

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON NOVEMBER 15, 2016
FROM:	ANNA LISA BARBON DIRECTOR, FINANCIAL SERVICES
SUBJECT:	SIGNING AUTHORITY BY-LAW

RECOMMENDATION

That, on the recommendation of the Director, Financial Services, the attached proposed By-law (Appendix "A") **BE INTRODUCED** at the Municipal Council meeting to be held on November 22, 2016 for the purpose of repealing and replacing By-Law No. A. -7243-103, being "A By-law to authorize the signing of cheques and electronic funds or wire transfers on certain bank accounts of the Corporation of the City of London, and to repeal By-law No. 6874-293".

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Corporate Services Committee - March 24, 2015 – Item #6 - Signing Authority By-Law.

Finance and Administrative Services Committee – September 24, 2012 – Item #9 - Signing Authority By-law.

BACKGROUND

The Signing Authority By-law authorizes the signing of cheques and electronic funds or wire transfers on certain bank accounts of the Corporation of the City of London. The By-law indicates the accounts involved, the current bank of the Corporation, and the requirements and methods involved in authorizing:

- Cheques** – physical cheques issued from the Corporation's accounts
- Electronic Funds Transfers (EFT)** – electronic payment files such as: vendor payments, Ontario Works direct bank deposits, property tax pre-authorized payments
- Wire Transfers** – request to wire money to a vendor or individual
- Manual Transfers** – request to transfer funds between different corporate bank accounts

It also includes a listing of officers designated to counter sign all cheques over \$50,000, approve all electronic funds transfers over \$50,000 and authorize wire or manual transfers.

The changes to the signing authority By-law are minor language updates to provide additional clarity with respect to the authorization of various transfers and are summarized below:

- i) Deleting the words "by a Financial Officer" in section 6(a); and
- ii) Deleting the words "All wire transfers requested through facsimile to the bank" and replacing them with the words "All wire or manual transfers of any amount requested through the bank" in section 6(b).

The proposed By-law attached to this report as (Appendix "A") repeals By-Law No. A. -7243-103, being "A By-law to authorize the signing of cheques and electronic funds or wire transfers on certain bank accounts of the Corporation of the City of London, and to repeal By-law No. 6874-293" and replaces it with a new By-law to incorporate the two amendments noted above.

SUBMITTED BY:	CONCURRED:
MELISSA MCERLAIN MANAGER OF ACCOUNTS PAYABLE	LARRY PALARCHIO DIRECTOR, FINANCIAL PLANNING & POLICY
RECOMMENDED BY:	
ANNA LISA BARBON DIRECTOR, FINANCIAL SERVICES	

Appendix “A”

Bill No.
2016

By-law No.

A by-law to authorize the signing of cheques and electronic funds or wire transfers on certain bank accounts of The Corporation of the City of London.

WHEREAS subsection 5(3) of the *Municipal Act, 2001* provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* S.O. 2001, c.25 provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS sections 10 of the *Municipal Act, 2001* S.O. 2001 provides that the City may provide any service or thing that the City considers necessary or desirable for the public, and may pass by-laws respecting same, and respecting financial management of the municipality;

AND WHEREAS sections 287 of the *Municipal Act, 2001* S.O. 2001 provides that the City may provide that the signatures on a cheque of the City be mechanically or electronically reproduced;

NOW THEREFORE the Council of The Corporation of the City of London enacts as follows:

