

To: Board of Management

From: Robin D. Hale
Chief Operating Officer

Subject: **FINANCIAL AUTHORITIES BY-LAW – PROPOSED REVISIONS**

Date: 2010-11-09

Summary:

This report will outline the proposed amendments to the Financial Authorities Bylaw 1-97 and the recommendations of the Management Committee for approval of the new Financial Authorities By-law by the Board of Management.

Recommendations:

The Management Committee, at its meeting of 2010-11-08 recommended that the Board approve the Financial Authorities By-law No. 2-2010 (Appendix I) with the following amendments:

- 1. Section 11(b) be amended to read: Animal transactions of \$5,000 to \$24,999 per specimen or \$25,000 to \$50,000, if more than one specimen (including shipping charges and currency exchange), shall be approved by the Animal Acquisition Committee.**
- 2. Section 39 (b) be amended to read: The CEO shall report on the operating budget variances at the summary level to the Board on *no less than* a tri-annual basis;**
- 3. The CEO shall report on the progress of all projects in the approved capital program on *no less than* a semi-annual basis.**

Background:

The Board's current Financial Authorities By-law, By-law 1-97 (Appendix II), was approved by the Board on 1997-07-01. Toronto Zoo staff have undertaken a review over the past few months of the Board's Financial Authorities By-law, with the following objectives:

1. Ensuring that the Board Financial Authorities By-law includes sections that are consistent with the financial authorities by-law of other City of Toronto agencies and boards;
2. Ensuring that the by-law provides reasonable authority levels for the Chief Executive Officer to appropriately conduct Zoo business;
3. Enhancing clarity and understanding of the by-law and related practices for the Board, staff and public;

4. Continuing to support high quality public administration practices and informed decision making by the Board of Management of the Toronto Zoo.

Zoo staff reviewed and considered the financial by-laws of other agencies and regional entities, including the Toronto Police Services Board, the Toronto Public Library Board, the Toronto Community Housing Corporation, the Board of Governors of Exhibition Place, the Region of Durham and the Region of York.

Comments/Discussion:

The following summarizes the amendments proposed for the current Financial Authorities By-law:

- Clarification of definitions;
- Revised authority for the Chief Executive Officer related to:
 - Expenditure commitments;
 - Sponsorship agreement approval limits;
 - Reallocation of approved Operating Budget funds;
 - Capping of authorization limit on additional expenditures.
- Animal Transactions – revised approval limits for the Chief Executive Officer and the Animal Transaction Committee;
- Increase in authorized level of petty cash expenditures;
- Addresses handling of Donated Development Funds.

The amended Financial Authorities By-law is consistent with and similar to the financial by-laws of other City agencies. The new Financial Authorities By-law has been developed in consultation with the Board's Solicitor. For your information, a more in-depth summary of the changes are included (Appendix III).

Implementation:

Following review by the Management Committee, the new By-law was placed on the Board agenda for discussion and approval. This will provide the required time to post the by-law for public comment, which must be at least five days in advance of the release of the regular Board of Management agenda, in accordance with City procedures. Once approved, the By-law will come into effect on 2011-01-01.

R. D. Hale
Chief Operating Officer

List of Attachments:

1. Appendix I – Draft Financial Authorities By-law 2-2010
2. Appendix II - By-law 1-97 (Current Financial Authorities By-law)
3. Appendix III – Summary of Amendments