

Shekar Chandrashekar

Date: April 17, 2018

To
Mr. Mayor and Members of Council

Attention: Ms. Caterini, City Clerk

Subject: Hamilton Police Services Budget

Mr. Mayor, Members of Council and Hamilton taxpayers, I have appeared several times as a delegate presenting my concerns regarding the inflated Hamilton Police Services budget. This had been an outstanding issue for over three years and I am requesting that you consider taking action.

Police and City staff should be separating Hamilton Police Service's capital budget from their operating budget. The Act stipulates that the two are to be separate (**see attached OCPC and Legal opinion**). Hamilton Police Services have been using operating surpluses to provide capital financing for projects such as the Forensic building. As a result, the integrity of both the operating and capital budgets is called into question. Padding the operating budget to provide funds for capital is against standard rules of financial accountability for a public body. It weakens the authority of Council over financing decisions and results in an inflated police budget.

This practice has taken place for a number of years. The surpluses that have accumulated over the years from police budgets have been substantial. They have been substantial enough that it is now proposed that they be used to fund a new Forensic building. Yet the police budgets continue to rise year over year. I have been trying to draw attention to the inflated Police Budgeting to the City Manager of Finance and Corporate Services who is in charge of all accounting records, including those of Hamilton Police. To date, I have been unsuccessful.

Mr. Mayor, Members of Council and Hamilton taxpayers, as a concerned private Citizen I am appealing to you to eliminate the customary practice of presenting an inflated budget by Hamilton Police Services.

My Mission is Taxpayers.

Respectfully submitted by a concerned private Citizen


Shekar Chandrashekar



Michael A. M. Mantle

Direct: (905) 572-5829

Fax: (905) 526-0732

Email: mmantle@rossmcbride.com

March 18, 2018

VIA EMAIL:

Dear Mr. Chandrashaker:

Client:
Your File No.:
RE:

Mirle (Shekar) Chandrashaker
1835633-001

– Research Question – *Police Services Act* – Statutory
Interpretation – “Operating” and “Capital” Estimates –

YOUR RESEARCH QUESTION:

You have asked me to provide you with a legal interpretation of Section 39(1) of the *Police Services Act*, R.S.O. 1990, c. P.15, specifically with respect to the “operating” and “capital” estimates portion of the provision.

THE RELEVANT PORTION OF THE ACT:

Section 39(1) of the *Act* reads as follows:

Estimates

39 (1) The board shall submit operating and capital estimates to the municipal council that will show, separately, the amounts that will be required,
(a) to maintain the police force and provide it with equipment and facilities; and
(b) to pay the expenses of the board’s operation other than the remuneration of board members.

[Emphasis Added]

STATUTORY INTERPRETATION AT A GLANCE:

As previously discussed Mr. Chandrashaker, statutory interpretation is a highly complex area of law. Various principles and guidelines exist to assist the reader to arrive at the intended meaning of a given statutory provision.

One of the central principles that jurists rely on to interpret legislation is what is known as Driedger’s Modern Principle.

In his work entitled: *Construction of Statutes* (1983) Driedger noted that the reader should contemplate the following when attempting to interpret a given legislative provision:

"Today there is only one principle or approach, namely, the words of an Act are to be read in their entire context and in their grammatical and ordinary sense harmoniously with the scheme of the Act, the object of the Act, and the intention of Parliament" (at page 87).

This principle has been utilized in thousands of cases, including *Rizzo & Rizzo Shoes Ltd. (Re)*, [1998] 1 S.C.R. 27, since it was espoused by Driedger in his seminal work.

It is through the lens of Driedger's Modern Principle that I viewed section 39(1) of the *Police Services Act*.

BASIC LEGAL OPINION:

Upon reviewing section 39(1) of the *Police Services Act*, as well as other relevant portions of the legislation at hand, it is my opinion that the aforesaid portion of the *Act* calls for there to be a clear demarcation between "operating" and "capital" estimates. In other words, it seems as though these two types of estimates are meant to be presented separately.

While many statutory provisions are marred in ambiguity, I do not believe that this is one of them.

APPLICATION TO MATERIALS PROVIDED:

Furthermore, Mr. Chandrashaker, you have previously provided me with the *Hamilton Police Services Operation Budget* (2018) – Item 5.1 PSB 17-135. I have reviewed it several times.

While I am by no means an accountant or an expert in finance, I could not find any evidence that there was a clear separation of "operating" estimates and "capital" estimates in this report. In fact, I could only find mention of "operating" budget/estimates within the said report.

Given my limited knowledge of accounting I am not sure whether or not "operating" and "capital" estimates were subsumed into one figure or if the "capital" estimates portion was not included in the literature provided. Perhaps the "capital" estimates figures are included in another report.

I hope this is of some assistance.

Please feel free to call or contact me if you have any questions.

Yours Very Truly,
ROSS & McBRIDE LLP

Per:



Michael A. M. Mantle
B.A. (Hons.), J.D., LL.M.
Associate Lawyer

RE: Hamilton Police Board

Ontario Civilian Police Commission Registrar <OCPCRegistrar@ontario.ca>

Reply

Today, 9:24 AM

You;

SLASTOinfo (MAG) (SLASTOinfo@ontario.ca);

+1 more

You replied on 2018-03-20 9:31 AM.

Dear Mr. Chandrashekar,

This is to acknowledge receipt of your correspondence dated March 7, 2018. With regard to your concern around capital budgeting of police services, it is the responsibility of the Board to submit operating and capital estimates. If the board is not satisfied that the budget established for it by the council is sufficient to maintain an adequate number of police officers or the other employees of the police force with adequate equipment or facilities, the board may request that the Commission determine the question. You may wish to bring these concerns to the Hamilton Police Services Board.

