
City of Kelowna

MEMORANDUM

DATE: July 22, 2004
FILE: 1940-00

TO: City Manager

FROM: Director of Financial Services

Report prepared by the Financial Planning Manager

RE: Disbursement of City Funds Bylaw

RECOMMENDATION:

THAT Council approve changes to the Disbursement of City Funds Bylaw as identified in the July 21, 2004 report from the Director of Financial Services and direct staff to forward a revised bylaw for reading consideration.

BACKGROUND:

The Disbursement of City Funds Bylaw authorizes the Treasurer to pay accounts that are properly authorized by Council policy and for which budgetary provision has been made. Schedule A attached to Consolidated Bylaw No. 6090-87 governs the authorization levels for purchases made by the City. Currently, Council approval is required for all tenders/purchases over \$250,000. There are an increasing number of City purchases that exceed that amount that could be handled and controlled at the staff level. A further issue arises during those times that Council does not meet on a weekly basis. There can be a delay in awarding construction projects for an additional week at a time when there is a very tight construction period.

Four changes are being recommended to the current bylaw:

1. An increase to the City Manager's authorization level to \$500,000 from the existing \$250,000 level.
2. An increase to the City Manager's approval level to \$3,000,000 during those times when Council does not meet on a weekly basis, if the accepted tender is the lowest bid with no conditions or uncertainties. An information report will be provided to the Council reader file of the contract award and project details.
3. Council approval will be required for all tenders/purchases over \$500,000 apart from specific designated approval listings in the Financial Services Purchasing Policy and Procedure document and changes from item 2 above.
4. A change in title from Treasurer to Financial Officer to reflect the new Community Charter provisions.

Under the Community Charter, Council may now assign the powers, duties and functions of the officer positions. Previously, a bylaw was required for the disbursement of municipal funds but now a Council Policy can be used to authorize payment for all purchases. This provides an option if Council would prefer to provide authorization through a policy rather than through a bylaw.

P. Macklem

cc. Financial Planning Manager