

Classification **PUBLIC**

Meeting **November 9, 2009**

Agenda Item **Monitoring Report:  
Financial Condition and Activities 3rd  
Quarter 2009**



Recommended Motion:

**THAT the Board find that all provisions of the *Financial Conditions and Activities* have been complied with.**

---

### **Financial Conditions and Activities**

I hereby submit my monitoring report on your Executive Limitations Policy “Financial Conditions and Activities” according to the schedule set out. I certify that the information contained in this report is true.

Signed: \_\_\_\_\_  
Chief of Police

Date: \_\_\_\_\_

### **BROADEST POLICY PROVISION:**

*“With respect to ongoing financial conditions and activities, the Chief of Police will not cause or allow development of fiscal jeopardy or material deviation of actual expenditures from the Board priorities established in the Ends policies.”*

### **Interpretation of the Chief of Police:**

It is my interpretation of this policy that compliance with the seven following policy statements and the data there tendered fulfills the total requirement of this provision.

I therefore report **compliance** with this Executive Limitations Policy.

“Further, without limiting the scope of the foregoing by the enumeration, the Chief of Police will not:”

### **Policy Provision #1**

1. *“Expend more funds than have been allocated by the Regional Municipality of Durham for the Fiscal Year.”*

### **Interpretation of the Chief of Police:**

It is my interpretation of this policy that it applies to the entire budget as a whole and that any significant deviation from norms is to be addressed in the succeeding period.

Further that any significant deviation that is likely to cause non-compliance with provision 1 be reported to the Board at its next meeting.

### **Data Support:**

Upon review of the budget summary produced by the Director of Business Services, I report the following:

At this point, based on current spending trends and staffing levels, our forecast for the year-end is that spending will be within the \$137.781million budget.

Unbudgeted expenditures for the Durham Consolidated Courthouse of \$0.330 million have been committed made possible by savings in fuel.

The results of the retroactive Joint Job Evaluation Committee re-evaluation of all civilian positions in the DRPA have yet to be quantified and could be material.

Therefore I report **compliance** with this provision.

### **Policy Provision #2**

2. *“Fail to authorize the payment of payroll and other financial obligations in a timely manner.”*

### **Interpretation of the Chief of Police:**

It is my interpretation of this policy that the Durham Regional Police Service will process payments through the Region’s systems and that payments will be made in such a manner as to ensure that members receive their payroll, and that suppliers receive payment in a timely manner.

### **Data Support:**

The Director of Business Services reports that we have had no significant complaints with respect to payment of payroll or other payments during the reporting period.

I therefore report **compliance** with this provision.

### **Policy Provision #3**

3. *“Negotiate, commit, approve or sign any collective agreements or addendums without explicit Board authorization. (This does not preclude the Chief or designate from participating in bargaining sessions in an advisory capacity as per section 120(4) of the Police Services Act.”*

### **Interpretation of the Chief of Police:**

It is my interpretation of this policy that the Chief of Police and designates have no authority whatsoever in this area without the explicit authorization and that the Chief or designate should request said authorization in writing.

### **Data Support:**

I recently became aware that the PSAP and Joint Staffing Committees have been working collaboratively to establish new Geo-balanced zones. Included as a condition of that plan has been the need to develop a one year trial of a Minimum Staffing Proposal that is respectful of Article 19 of the Uniform Collective Bargaining Agreement. In this new proposal overall dayshift staffing would increase by 1 officer, while overall nightshift would increase by 3 officers. Overall nightshift two officer units would remain unchanged at 19.

Having become aware of this amendment to the CBA, and upon preparing this Board report, I notified the Board, and through e-mail received majority support for this proposal to be sent to the DRPA.

I therefore report **compliance** with this policy.

### **Policy Provision #4**

4. *“Negotiate, commit, approve or sign any Board-to-Board agreements or addendums without explicit Board authorization.”*

### **Interpretation of the Chief of Police:**

It is my interpretation of this policy that the Chief of Police has no authority whatsoever in this area without explicit authorization and that the Chief should request said authorization in writing.

