

District of Barriere
REPORT TO COUNCIL
Request for Decision

Date: February 23 rd , 2026	File: 530.20/Rpts
To: Council	From: Chief Financial Officer
Re: Automated Funds Transfer Limit Increase	
Recommendation: THAT Council instruct staff to apply to Beem Credit Union for an increase to transfer limits on the AFT system administered by Central 1 Credit Union. Limits to be increased to \$100,000 per transaction, \$250,000 per day, and \$500,000 per month.	

Purpose

To increase the transfer limits on the Automated Funds Transfer (AFT) system, enabling staff to utilize electronic fund transfers to pay more to our vendors electronically instead of using manual cheques.

Background

Regulated by the Canadian Payments Association, AFT is a convenient and cost-effective way to deliver payroll to Council and staff, and payments to vendors as well as receive funds from residents for utilities and taxes.

Staff traditionally used the AFT system to administer payroll and intermittently used it for some vendor payments. In the last 6 months staff have been trying to transition more of our vendors to electronic payments. Those who have provided banking information and are receiving electronic payments are appreciative of having payments direct deposited to their bank accounts, compared to cheques mailed through Canada Post.

Staff are finding it more efficient to remit payments electronically and the process is resulting in savings to the district. We are using less cheque paper, envelopes and stamps while also making month end reconciliation more efficient as we do not have to wait for cheques to be negotiated and cleared through the district's bank account. With the AFT system, the total amount of all electronic payments is debited from the bank account at one time. This process also eliminates the risk of a cheque getting lost in the mail and potential reprints and late fees.

The District has been using the AFT system since 2008. The last limit increase was done in early 2024.

We have 2 profiles on the AFT system which have limits assigned.

Our File Upload profile is used for outgoing payments and payroll.

File Upload limits

Current Limits			Proposed Limits	
Per Transaction	\$10,000		Per Transaction	\$100,000
Per Day	\$60,000		Per Day	\$250,000
Per Month	\$150,000		Per Month	\$500,000

Our Data Entry profile is used for incoming preauthorized utility and tax payments from our residents.

Data Entry limits

Current Limits		Proposed Limits
Per Transaction	\$100,000	No change required
Per Day	\$100,000	
Per Month	\$300,000	

Since increasing our AFT use for vendor payments, we have reached our limit on occasion and are having to create manual cheques for payments exceeding existing limits.

With the exception of large payments scheduled for the WWTP project, these limits would enable electronic remittance to all our vendors who would prefer this payment method.

This type of payment processing is a widely accepted method, and more and more vendors want to receive funds in this manner.

Benefits or Impact

General

The proposed limit increases will result in efficiencies for our internal processes for both our accounts payable and bank account reconciliation. As we continue to move vendors towards electronic payments the established limits are having an impact on our ability to process them.

Using December 2025 as an example month, our AP totaled over \$600,000. There were 5 invoices that had to be paid manually as they each exceeded our transaction limit.

At the end of October 2025, we had to reach out to the Credit Union to request a rush temporary increase to our limit so that we could process payroll. October had 3 payrolls and that combined with the vendor payments exceeded our limit.

Finances

While an application with the Credit Union is required to increase the limit, there is no application fee for this request. We are already using this service and paying a \$45 monthly service fee as well as \$.10 per transaction. The only fee increase we will see is based on the per transaction at a cost of \$.10 each, which is far less than the cost of postage.

Strategic Impact

Priority 2. Fiscally Responsible Operations.

Goal 3. Financial Confidence and Oversight are Rebuilt.

Section a. Enhancing Financial Procedures and Processes.

Subsection a. Workflows, signoff and other processes are evaluated and enhanced where feasible.

Risk Assessment

Compliance: Both payroll and accounts payable processes require dual authorization before payments are released. Files are created by finance staff and reviewed by the CFO for approval. Upon approval the files are moved to the AFT system where they require final approval by either the CAO or CO in the absence of the CAO.

Risk Impact: Low = Having fewer manual cheques in existence reduces the risk of stolen, lost or forged cheques. Any of which will have a negative impact on the district's bank account.

Internal Control Process: Staff is working with Beem Credit Union on the process required to amend our limits.

Next Steps / Communication

If approved, staff will begin the formal application process with Beem Credit Union.

Attachments

- N/A

Recommendation

THAT Council instruct staff to apply to Beem Credit Union for an increase to transfer limits on the AFT system administered by Central 1 Credit Union. Limits to be increased to \$100,000 per transaction, \$250,000 per day, and \$500,000 per month.

Alternative Options

1. Council could choose not to increase AFT limits, and staff will continue to manage payroll and vendor payments within the designated limits; this is not recommended due to the reasons outlined in the report.

Prepared by: K. Abel, Chief Financial Officer

Reviewed by: D. Drexler, CAO