

The Corporation of the City of Richmond Hill

By-Law 77-25

A By-law to amend Financial Control By-law 114-16
of the Corporation of the City of Richmond Hill

Whereas on December 12th, 2016, the Corporation of the City of Richmond Hill (the “Corporation”) enacted By-law 114-16 with respect to budgets and financial management of the City (the “Financial Control By-law”);

And whereas on November 25, 2020, Council of the Corporation (“Council”) enacted By-law no. 141-20 to amend the Financial Control By-law;

And whereas Council at its meeting on July 9, 2025 adopted the recommendation of the Audit Committee at its meeting on June 24, 2025 contained in Staff Report SRCFS.25.029 to further amend the Financial Control By-law.

Now therefore the Council of the Corporation of The City of Richmond Hill Enacts As Follows:

1. That the Financial Control By-law be amended as follows:
 - (a) Section 2.1 - Definitions shall be amended by removing the definitions for “Acquisition”, “Acquisition Value”, “Contingency”, “CPO”, “Executive Director”, and “Fixed Price Contract” and “Term Value”, and the paragraphs in Section 2.1 shall be renumbered accordingly.
 - (b) The definition of “Capital Project” in Section 2.1 shall be deleted and replaced with the following:

"Capital Project" means an undertaking in respect of which an expenditure or expenditures are incurred in connection with an acquisition, construction, development, improvement, demolition or maintenance of land, buildings, engineering structures, machinery and equipment, including vehicles, office furniture and equipment, and installation of computer hardware, software and systems, that normally confers benefit lasting beyond one year and results in the acquisition of, or extends the life of, a fixed asset, including related studies and other consulting services.
 - (c) The definition of “Delegated Authority” in Section 2.1 shall be deleted and replaced with the following:

"Delegated Authority" means powers or authorities related to financial matters delegated by Council to staff in this and other City by-laws from time to time, pursuant to the authority to delegate provided for in Section 23.1 of the Municipal Act, 2001.
 - (d) Article 6 – Delegated Authority shall be deleted and replaced with the following:

ARTICLE 6 –Delegated Authority - Financial Matters

6.1 Delegation required for Exercise by Staff

No staff may exercise any Delegated Authority for financial matters unless such staff has been provided with Delegated Authority to do so pursuant to a City by-law. For greater certainty, unless Council has provided for a Delegated Authority pursuant to this or any other by-law of the City, such authority remains with Council.

6.2 Delegation - internal control and expected results

Delegation of financial authorities constitutes a key internal control mechanism that plays an essential role in the financial process and achieving City priorities and objectives. The expected results of the effective delegation of authorities will ensure that:

- (a) financial resources are used appropriately, based on the appropriate authority and that potential losses due to waste, abuse, mismanagement, errors, frauds, omissions and other irregularities are minimized;
- (b) responsibilities and accountabilities related to the delegation of financial authorities within Departments are clearly defined;
- (c) delegations are assigned and managed in a manner that clearly demonstrates responsibility and accountability; and
- (d) financial processing controls are designed in a way to efficiently and effectively manage delegations of authorities.

6.3 Delegated Authority - provided by title

All Delegated Authority is provided by title within the City.

6.4 Delegated Authority - exercisable by supervisory staff

Any Delegated Authority may be exercised by anyone with a supervisory responsibility for the staff with the Delegated Authority.

6.5 Delegated Authority - General Parameters

Except as otherwise expressly set out in any by-law, any Delegated Authorities represent the maximum Delegated Authority available to the respective staff. The City Manager, Commissioners and Directors may limit the Delegated Authority of any staff directly or indirectly reporting to them at any time and for any reason whatsoever. Although staff who have Delegated Authority for approvals pursuant may designate other staff reporting to them to perform tasks or functions in connection with the exercise of their Delegated Authority, such Delegated Authority remains with the staff unless such further delegation is expressly permitted in, and made in accordance with, the delegating by-law.

6.6 Delegated Authority - temporary absence delegation to direct report

In the event of a temporary absence, staff may, in writing, delegate their full Delegated Authority to other staff that report directly to them to exercise any or all of their Delegated Authority for the temporary period. Managers may also delegate to other Managers, subject to prior written approval to do so from their Director or Commissioner. Such temporary delegation must be made in writing and any limitation on the delegation must be expressly set out in the written delegation.

6.7 Payment Approval Authority

The City Manager, any Commissioner, Executive Director and any Director may exercise Payment Approval Authority in connection with any Contract entered into pursuant to any by-law.