1. All cheques for the payment of any sum or sums of money whatsoever to be paid on the part of The Corporation of the City of London out of the General Account, the Payroll Account for the payments of wages and salaries of employees of all Departments of The Corporation of the City of London and all cheques drawn on the Social Services Account, the Fully Registered Debenture Interest Account and the United States Funds Accounts, in the 420 Richmond Street branch of the Bank of Nova Scotia, in the City of London, shall be signed by the Mayor or Acting Mayor of the City of London or the signature of the Mayor or Acting Mayor may be written or engraved, lithographed, printed or otherwise mechanically reproduced, and such cheques shall bear the signature of the City Treasurer, Chief Financial Officer of the Corporation, appointed from time to time by by-law, which signature may be impressed thereon by a cheque signing machine to be kept in the custody of and under the supervision of the City Treasurer, Chief Financial Officer .
2. All cheques for the payment of any sum or sums of money whatsoever to be paid out of the Consolidated Reserve Fund Accounts shall be signed by the Mayor or Acting Mayor of the City of London or the signature of the Mayor or Acting Mayor may be written or engraved, lithographed, printed or otherwise mechanically reproduced and such cheques shall also be signed by the City Treasurer, Chief Financial Officer of the Corporation appointed from time to time by by-law; and such signature may be impressed by the cheque signing machine herein before referred to.
3. All cheques for the payment of any sum or sums of money whatsoever to be paid out of the Consolidated Trust Fund Account or the Dearness Home Residents Trust Account shall be signed by the Mayor or Acting Mayor of the City of London or the signature of the Mayor or Acting Mayor may be written or engraved, lithographed, printed or otherwise mechanically reproduced and such cheques shall also be signed by the City Treasurer, Chief Financial Officer of the Corporation, appointed from time to time by by-law, and such signature may be impressed thereon by the cheque signing machine hereinbefore referred to.
4. (a) The Bank of Nova Scotia is authorized and directed to pay or cash all cheques drawn upon the aforementioned accounts which are issued in the manner provided herein whether the same be regularly issued or not, and the said Bank shall not be liable, in any way, for the cheque or cheques which may be irregularly or improperly drawn by the said Corporation through the use of the said machine and paid or cashed by the said bank.

Appendix “A”

- (b) All cheques in the amount of \$50,000.00 and over in addition to the engraved signatures of the Mayor and the City Treasurer, Chief Financial Officer shall be countersigned in writing by one of the following:

Mayor
City Treasurer, Chief Financial Officer
Director, Financial Services
Division Manager – Taxation and Revenue
Manager, Tangible Capital Assets
Manager, Financial Planning and Policy
Director, Financial Planning & Policy

5. All such cheques, as referenced in clauses 1, 2 and 3 of this by-law, may be dealt with by the said Bank to all intents and purposes, and shall bind the said Corporation, as fully and effectually as if signed by the Mayor and the City Treasurer, Chief Financial Officer in their respective handwriting instead of by engraved, lithographed, printed or otherwise mechanically reproduced signatures.

6. The Bank of Nova Scotia is authorized and directed to transfer all electronic funds or wire transfers from the aforementioned accounts which are authorized electronically and the file or facsimile sent to the bank, and the said Bank shall not be liable, in any way, for the transfers which may be irregularly or improperly drawn by the said Corporation, provided the appropriate authorizations have been included.

- (a) All electronic funds transfers in the amount of \$50,000.00 and over must be authorized and approved in writing by one of the following:

City Treasurer, Chief Financial Officer
Director, Financial Services
Division Manager – Taxation and Revenue
Manager, Tangible Capital Assets
Manager, Financial Planning and Policy
Director, Financial Planning & Policy

- (b) All wire or manual transfers of any amount requested through the bank require two authorizing signatures by two of the following:

City Treasurer, Chief Financial Officer
Director, Financial Services
Division Manager – Taxation and Revenue
Manager, Tangible Capital Assets
Manager, Financial Planning and Policy
Director, Financial Planning & Policy

7. The City Treasurer, Chief Financial Officer; Director, Financial Services; Division Manager, Taxation and Revenue; Manager, Tangible Capital Assets; Manager, Financial Planning and Policy; Director, Financial Planning & Policy before issuing cheques in payment of monies to be drawn from any of the accounts referred to in clauses 1, 2 and 3 of this by-law or for authorization of electronic funds or wire transfers referred to in clause 6, shall satisfy themselves that the accounts to be paid have been authorized.

8. The Clerk of the said Corporation shall forthwith deliver to the Bank of Nova Scotia a certified copy of this By-law and certified specimens of such f a c s i m i l e signatures as will appear upon such cheques and authorization of electronic funds or wire transfers.

9. By-law No. A.-7243-103, passed in Council on March 31, 2015, is hereby repealed.

Appendix “A”

10. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on November 22, 2016.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First reading – November 22, 2016

Second reading – November 22, 2016

Third reading – November 22, 2016