Sincerely,

Celia Lieu
Manager of Operations/Registrar
Ontario Civilian Police Commission
Animal Care Review Board | Fire Safety Commission
Safety, Licensing Appeals and Standards Tribunals Ontario
20 Dundas Street West, 5th Floor, Suite 530
Toronto, Ontario, Canada M5G 2C2
Tel: (416) 314-3011
Cell: (416) 258-1902
Email: Celia.Lieu@ontario.ca

Ministry of
Municipal Affairs

Office of the Minister

777 Bay Street, 17th Floor
Toronto ON M5G 2E5
Tel.: 416 585-7000
Fax: 416 585-6470

Ministère des
Affaires municipales

Bureau du ministre

777, rue Bay, 17^e étage
Toronto ON M5G 2E5
Tél. : 416 585-7000
Téléc. : 416 585-6470



AUG 18 2017

17-71802

Dear Mr. Chandrashekar:

Thank you for your email regarding your concerns about the accounting transactions of Police Services.

As Minister of Municipal Affairs, I understand the importance of financial accountability on open and transparent governments.

Section 294.1 of the *Municipal Act, 2001*, stipulates that municipalities "prepare annual financial statements for the municipality in accordance with generally accepted accounting principles for local government as recommended, from time to time, by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada."

Section 296 requires a licensed auditor under the *Public Accounting Act, 2004*, to audit the accounts and transactions of the municipality and its local boards. Furthermore, the ministry collects municipal financial information through the Financial Information Return (FIR) on a yearly basis as mandated by section 294(1). To ensure public confidence in public sector entities, legislation is in place to facilitate independently established accounting and assurance standards.

I encourage you to have a discussion and share your concerns with PSAB and/or the City of Hamilton.

Thank you for bringing your concerns to the attention of the government. Please accept my best wishes.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bill Mauro".

Bill Mauro
Minister

RE: Letter frm the Honourable Bill Mauro, Minster of
Municipal Affairs

AA

Ali Ahmed <aahmed@psabcanada.ca>

Reply

Yesterday, 2:09 PM

You

You forwarded this message on 2017-09-06 2:19 PM

Hello Mr. Shekar,

I would confirm that Public Sector Accounting Board (PSAB) issues standards and guidance with respect to matters of accounting in public sector. Public sector refers to government, government components, government organizations and government partnerships.

These standards apply to all public sector entities that issue general purpose financial statements unless :

- (a) Specifically directed or permitted to use alternative standards by PSAB, or
- (b) Limited in applicability as outlined in the individual sections.

Kind Regards

Ali

Ali Ahmed, CPA, CGA, FCCA (UK)

Principal/Directeur de projets

Public Sector Accounting Board / Conseil sur la comptabilité dans le secteur public

Tel / Tél. : 416.204.3315

aahmed@psabcanada.ca

| www.frascanada.ca | [LinkedIn](#) | [@FRASCanada](#) |

Chief administrative officer

229 A municipality may appoint a chief administrative officer who shall be responsible for,

- (a) exercising general control and management of the affairs of the municipality for the purpose of ensuring the efficient and effective operation of the municipality; and
- (b) performing such other duties as are assigned by the municipality. 2001, c. 25, s. 229.

PART VII FINANCIAL ADMINISTRATION

Fiscal year

285 (1) The fiscal year of a municipality and a local board of a municipality is January 1 to December 31. 2001, c. 25, s. 285 (1).

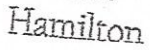
Treasurer

286 (1) 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, including,

- (a) collecting money payable to the municipality and issuing receipts for those payments;
- (b) depositing all money received on behalf of the municipality in a financial institution designated by the municipality;
- (c) paying all debts of the municipality and other expenditures authorized by the municipality;
- (d) maintaining accurate records and accounts of the financial affairs of the municipality;
- (e) providing the council with such information with respect to the financial affairs of the municipality as it requires or requests;
- (f) ensuring investments of the municipality are made in compliance with the regulations made under section 418. 2001, c. 25, s. 286 (1).

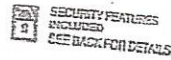
Signatures of cheques

287 A municipality may provide that the signatures on a cheque of the municipality be mechanically or electronically reproduced. 2006, c. 32, Sched. A, s. 118.



City of Hamilton
P.O. Box 2040 LCD1
Hamilton, ON L8N 0A3

Royal Bank
100 King Street West
Hamilton, ON L8P 1A2



838149

MIRLE CHANDRASHAKER
SEVEN AND XX / 100 DOLLARS

PAY

SEVEN AND XX / 100 DOLLARS

2017-06-14
YYYY MM DD

TO THE
ORDER
OF

NIRLE CHANDER

\$\div \div \div 7.00\$

Mayor

Treasurer

110938129110 220122220032

000 000 000 000 000 000

For Accounts Payable inquiries please call 905-546-2424 Ext. 2214

Cheque Date: Jun/14/2017

Invoice Date

Invoice Number

Jun/06/2017

17JUN06

Voucher IDGross Amount

Cheque No. 838149

02813373

7.00

DiscountPaid Amount

HPS-FOI REIMBURSEMENT

0.00

7.00

Vendor Id 0000104635	Loc 001	Name MIRLE CHANDRASHAKER			Total Discounts \$0.00	
Cheque Number 838149	Date Jun/14/2017	Pymnt Hndlg Code RE	Total Amount \$7.00	Discounts Taken \$0.00	Total Paid Amount	