### **Data Support:**

No such activity has taken place in the reporting period at all, and no authorizations have been received.

I therefore report **compliance** with this policy.

## **Policy Provision #5**

5. *“Approve or sign any agreements with other police services, service providers, or service recipients, which exceed annual transfers of \$1,000,000, without explicit Board authorization.”*

### **Interpretation of the Chief of Police:**

It is my interpretation of this policy that the Chief of Police has no authority regarding annual transfers in excess of \$1,000,000 in this area without the explicit authorization of the Board and that the Chief should request said authorization in writing.

### **Data Support:**

No such activity has taken place in the reporting period at all, and no authorizations have been received.

I therefore report **compliance** with this policy.

## **Policy Provision #6**

6. *“Acquire, encumber or dispose of real property. (Property as defined in the Police Services Act section 132 exempted.)”*

### **Interpretation of the Chief of Police:**

It is my interpretation of the policy that I am not authorized to deal with the purchase, sale or encumbrance of real property, meaning real estate without express authorization from the Board. This however does not prevent my ability to lease premises as required pursuant to the budget and as coordinated with the Real Estate Division of the Regional Municipality of Durham. (The practice of the Regional Municipality of Durham is to submit all such real estate leases to Council for approval after approval by the Chief.)

### **Data Support:**

There were no such acquisitions, encumbrances or dispositions undertaken during the reporting period.

I therefore report **compliance** with this provision.

## **Policy Provision #7**

7. *“Fail to comply with the spirit of the financial by-laws and policies of the Regional Municipality of Durham.”*

**Interpretation of the Chief of Police:**

It is my interpretation of this policy that all purchases of goods and services shall be in compliance with the Durham Regional Police Service Financial Procedures Manual, which is in substantial compliance with Regional Processes, subject to limits being established by the Chief of Police in consultation with the Director of Business Services. It is my further interpretation that the practice of expending funds from operating accounts prior to final budget approval is acceptable in order to meet payroll and account payment obligations as per #2 above. Further that Capital Budget items are subject to final budget approval unless specifically dealt with by the Board for pre-approval.

**Data Support:**

The Financial Procedures Manual was published in the 1st quarter of 2005 and the procedures and controls took effect in the new budget year on January 1, 2005. The Regional Finance department has been provided with a copy of this document. It is in substantial compliance with Regional Processes and therefore complies with the spirit of Regional Processes.

Financial transactions have been in compliance with the Financial Procedures Manual during the current reporting period.

Certain instances of procedural non-compliance of immaterial dollar amounts have occurred and the staff responsible have been cautioned in writing to ensure full compliance with all procedures in future.

I therefore report **compliance** with this provision.

**Based on the above proof provided, I report overall compliance with the policy.**

Attachments: Appendix on 3<sup>rd</sup> Quarter Spending and Year End Forecast

**Appendix**

	Budget	Sept 30 2009 Actual YTD		Current Year End Forecast Surplus(Deficit)		
	\$	\$	%	\$	%	
PAYROLL EXPENSES	122,294,466	87,565,728	72	312,421	0%	Retiree Sick pay less than budget.
PERSONNEL RELATED	2,300,020	1,731,796	75			
COMMUNICATION	2,593,420	1,829,732	71			
MATERIALS & SERVICES	3,996,907	2,617,931	65	285,000	7%	Fuel price lower than budget.

PROFESSIONAL SERV	991,557	661,045	67			
COMPUTER MTCE & OPER	1,012,557	898,920	89			
MISC SERVICES	4,216,274	2,679,586	64	-15,000	0%	
MTCE & REPAIRS	2,733,309	1,691,228	62	-30,000	-1%	
RENTALS	1,752,173	1,358,090	78			
CAPITAL	2,964,905	1,640,060	55	-588,000	-20%	Court House radio, furniture and POU truck
GROSS EXPENDITURES	144,855,588	102,674,116	71	-35,579		
REVENUE & RECOVERY	-7,073,846	-4,087,840	58	232,269	-3%	Grant for POU truck and Youth in Policing
NET EXPENDITURES	137,781,742	98,586,276	72	196,690	0%	