

**SUMMER VILLAGE OF POPLAR BAY**  
**POLICY #31-2018**

**SUBJECT: Budget and Financial Procedures Policy**

**DEPARTMENT: Council**

**ADOPTED AND APPROVED BY COUNCIL:**

**AMENDMENT DATE/ RES. NO:**

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**DEFINITIONS:**

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"Administration" means the employees or contracted employees for the Summer Village of Poplar Bay

"CAO" means the Chief Administrative Officer being the administrative lead as appointed by Council, responsible to perform those responsibilities contained within the Municipal Government Act

"Council" means the Council of the Summer Village of Poplar Bay

"Summer Village" means the Summer Village of Poplar Bay

"Operating Budget" means a document that includes the estimated amount of expenditures and transfers as well as the estimated amount of revenues and transfers that is approved by Council. These estimates are provided for the current budget year and three years thereafter.

"Capital Budget" means a document that shows the estimated amount needed for the acquisition, construction, removal or improvement to capital property and the amount to be transferred from the operating budget that is approved by Council. These estimates are provided for the current budget year and a minimum of four years thereafter.

"Financial Report" is a document prepared by Administration for Council that compares actual expenditures to the budget by classification of expense or revenue.

"Classification of Expense" means the organization of expenditures into categories including: council policies and program costs; repayment of debt obligations; requisitions; transfers to reserves; transfers to capital budget and recovery of deficiencies. Revenue streams such as property tax, special tax; local improvement tax; grants; and transfers to reserves are also shown.

**PURPOSE:**

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This policy sets out the process and schedule for the preparation, completion and approval of the annual budget, including any interim budget required.

This policy also sets out the procedures for the timing and content of Financial Reports for Council.

**PROCEDURE: BUDGET**

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The budget process for the up-coming year starts in late fall with an overview of the year to date costs and a discussion regarding the capital projects planned for the next fiscal year.

Council has the opportunity at that time to review the projection for the up-coming budget year as prepared with the current year's budget.

The draft budget is then set aside until additional information is received regarding assessment values, school requisitions, operating grants, the Joint Services budget, enhanced RCMP estimated costs, wastewater fees, fire contract fees, IDP contributions, and estimates for capital projects undertaken jointly with the County of Wetaskiwin and other municipalities. As these values represent a significant impact on the total budget, the approval of the budget is deferred until this information is received. Prior to year end, Council approves the use of the current year budget as the interim budget for the next year.

When the necessary budget information becomes available, usually in late March or April, the budget is updated and reviewed by Council. Upon approval of the budget by Council, rates of taxation are calculated and the Tax Rate Bylaw is prepared for review and approval.

**PROCEDURE: FINANCIAL REPORTING**

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A financial report is prepared for Council on a regular basis, usually quarterly and more frequently upon request. The report is configured in a standard format by classification of revenue and expense.

The report sets out the actual expenditures, the budget and the variance between actuals and budget. Administration reviews the report and provides an explanation to Council for line items where the variance between budgeted and actual expenditures is significant.

The report is reviewed by Council and any follow up questions are provided by Administration in a timely manner.

  
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**Fraser Hubbard, Mayor**  
**Summer Village of Poplar Bay**

  
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**Sylvia Roy, CAO**  
**Summer Village of Poplar Bay**