

Classification **PUBLIC**

Meeting **October 14, 2009**

Agenda Item **Monitoring Report:
Strategic and Financial Planning – 2nd Semi-
Annual Report 2009**



Recommended Motion:

THAT the Board find that all provisions of the Strategic and Financial Planning have been complied with.

Strategic and Financial Planning

I hereby submit my monitoring report on your Executive Limitations, “Strategic and Financial Planning” 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:

The Chief of Police shall not fail to produce an annual operational plan, derived from a multi-year plan that identifies strategies and actions for the accomplishment of the Board’s stated Ends policies.

Financial planning for any fiscal year, or the remaining part of the year, will not deviate materially from Board’s Ends policies and business plan, risk fiscal jeopardy, or fail to be derived from a multi-year financial plan.

Interpretation of the Chief of Police:

The Board’s Ends policies drive the 3 year Strategic Business Plan (which satisfies the requirements of the Police Services Act) and the Strategic Operational Plan, which in turn drive the annual budget and the 5 year forecast required by the Region. Furthermore, strategic plans and annual budgets are subject to realistic revenue and cost projections in both the near and long term.

The 3 year Strategic Business Plan provides the goals and direction for the strategic operational plan.

The 2008 – 2010 Strategic Business Plan was reviewed and accepted in principle by the Board at the April 14, 2008 meeting.

Annual financial planning is done with the input and participation of all operational levels, in order to meet Strategic Business Plan objectives, Strategic Operational Plan objectives and Board Ends, in accordance with specific Board direction. The Annual Business Plan Budget is always the first year of the 5 Year Forecast submitted to the Region of Durham and the Board.

Data in Support:

The supporting data is comprised of the 3 year 2008 – 2010 Strategic Business Plan, the 2009 – 2010 Strategic Operational Plan, the 5 Year Operating Forecast, the 10 year Capital Forecast and the Annual Business Plan Budget.

The 3 Year 2008 – 2010 Strategic Business Plan was presented in April 2008. The 2009 – 2010 Strategic Operational Plan is developed and will be used in the annual budget process. The 2011-2013 Business Plan is in draft form at this point.

The Region was provided with the 5 Year Forecast in August of 2009 and the Board was provided with that document in the materials for the Board Retreat held on September 30, 2009.

The Region will consider a budget guideline at the Finance and Administration Committee meeting on October 7, 2009 and Regional Council will review and approve a guideline on October 14, 2009.

Statement of Compliance:

I therefore report compliance with the General Provision.

Further, without limiting the generality of the foregoing by the enumeration, the Chief of police will not allow budgeting that:

Policy Provision #1

Establishes conditions and activities that will be unnecessarily difficult to maintain.

Interpretation of the Chief of Police:

The policy prohibits me from undertaking or approving operating or financial activities, which would place the integrity of the service or Police Services Board in jeopardy. I will ensure any new operational or financial activities begun are within the financial limitations as set out within the approved budget for the upcoming year and are in furtherance of Board Ends and Limitations policies.

Data Support:

Current conditions and activities, which are required to maintain existing Board End compliance and service levels, result in an approximate ongoing annual increase in net expenditures of 5.5 %. (This figure represents an estimate of expected contractual increases in the collective agreements and estimated inflationary cost increases in non-salary expenditures, but does not include any provision for meeting increased demands as a result of population growth which is estimated at 2 %.)

I have not undertaken or approved any activities which would result in a higher level of ongoing cost increases than that described above.

Therefore, I report compliance with this provision.

Policy Provision #2

Omits credible projection of expenses, separation of capital and operational items, and disclosure of planning assumptions.

Interpretation of the Chief of Police:

I must ensure that the Service diligently plans and clearly reports on expected future revenues and expenses in a format which meets the requirements of the Board and the Region of Durham.

Data Support:

The Annual Business Plan Budget submitted to the Board meets these requirements.

Therefore, I report compliance with this provision.

Policy Provision # 3

Provides less for Board prerogatives during the year than is set forth in the Cost of Governance policy.

Interpretation of the Chief of Police:

The DRPS will ensure that funds identified in the Board's annual governance budget are provided.

Data Support:

The Preliminary Annual Business Plan Budget for 2010 includes the Board's governance budget of \$445 thousand dollars.

Therefore, I report compliance with this provision.

Policy Provision # 4

Provides for projection of revenues that exceed the Board's revenue projection.

Interpretation of the Chief of Police:

The DRPS budget will be based upon realistic projections of revenue from Municipal, Provincial and Federal funding sources and user fees, as provided for by Board approved by-laws.

The Board approved 2009 Annual Business Plan Budget totals \$137.781 million which was in compliance with the Region of Durham guideline.

The Board has yet to provide a guideline for 2010 but the Preliminary Budget being presented today will advance that process.

Data Support:

The Board approved the 2009 Annual Business Plan Budget in accordance with the Region of Durham guideline.

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

Attachment:

Region of Durham Timetable for Business Plans and Budgets 2010.

**TIMETABLE FOR THE 2010 REGIONAL BUSINESS PLANS & BUDGETS FOR
PROPERTY TAX PURPOSES, WATER SUPPLY, SANITARY SEWER AND SOLID
WASTE MANAGEMENT**

A) 5 YEAR FINANCIAL/ECONOMIC FORECAST & 2010 BUDGET GUIDELINES

1.	Departments and Outside Boards & Agencies Submit Estimates to Finance Department	August 1, 2009
2.	Finance & Administration Committee Review and Approval of 5 Year Economic/Financial Forecast and 2010 Budget Guideline Report	October 7, 2009
3.	Council Review and Approval of 5 Year Economic/Financial Forecast and 2010 Budget Guideline Report	October 14, 2009

B) 2010 DETAILED BUSINESS PLANS – PROPERTY TAX

1.	Departments & Outside Boards & Agencies Submit Detailed Business Plans/Budgets to Finance Department	October 1, 2009
2.	<ul style="list-style-type: none"> • 2010 Roads Servicing and Financing Study • 2010 Solid Waste Management Servicing and Financing Study • 2010 Transit Servicing and Financing Study 	November 2009
3.	Department Head Meeting to Review Budget Submissions	November/December 2009
4.	Standing Committee Review of Departmental Business Plans & Budgets <ul style="list-style-type: none"> • Planning Committee • Works Committee • Health & Social Services Committee 	February 2-4, 2010
5.	Finance and Administration Committee Review (and Standing Committee, if required) <ul style="list-style-type: none"> • Finance and Administration Committee Business Plans & Budgets • Other Departmental Business Plans & Budgets • Police Services Board Business Plans • Conservation Authorities Business Plans • Transit Business Plans & Budgets • 2010 Long Term Property Tax Strategy • Solid Waste Management Business Plans & Budgets 	February 9-11, 2010
6.	Council Review and Approval of: <ul style="list-style-type: none"> • All Departmental Business Plans & Budgets • Police Services Board Business Plans & Budgets • Conservation Authorities Business Plans & Budgets • Transit Business Plans & Budgets • 2010 Long Term Property Tax Strategy • Property Tax Rates 	February 17, 2010