

**PROVINCE OF QUEBEC
MRC OF ARGENTEUIL
MUNICIPALITY OF THE TOWNSHIP OF HARRINGTON**

Resolution #2025-03-R053

**BY-LAW NUMBER 369-2025 - ENACTING THE RULES OF
CONTROL, BUDGETARY MONITORING AND DELEGATION OF
POWER**

WHEREAS, pursuant to the second paragraph of Article 960.1 of the Municipal Code of Québec, the Council must adopt a by-law on budgetary control and monitoring.

WHEREAS the Council has adopted by-law number 283 - 2018 and it is necessary to repeal it, as well as by-laws 206-2012, 170-2007, 170-2019.

WHEREAS this by-law must provide, in particular, for the means used to guarantee the availability of funds prior to the taking of any decision authorizing an expenditure, which means may vary according to the authority granting the authorization of expenditures or the type of projected expenditures.

WHEREAS in accordance with the second paragraph of Section 165.1 of the Municipal Code of Québec, the hiring of an employee is only effective if, in accordance with the by-law adopted pursuant to the second paragraph of Section 960.1, funds are available for this purpose.

WHEREAS, pursuant to Article 961 of the Municipal Code of Québec, a by-law or Council resolution authorizing an expenditure is only effective if, in accordance with the by-law adopted pursuant to the second paragraph of Article 960.1, funds are available for the purposes for which the expenditure is proposed.

WHEREAS, pursuant to the fourth paragraph of Section 961.1 of the Municipal Code of Québec, an expenditure authorization granted by delegation is effective only if, in accordance with the regulation adopted under the second paragraph of Article 960.1, funds are available for that purpose.

WHEREAS article 176.4 of the Municipal Code of Québec, and the fifth paragraph of article 961.1 provide for the procedures for rendering accounts to Council for the purposes of budgetary control and monitoring.

WHEREAS a notice of motion was given, and a draft by-law was tabled at the meeting of February 17th, 2025.

CONSEQUENTLY,

IT IS MOVED BY: Councillor Gerry Clark

AND CARRIED THAT by-law number 369-2025 be and is hereby adopted by the Council and that the following be rules and decreed by law.

The above preamble forms an integral part of the by-law.

DEFINITIONS

« Municipality »:	Municipality of the Township of Harrington
« Council »:	Council of the Township of Harrington
« General Manager »:	Principal official that the Municipality is obliged to have and whose role is usually held ex officio by the secretary-treasurer under article 210 of the Quebec Municipal Code
« Clerk-Treasurer »:	Officer required by article 179 of the Quebec Municipal Code. He automatically assumes the function of General Manager under article 210, subject to article 212.2, which provides for the possibility of the two functions being exercised by different persons.
« Exercise »:	The period between January 1 and December 31 of any given year.
« Delegation Regulations »:	A concept that, under the first and second paragraphs of Article 961.1 of the Quebec Municipal Code, by which the Council delegates to municipal officials or employees the power to authorize expenditures and to enter into contracts on behalf of the Municipality.
« Budget Variation Policy:	Policy setting the limit of permitted budget variations and budget transfer procedures.
« Service Manager »:	Municipality official or employee responsible for a budget envelope entrusted to him or her.

SECTION 1 - OBJECTIVES OF THE BY-LAW

Article 1.1

The present by-law establishes the budgetary control and monitoring rules that all Municipality officials and employees concerned must follow.

More specifically, it establishes the rules of responsibility and operation required to ensure that any expense to be incurred or carried out by an officer or employee of the Municipality, including the hiring of an employee, is duly authorized after verification of the availability of the necessary credits.

The present by-law applies to any appropriation attributable to financial or investment activities for the current fiscal year that the Council may adopt by resolution or by-law.

In addition, the present by-law establishes the rules for the delegation of spending authorizations granted by the Council pursuant to the first and second paragraphs of Article 961.1 of the Quebec Municipal Code.

Article 1.2

The present by-law also establishes the rules of follow-up and budgetary accountability that the Clerk-Treasurer, any other authorized municipal officer and those responsible for budgetary activities of the Municipality must follow.

SECTION 2 - BUDGET CONTROL AND MONITORING PRINCIPLES

Article 2.1

- The appropriations required for the Municipality's financial and investment activities must be approved by the Council prior to their

allocation to the related expenditures. This approval of credits takes the form of a vote of credits expressed in one of the following ways:

- Adoption by the Council of the annual budget or a supplementary budget,
- Adoption by the Council of a borrowing by-law,
- The adoption by the Council of a resolution or by-law by which credits are allocated from surplus revenues, the accumulated surplus, financial reserves or reserved funds.

