



City of Kelowna
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Council Policy

Financial Plan Transfer Policy

Established June 7, 1971

RESOLUTION: R1111/19/12/09

REPLACING: R375/10/04/26; R1039/08/11/24; R529/05/05/30; R392/03/04/28; R1000/00/12/18; R727/1998/09/14; Policy No. 17; R-1971/06/07;

DATE OF LAST REVIEW: December 2019

Purpose

As required by Section 165 of the Community Charter, the City of Kelowna prepares a Financial Plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted. The planning period for the Financial Plan is 5 years, that period being the year in which the plan is specified to come into force and the following 4 years.

This policy sets out the parameters for Financial Plan transfers. A Financial Plan transfer is defined as the movement of budgeted funds within the Financial Plan after it has been enacted by Council. Transfers do not result in an increase to the City's annual adopted Financial Plan.

Policy Scope

This policy applies to all Financial Plan transfers.

Policy Statement

It is expected that Divisions operate within their Council-approved budgets. Transfers of funds within the approved Financial Plan may be required in order to meet the City's internal control objectives, to provide a means for a predictable operating result and to ensure the early detection and management of over-expenditures. Transfers must respect the integrity of the approved Financial Plan, unless prior Council approval is received.

Council consent is required if a transfer involves the cancellation of an approved program or project to meet the needs of an anticipated over-expenditure in another program or project. Transfers also cannot be used to fund new programs or projects without prior Council consent.

Transfers between capital cost centres require a separate report to the Divisional Director, Financial Services, who will determine if Council approval is required considering the impact of the transfer on the approved Financial Plan.

All transfers, including those that do not require Council approval throughout the year, must be presented in an annual Report to Council by Financial Services and receive Council to amend the Five-Year Financial Plan bylaw.

Related References

City of Kelowna Principles and Strategies for Financial Strength and Stability, August 2015

City of Kelowna Financial Plan Transfer Policy FIN-031

City of Kelowna Financial Plan Amendment Council Policy No. 262

City of Kelowna Financial Plan Amendment Policy FIN-032

City of Kelowna Purchasing and Invoice Approval Policy FIN-001

Legislative Authority

Community Charter [SBC 2003] Chapter 26, Part 6 – Financial Management, sections 165 and 173

Procedure for Implementation

Administered by the Financial Planning branch of the Financial Services Division.