

**VANCOUVER POLICE BOARD  
FINANCE COMMITTEE**

**Meeting Minutes**

**March 1, 2021- 3:01pm to 4:42pm**

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**Present:**

**Committee members:** Frank Chong (Chair), Barj Dhahan, Merrilee Robson, Rachel Roy

**VPD:** DCC Rai, Sr. Dir. Nancy Eng, Melissa Lee, Kimberly Jang (left at 4:23pm)

**Board Office:** Stephanie Johanssen, Executive Director

**CoV:** Tony Hui, Carrolyn Lok & Jenny Lau (left at 3:32pm)

**Minutes By:** Ali Huculak

**1. Adoption of Agenda for March 1, 2021**

The Committee adopted the agenda for March 1, 2021.

**2. Minutes**

The Committee approved the Minutes of November 12, 2020.

**3. CoV Annual Audit Engagement Letter**

Mr. Tony Hui, Chief of the Internal Audit for the City of Vancouver (CoV) spoke to the audit engagement letter, noting the CoV found the statement of Revenues and Expenses is fairly presented and in compliance with the Vancouver Police Departments (VPD) policies and practices.

**4. CoV 2020 YE Financial Review Report**

Mr. Tony Hui reported that his team did not find anything unusual and briefed the Committee on the following recommendations and observations resulting from the audit:

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VPD Senior Director of Finance Ms. Nancy Eng spoke to a Committee member's question regarding the practice of reporting expenses net of cost recoveries, noting the only net that the VPD shows is the traffic authority revenues and recoveries.

Mr. Tony Hui spoke to a Committee members question noting the audit plan is on an annual basis, and the CoV tries to get the financial information back to the VPD by the first fiscal meeting. Mr. Hui noted stated that for the auditor general to be effective, the overall audit planning has to be absolutely independent, and free of influence.

DCC Rai noted that for the next Finance committee meeting the VPD will have a plan in place based on the CoV recommendations, and will inform the department on the new process.

Report received for information.

**5. 2020 Year-End Variance Report**

DCC Rai spoke to the report stating this is the 16<sup>th</sup> year on budget, and the major spends this year were on Personal Protective Equipment (PPE) which were offset by some savings from temporary closures and delays on different operating items as a result of the pandemic.

DCC Rai clarified that the Provincial government stated they would provide \$1.2 million for emergency management, however the VPD did not receive any of that funding.

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DCC Rai explained the overtime process, also noting that overtime in general is related to extraordinary costs. DCC Rai stated there is command and control accountability around it, noting overtime is run through WMS. DCC Rai clarified that there are strict guidelines in place and approval up the chain of command is needed with respect to overtime.

Motion to recommend report to the Board for information.

MOVED/SECONDED

CARRIED

**6. 2020 Year-End Overtime Analysis**

VPD Finance Manager Melissa Lee spoke to the analysis\*\*\*

Report received for information.

**7. 2021 Approved Operating and Capital Budget**

DCC Rai spoke to the report stating the VPD's approved operating budget is \$316.4 million and the capital budget is \$6.1 million, and the VPD is still \$5.7 million below the Board's submission to City Council.

DCC Rai spoke to a committee members question stating currently the VPD has 40 vehicles that are hybrid, noting the VPD is happy to move to green energy vehicles. Moving on this initiative is not feasible this year due to the budget constraints, and the VPD has to wait until they get a sense of how the collective bargaining falls, and how the City's financial situation plays out. The cost savings from energy efficient vehicles are realized in year four and five of operating the vehicle, and typically a VPD vehicle lasts around five years, therefore further analysis is required.

DCC Rai noted there is a Federal tax exemption for electric vehicles, however it is not at the percentage to make it feasible to try and replace the VPD's entire fleet.

Sr. Dir. Nancy Eng explained the process of grants and donations received through the Vancouver Police Foundation (VPF), noting the Foundation is a separate charity from the Department. Ms. Eng noted a lot of the VPF donations do come to the Department where they

are the beneficiary. In terms of obligations, a lot of the donations have a specified cause, and when that is the case, it is notified as a specified donation and the VPD ensures it goes to where it's delegated to. The VPD has a good working relationship with the VPF.

DCC Rai added the overarching theme for donations from private individuals is around community and youth, and non-operational items. The VPF's decisions are independent of the Police Board.

Funding requests that are approved by the VPF Board do not go towards paying for regular operations, these are over and above requests that various officers make for different projects that they are involved in throughout the City.

Report received for information.

**8. Vacancy Report**

DCC Rai stated as of Feb 15, 2021 there were 25 sworn and 32.5 civilian vacancies compared to authorized strength.

DCC Rai briefed the committee on the VPD's attrition model and provided clarity with respect to when new recruits fill vacancies. The VPD needs to ensure they have the money to keep funding the supply chain going forward because new recruits take 9-18 months to become deployable. Attrition is based on factors such as an average amount of retirements, leave, the VPD needs to make sure they have an appropriate staffing level and all of those factors contribute.

Report received for information

**9. 2021 and 2022 Budget Strategy**

DCC Rai provided a brief verbal update on the VPD's budget strategy.

The VPD is going to provide the Finance committee with a calendar of the major dates and milestones leading up to the proposal to City Council for the 2022 budget.

**10. Other Business**

There was no other business.

*VPD left at 4:23pm - Moved to In-Camera*

**11. 2021 and 2022 Budget Strategy**

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**12. Board Office Year-End Variance Report**

The Executive Director Stephanie Johanssen provided an update to the Finance committee with respect to Board office Budget. \*\*\*

Report received for information.

**13. Committee Terms of Reference**

The ED is going to get clarification on item 1.A(4) and report back to the Finance team with respect to the audit process, as well as if section 2.D refers to an internal or external audit.

The ED will report back to the Finance committee regarding section 3.A, and enquire if there are any significant unique financial policies that are “one-offs” that deviate from the City.

The ED will provide the Finance committee with a copy of the comprehensive statement of authorities for operating and capital expenditures that have been approved by the Board.

The ED clarified for the committee that at the May Strategic Planning Workshop, the discussion alternates between risk management on a Board level and the Departmental level. The Board can select an area of focus and have the VPD answer questions at the workshop. With respect to financial risk management, the ED will report back to the committee.

**14. Other Business**

The committee discussed how to move forward with Mr. Tony Hui’s request for an inventory audit.

*Meeting adjourned at 4:42pm*