Article 2.2

Before any expense may be incurred, it must be duly authorized by the Council, an authorized municipal officer or a department manager in accordance with the delegation by-law in force, after verification of the availability of the necessary credits.

Article 2.3

All Municipality officials and employees are responsible for applying and respecting the present by-law as it applies to them.

All department directors must comply with the present by-law when authorizing an expense for which they are responsible, before it is incurred or made. They may only authorize expenditure within their area of responsibility and may only commit their budget appropriations for the purposes for which they are earmarked.

SECTION 3 - DELEGATION OF AUTHORITY TO AUTHORIZE EXPENDITURES

The Council delegates its spending authority as follows:

Article 3.1

Any department director, the Director General or other designated person may authorize expenditures and enter into contracts in the name of the Municipality, on condition that they commit the Municipality's credit only for the current fiscal year and within the limits of the budget envelopes for which they are responsible.

Article 3.2

The General Manager or Department Manager may authorize any employee in his or her department to work outside normal working hours in the event of surplus work or for the smooth running of an exceptional activity or to deal with an emergency.

Article 3.3

The civil servants, hereinafter designated, responsible for managing an activity budget, are authorized to incur expenses in their fields of competence up to the amounts indicated below, provided that the expense is incurred in compliance with the contract management by-law in force and the present by-law:

Title	Maximum amount per expenditure (Before taxes)
Director General	50 000 \$
Deputy Director General	25 000 \$
Director, Public Works and Fire Department	25 000 \$
Department Director	5 000 \$

Within three (3) working days following expenses incurred outside of normal office hours, a report must be made through the usual channels to the Director General, who will submit the whole to the Council at the next session of the Municipal Council.

Any expenditure in excess of \$50,001 before taxes must be authorized by Council resolution.

Article 3.4

Emergency measures: Notwithstanding the foregoing, Council authorizes the Director General to commit the Municipality's credit for any expenditure required due to an emergency situation, up to a maximum of \$100,000 before taxes per event. This authorization cannot be added to the amounts already authorized to the Director General for routine purchases in the normal course of the Municipality's operations. Before proceeding with said expenditure, the Director General must receive the Mayor's approval. A report from the Director General, accompanied by the approval, must be tabled at the next Council meeting. In the absence of the Director General, the Council authorizes the Deputy Director General and the Director of Public Works to act with the assent of the Mayor.

Training, conventions: No employee (managerial, unionized or non-unionized) may attend or participate in a convention incurring costs on behalf of the Municipality without prior authorization from the Director General. This request for authorization must be accompanied by an estimate of the costs relating to the training or convention, and a note indicating the source of funding and ensuring the availability funds. The Director General and an elected official may not attend or participate in a conference incurring costs on behalf of the Municipality without prior authorization from the Municipal Council.

Municipal election: During a general election or by-election, the returning officer is authorized to make all necessary purchases or rentals of materials or services, and to hire election officers, in accordance with the provisions of the Municipal Code (R.S.Q., c. C-27.1) and the Act respecting elections and referendums in municipalities (R.S.Q., c. E-2.2). However, election staff salaries must be approved by Council through the adoption of a resolution.

Legal advice: The General Manager and Deputy General Manager are authorized to request legal advice when deemed necessary.

Hiring of personnel and disciplinary measures: The General Manager is authorized to proceed with the hiring of employees, as provided for in the budget adopted by resolution. The General Manager is responsible for ensuring that the Municipality has the required credits. If necessary, he may authorize appropriate budget transfers. In addition to the powers provided for in the Municipal Code of Québec (R.S.Q., c. C-27.1), the General Manager also exercises the powers provided for in paragraphs 2 and 3 of section 113 of the Cities and Towns Act (R.S.Q., c. C-19). The Director General may apply disciplinary measures to employees and must inform the Council thereof. Confirmation of hiring and disciplinary measures must be ratified by resolution.

Credit card: The Director General, Assistant Director General and Director of Public Works are authorized to hold a credit card in the name of the Municipality for the payment of expenses related to their respective functions, or for the purchase of merchandise required for the operations of the Municipality, or for expenses related to training sessions and conventions for elected officials and Municipality personnel. The amount of the authorized credit limit is determined by Council resolution.

Budget variance allowed: Budget variance is permitted per budget item within the same budget function over the course of a fiscal year, for the purposes of better service to the population and greater efficiency. Consequently, the department director is authorized to make an expenditure even if this transaction will result in the total expenses allocated to this budget item exceeding the allocated budget, only if at least one other budget item within the same budget function has a budget available to cover the deficit item. The expenditure that will generate this overrun in the budget item must first be authorized by the Finance department. Among other things, any cost overrun may be offset by an equivalent budget transfer. The Finance Department may make the appropriate budget transfers. Only the Municipality Council is authorized to make budget reallocations.

