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Treasurer, Deputy Treasurers, and Cheque Signing Update Staff Report to Council

Report Number: 2024-35

Department(s): Financial Services

Author(s): Mike Mayes

Meeting Date: May 27, 2024

Recommendations

1. That the report entitled Treasurer, Deputy Treasurers, and Cheque Signing Update dated May 27, 2024, be received; and,
2. That By-law 2008-92, A By-law to appoint a Treasurer for the Town of Newmarket, be repealed; and,
3. That By-law 2020-18, A By-law to appoint a Deputy Treasurer for the Town of Newmarket, be maintained until another Treasurer is appointed; and,
4. That Council continues to appoint two Deputy Treasurers; and,
5. That Tony Villella be appointed as the second Deputy Treasurer; and,
6. That the Delegation Bylaw be amended to include the delegation of authority with respect to property assessment and the collection of taxes; and,
7. That By-law 2016-01, A By-law to Provide for Persons Authorized to Sign Cheques and Other Banking Related Authorities on Behalf of the Town, be amended as set out in this report; and,
8. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

Purpose

This report addresses staffing changes in the Financial Services Department and streamlines the cheque signing process.

Background

Treasurer and Deputy Treasurers have been appointed by by-law.

The following bylaws are currently in effect with regards to the appointment of a Treasurer and Deputy Treasurers for the Town of Newmarket

- By-law 2008-92 appointed Mike Mayes as Treasurer
- By-law 2020-18 appointed Esther Armchuk as a Deputy Treasurer and introduced having a second Deputy Treasurer.
- Bylaw 2020-65 appointed Andrea Tang as a Deputy Treasurer.

Historically the Town has had one Treasurer and one Deputy Treasurer. A second Deputy Treasurer was added as an emergency measure at the start of the pandemic.

Delegated authority to deal with property tax assessment issues.

On September 14, 2015, Council was to amend the Delegation By-law to give authority to the Treasurer for the collection of property taxes and the related assessment management. Authority would also give to the Treasurer to delegate this authority. This was done and named the current Supervisor, Property Tax and Assessment. Notification (Information report 2021-06) was given on March 11, 2021, to reflect the change in staff.

Although this was Council's intent, it appears that the delegation by-law was not amended to capture these changes. However, Confirmatory By-law 2015-39 empowers all decisions made at the September 14, 2015, Council meeting.

Cheque signing authority was last updated in 2016.

Financial Services report 2016-03 recommended revisions to the cheque signing and other banking authorizations. By-law 2016-01 enacted those changes.

The Municipal Act prescribes the legislative requirements for a Treasurer.

The Municipal Act Part VII, Financial Administration, section 286 mandates that "... a municipality shall appoint a treasurer who is responsible for handling all of the financial affairs of the municipality on behalf of and in the manner directed by the council of the municipality..."

Subsection (1) list specific duties.

Subsection (2) gives the municipality the option to appoint one or more Deputy Treasurers "... who shall have all the powers and duties of the treasurer..."

Subsection (3) states a treasurer or deputy treasurer is not required to be an employee.

Subsection (4) speaks to liability limited.

Subsection (5) allows a municipality to delegate the collection of taxes.

The Municipal Act does not restrict cheque signing authority.

Section 287 allows cheque signing to be done mechanically or electronically. *The Municipal Act* is otherwise silent on cheque signing.

Prior to 2006, endorsement of cheques required the signatures of both the treasurer and the head of council. This requirement was removed by Municipal Statute Law Amendment Act, 2006, (c. 32 - Bill 130), section 118.

Discussion

Repeal By-law 2008-92

This by-law appointed the current Treasurer, Mike Mayes. He is retiring from the Town on May 31, 2024. As such that office should be removed from him.

The recruitment for his replacement is underway. Upon its completion, a new Treasurer can be appointed. As there are Deputy Treasurers the gap should not be an issue.

Maintain By-law 2020-18 until another Treasurer is appointed.

This by-law appointed a second Deputy Treasurer, Esther Armchuk. This was intended to be a temporary measure at the start of the pandemic. The appointment was supposed to last “until such time as another Deputy Treasurer can be appointed.”

Although another Deputy Treasurer has been appointed – Andrea Tang, by-law 2020-65, repealing by-law 2020-18 would result in there being only two Deputy Treasurers with no Treasurer. For the benefits noted below, it is recommended that a third Deputy be in place until a new Treasurer is appointed.

While appointing a temporary Treasurer is possible, it is not necessary. With recruitment underway, a new Treasurer will be appointed soon. Meanwhile, a Deputy Treasurer already has the same authority as a Treasurer per the *Municipal Act*, subsection 286 (2).

Council should continue to appoint two Deputy Treasurers

Over the last four years, the need for a second deputy treasurer did not arise; however, it is good to have insurance. With vacations, illnesses and staff turnover, it is good to have a backup.

This is becoming more critical as more responsibilities are assigned to the Deputy Treasurer. By-law 2016-01, A By-law to Provide for Persons Authorized to Sign Cheques and Other Banking Related Authorities on behalf of the Town, added additional duties with regards to payroll and investments. For those transactions, the approval of the Treasurer and Deputy Treasurer is sufficient. In addition, this report is recommending further change.

Common practice is to have more than one Deputy Treasurer. In York Region, all of the lower tier municipalities have two Deputy Treasurers. The only exceptions are East Gwillimbury (one) and Markham (three on-call).

Appoint Tony Villella as the second Deputy Treasurer

Tony Villella is the Manager, Revenue and oversees property assessment and taxation. After the Treasurer and Deputy Treasurer, he would have the most in-depth knowledge of the Town's finances. For this reason, it is common practice to make the senior tax person a Deputy Treasurer.

This also aligns Council's current delegation of authority for property tax assessment and collection.

Amend the Delegation By-law

As noted above, Council's decision on September 14, 2025, to delegate authority for property tax assessment and collection was not specifically added to the Delegation By-law. This should be corrected.

Amend By-law 2016-01

The following revision is recommended for By-law 2016-01, A By-law to Provide for Persons Authorized to Sign Cheques and Other Banking Related Authorities on Behalf of the Town.

Currently all cheques require the signatures of the Mayor (or Deputy Mayor) and the Treasurer (or Deputy Treasurer). While this makes sense for significant payments above a certain threshold (currently \$100,000), it can become a nuisance for smaller payments. Payments in US dollars are done manually, regardless of the denomination. The Mayor and Deputy Mayor have busy schedules which can make getting access to them problematic.

It is recommended that an exception be made for US cheques under \$100,000, that they require two signatures which can be any two of Mayor, Deputy Mayor, Treasurer, and Deputy Treasurer.

This would be more consistent with how we handle Canadian dollar payments under \$100,000.

Conclusion

This report recommends that as of June 3 (Council meeting), there will be three Deputy Treasurers with no Treasurer. When a new Treasurer is appointed, the Town will return to its current complement of a Treasurer and two Deputy Treasurers.

Business Plan and Strategic Plan Linkages

This report's goal is to keep Newmarket well-managed and accountable.

Consultation

Members of the Strategic Leadership Team (SLT) were consulted.

Human Resource Considerations

Not applicable.

Budget Impact

Not applicable.

Attachments

None.

Approval

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