

Lac La Biche County *Policy*

TITLE: Annual Operating and Capital Budget

POLICY NO: FIN-10-011

RESOLUTION: 22.208

EFFECTIVE DATE: January 10, 2010

DEPARTMENT RESPONSIBLE: Finance

NEXT REVIEW DATE: March 8, 2025

POLICY STATEMENT:

Lac La Biche County will exercise good governance in the use of its resources to ensure sound financial stewardship, accountability and transparency.

Lac La Biche County Council, with information provided by Administration, will strive to approve the future year's operating and capital budget by December 31st of the current calendar year.

Council approves the Operating and Capital budgets, including programs, services and projects. The Chief Administrative Officer manages the Budget and will ensure that any changes to its approved scope receive an appropriate approval.

PRINCIPLES:

1. The annual Budget, consisting of the operating budget and the capital budget, is approved by Council. The Budget inherently defines the scope of programs, services and Projects delivered by the County.
 - a. The operating budget consists of one year of programs and services.
 - b. The capital budget is the planned capital spend for the year and consists of one year of infrastructure lifecycle, rehabilitation, and replacement for existing infrastructure to support programs and services, plus single-year capital projects, plus the current year of planned spending for multi-year capital projects.
 - c. All multi –year capital projects should be approved for the total project cost at the initial approval.
 - d. When multi-year Projects and funding are approved in their entirety annual funding allocations must be listed in the Capital budget as well as the 10-year Capital plan.
 - e. The 5-year financial plan and a 10-year Capital plan must be approved by Council as part of the budget approval process.
2. The CAO has the authority to manage operations within the approved Budget for programs or services provided the activity is within the approved scope and does not create a deficit. This includes offsetting operating deficits with surpluses from other departments and divisions as per policy CS-10-017.
3. Additional expenses resulting from a change of scope or new Projects, programs or services, not included in the approved Budget, require Councils Approval.

4. Unbudgeted Revenues may be accepted and will be reported as a variance from the Budget. Additional expenses related to additional revenues must be handled in accordance with section 3 of this policy.
5. The CAO has the authority to recategorize incurred expenditures and the corresponding funding between operating and capital, based upon the appropriate accounting treatment to comply with Public Sector Accounting Standards and County policies, if the scope of the Projects, programs, or services were previously approved. This does not constitute a Budget Amendment. Variances from the Budget will be identified for reporting purposes
6. To maximize the use of third-party funding, changes to budget can be processed by Administration, limited to single purpose grants, donations or other contributions. These changes will be highlighted as part of the regular reporting.
7. Unbudgeted expenditures for an emergency or where such amount is legally required to be paid are not included in this policy and are to be approved in accordance with the Procurement Policy (CS-10-004).
8. Council will receive regular reporting in accordance with the Financial Reporting Policy FIN 10-021.

“Original Signed”
Chief Administrative Officer

March 18, 2022
Date

“Original Signed”
Mayor

March 22, 2022
Date

SPECIAL NOTES/CROSS REFERENCE:

AMENDMENT DATE: March 8, 2022