or restricted reserve funds.

The CAO shall provide Council on a regular monthly basis with the following financial information:

- Accounts Payable list;
- Consolidated Income Statement;
- Verification of monthly completed Bank Reconciliations;

When possible, accounts payable and accounts receivable should be completed by different summer village personnel.

And on an annual basis, the Chief Administrative Officer shall present to Council in October of each year the following: Three-year proposed operating budgets and Five-Year proposed Capital budgets.

And following the completion of the external audit providing Council with the Audit report.

At Council's request or the CAO discretion the Auditor should present at the March/April Council meeting.

B. Approved Credit Card

The CAO shall maintain care and control of the approved credit card and shall insure that only authorized purchases occur. These expenses would likely include the following:

Fuel for summer village vehicles and equipment
Repairs and maintenance costs (repair shops) for vehicles and equipment
Purchase of shop and office supplies

Credit Limit: There shall be an approved limit on the credit card of \$6,000.00.

Any single expenditure in excess of \$3,000.00 shall require the written approval of the CAO.

C. Operating Budget Expenditures

The general authority of the Chief Administrative Officer notwithstanding, the following policy on purchases shall be as follows:

D. Day to Day Operating Costs

- (1) If within the approved budget line expense and any single purchase is below \$20,000.99, the CAO is allowed to make the purchase;
- (2) Any single purchase, as above, may be obtained from a preferred vendor and without the need of obtaining additional cost estimates;
- (3) Any single expense above \$20,000.99 shall require a presentation to Council for approval where Council can approve the cost if it's with a reliable vendor or to maintain essential service delivery or move the requirement for obtaining three (3) cost estimates.

E. MSI and other Grant Funded Projects \$20,001 - \$75,000

- (4) Any single infrastructure or project expense with a cost estimate between \$20,001.00 and \$74,999.99, whether an operating budget line item or a capital purchase project like roads or recreation or fire smart which is paid for by Grant funding shall require Administration to source or request at the minimum three (3) estimates. If three estimates cannot be obtained the estimates or cost proposals available shall be reviewed at Council's discretion.

F. MSI and other Grant Funded Projects > \$75,000

- (5) Any single infrastructure project expense in excess of \$75,000.00, whether an operating budget line item or a capital expense project like lagoon, roads or recreation or fire smart which is paid for by Grant funding shall be sourced by issuing a Request for Proposal (RFP) to vendors at Council's discretion.

Adopted by Resolution # _____ on this 20th day of August 2022