SECTION 4 - GENERAL BUDGET CONTROL AND MONITORING PROCEDURES

Article 4.1

To verify the availability of funds prior to authorizing an expense, the department manager concerned should ask the finance department manager. The same applies to the Secretary-Treasurer or Director General, as the case may be, when either is required to authorize an expense or submit an expense to Council for authorization, in accordance with the delegation by-law in force.

Article 4.2

The General Manager and the Finance Department are responsible for keeping this by-law up to date. They shall submit to the Council for adoption any proposed amendments to the by-law that may be required to adapt it to new circumstances or to a legislative change affecting it.

The Finance Department, in conjunction with the General Manager, is responsible for ensuring that adequate internal controls are implemented and maintained to ensure that the by-law is applied and complied with by all Municipality officials and employees.

SECTION 5 - COMMITMENTS EXTENDING BEYOND THE CURRENT YEAR

Article 5.1

Any authorization of an expenditure commitment extending beyond the current financial year must first be subject to verification of the appropriations available for the portion chargeable in the current financial year.

Article 5.2

When preparing the budget for each fiscal year, each department manager must ensure that his or her budget covers previously incurred expenses that must be charged to the fiscal year's financial activities and for which he or she is responsible. The Municipality's finance department must ensure that the necessary appropriations for these expenses are correctly provided for in the budget.

SECTION 6 - SPECIAL EXPENSES

Article 6.1

Some expenses are of a special nature, such as:

- Electricity, heating and telecommunications costs, which are paid on receipt of invoice.
- Expenses inherent in the application of collective agreements or related to working conditions and basic salary.
- Employee future benefit obligations.
- Co-payments to intermunicipal boards and supra-municipal organizations.
- Provisions and accounting allocations.

When preparing the budget for each fiscal year, each department manager concerned must ensure that his or her budget covers the specific expenses for which he or she is responsible. The Municipality's finance department must ensure that the necessary appropriations for these specific expenses are properly provided for in the budget.

Article 6.2

Although the specific expenses referred to in article 6.1 do not lend themselves to a priori control, they are subject, like any other expense, to the budgetary monitoring and accountability rules set out in section 7 of the present by-law.

Article 6.3

When an unforeseen situation arises, such as the conclusion of an out-of-court agreement or a new collective agreement, the Finance Department must ensure that the necessary additional funds are available. If necessary, it may make the appropriate budget transfers, in agreement with the General Manager.

SECTION 7 - BUDGET MONITORING AND REPORTING

Article 7.1

All department managers are required to monitor their budgets on a monthly basis, and to report immediately to their line manager whenever they anticipate a budget variance that exceeds the limit stipulated in the current budget variance policy. He/she must justify or explain in writing any unfavorable budget variance observed or anticipated, in a memo to his/her superior, accompanied, if necessary, by a request for a budget transfer.

If the budget variance cannot be absorbed by a budget transfer, the Municipality's Clerk-Treasurer must inform the Council and, if necessary, submit a supplementary budget proposal for the additional appropriations required.

Article 7.2

As prescribed by article 176.4 of the Quebec Municipal Code, the Clerk-Treasurer shall table two comparative statements at the last regular sitting of Council held at least four weeks before the meeting at which the budget for the following fiscal year is to be adopted. During a general election year within the Municipality, the two comparative statements are tabled no later than the last regular sitting held before the Council ceases to be in session, in accordance with section 314.2 of the Act respecting elections and referendums in municipalities (chapter E-2.2).

The first compares revenues and expenses for the current fiscal year, realized up to the last day of the month ending at least 15 days before the month in which the statement is filed, with those for the previous fiscal year, realized during the corresponding period of the previous fiscal year.

The second compares projected revenues and expenses for the current fiscal year, at the time the statement is prepared and based on information then available to the Clerk-Treasurer, with those projected in the budget for that year.

Article 7.3

In order for the Municipality to comply with article 176.5 and the fifth paragraph of article 961.1 of the Quebec Municipal Code, the Clerk-Treasurer must also prepare and submit to Council, at a regular sitting each month, a report of expenses authorized by any officer or employee in accordance with the delegation by-law in effect. At a minimum, this report must include all transactions carried out within 25 days of the filing date that have not already been reported.

SECTION 8 – ENTRY INTO FORCE

Article 8

These by-laws shall enter into force in accordance with the law and repeal by-laws 283-2018, 206-2012, 170-2007, 170-2019.

ADOPTED UNANIMOUSLY

Gabrielle Parr
Mayor

Steve Deschênes
Director General et
Clerk-Treasurer

Notice of motion: February 17th, 2025
Tabling of the draft by-law: February 17th, 2025
Adoption of the by-law: March 4th, 2025
Entry into force: March 5th, 2025