Primary responsibility for verifying invoices submitted rests with staff exercising Payment Approval Authority, including the responsibility for the correctness of the payment requested and the invoice verification procedures performed. More specifically, individuals exercising Payment Approval Authority are accountable for verifying that:

- (a) relevant Contract or agreement terms and conditions have been met including price, quantity and quality;
- (b) where a payment is made before the completion of work, delivery of Goods or rendering of Services, as the case may be, that such advance payment is required by the Terms of the Contract;
- (c) the transaction is accurate and the account has been provided;
- (d) all relevant by-laws and City policies have been followed; and
- (e) the payment is being made against an approved and available Budget.

6.8 Delegated Authority - issue payment by cheque or through other electronic means

In addition to those authorities set out in any banking by-laws enacted by the City, Delegated Authority to issue payment by cheque or through electronic means can be exercised by the Treasurer or the Commissioner of Corporate and Financial Services or the City Manager provided that:

- (a) Payment Approval Authority has been exercised in accordance with this or other by-law related to the payment;
- (b) each requisition for a payment out of the City's accounts shall be in such form, accompanied by such documents and verified in such manner as the Treasurer may prescribe;
- (c) the payment is a lawful charge against the City's accounts;
- (d) the City's accounts have sufficient balance to allow for the payment; and
- (e) the payment would not reduce the balance available in the City's accounts so that they would not be sufficient to meet other existing Contracts to be charged against them.

6.9 Payment - Treasurer's responsibility

Responsibility for the system of account verification and related financial controls rests with the Treasurer and/or those staff who exercise authority for payment by cheque or other electronic means. The Treasurer must provide assurance of the adequacy of the account verification that results in payment approval and be in a position to state that the process is in place and is being properly followed.

6.10 Revenue Generating Arrangement- approval authority - revenue up to \$500,000

Subject to the conditions in Section 6.11 below, Directors have the following Delegated Authority in connection with a Revenue Generating Arrangement to:

- (a) arrange for the Revenue Generating Arrangement;
- (b) exercise Commitment Authority;
- (c) exercise Payment Approval Authority; and
- (d) exercise the early termination provisions set out in the Contract (if any) prior to the expiry of the Contract.

6.11 Revenue Generating Arrangement - Delegated authority - conditions

The following are the conditions that must be met as a condition to the exercise of the Delegated Authorities set out in Section 6.10 above:

- (a) the terms of the Revenue Generating Arrangement must be in accordance with any existing City policies and/or procedures;
- (b) if the Person is an entity other than a Non-Profit Organization and the benefit to the City is in the form of a share of revenue generated by the supply of the Goods and/or Services, any estimated gross revenue as a direct result of the Revenue Generating Arrangement with the City as determined by the Director may not be in excess of five hundred thousand (\$500,000) dollars; and
- (c) any early termination must be effected in accordance with the provisions of the Contract and must not require any additional funding to be approved by Council.

6.12 Revenue Generating Arrangement - approval authority - revenue over \$500,000

In the event that the estimated gross revenue as set out in paragraph (b) of Section 6.11 above is in excess of five-hundred thousand (\$500,000) dollars, a Commissioner (or the City Manager if the responsibility for the Revenue Generating Arrangement lies within the City Manager's Department) may exercise the Delegated Authority described in paragraphs (a) through (d) of Section 6.10 provided that, in addition to those conditions set out in subparagraphs (a) and (c) of Section 6.11 being met, the opportunity for the Revenue Generating Arrangement is offered to the general public through competitive procurement.

6.13 Revenue Generating Arrangement - Delegated Authority pursuant to Financial Control By-law governs

The Delegated Authority in connection with Revenue Generating Arrangements pursuant to this by-law shall override any other Delegated Authority in any policy or by-law enacted or predating this by-law, which is deemed to be rescinded or repealed by the enactment of this by-law, save and except for the Delegated Authority for commitments in connection to Contracts at the Richmond Hill Centre for the Performing Arts (the "Theatre") provided to the manager of the Theatre in the City's By-law No. 132-07.

6.14 Funding Commitments - Delegated Authority

The City Manager and Treasurer may exercise Commitment Authority in connection with any Funding Commitment provided that it is connected to a Capital Project or Operating Program for which there is an approved Budget.

6.15 Delegations review

The Treasurer shall ensure that Delegated Authorities to staff are reviewed annually.

6.16 Purchasing Cards

Notwithstanding anything else in this by-law, any staff may make purchases using a purchasing card pursuant to any approved City policies relating to the use of such cards and the City's Procurement Policy.

- (e) Schedule "A" to the Financial Control By-law, as amended, shall be deleted.

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2. Except as herein provided and as required to give effect to the amendments in this By-law No. 77-25, the provisions of the Financial Control By-law continue in full force and effect without amendment.
3. That this By-law amendment shall come into full force and effect on September 1, 2025.

Passed this 9th day of July, 2025.

David West
Mayor

Stephen M.A. Huycke
City Clerk