

Clause 4 in Report No. 17 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on December 14, 2017.

4

2018 Budget – York Regional Police

1. Receipt of the presentation by Eric Jolliffe, Chief of Police and Jeffrey Channell, Manager, Financial Services, York Regional Police and Mayor Virginia Hackson, Chair, York Regional Police Services Board.
2. Receipt of the communication from Mafalda Avellino, Executive Director, The Regional Municipality of York Police Services Board, dated October 20, 2017.
3. Adoption of the following recommendations contained in the report dated November 14, 2017 from the Commissioner of Finance:
 1. The Committee of the Whole recommends the budget as submitted for York Regional Police as follows:
 - a) The 2018 operating budget as summarized in Attachment 1.
 - b) The 2018 capital expenditures and the 2018 Capital Spending Authority, as summarized in Attachment 2.
 2. The recommended budget be consolidated by the Treasurer for consideration for Council approval on December 14, 2017.

Report dated November 14, 2017 from the Commissioner of Finance now follows:

1. Recommendations

It is recommended that:

1. The Committee of the Whole recommends the budget as submitted for York Regional Police as follows:
 - a. The 2018 operating budget as summarized in Attachment 1

b. The 2018 capital expenditures and the 2018 Capital Spending Authority, as summarized in Attachment 2.

2. The recommended budget be consolidated by the Treasurer for consideration for Council approval on December 14, 2017.

2. Purpose

This report provides a summary of the 2018 Operating and Capital Budget for York Regional Police for consideration by Committee.

3. Background and Previous Council Direction

On [December 15, 2016](#) Council approved an operating outlook for 2018

As part of the 2017-2018 Budget, Council approved an outlook for the operating budget for 2018. This approved outlook formed the starting point for this year's budget. Evolving circumstances and emerging pressures are a natural part of a multi-year budget process. Absent of extraordinary pressures, York Regional Police were asked to stay within their outlook. The 2018 operating budget reflects any revisions that have been made to the previously approved outlook.

The 2018 Budget was tabled on November 16, 2017

The consolidated 2018 Operating and Capital Budget was tabled with Council on November 16, 2017. It was received and referred to the December meetings of Committee of the Whole for consideration and recommendation.

The 2018 Budget Direction report, approved by Council on [May 18, 2017](#), outlined the proposed timelines and indicated that the 2018 budget would be approved in December 2017, as long as Council is satisfied with it through the review process.

The Police Services Board approved the York Regional Police 2018 budget on October 18, 2017

The York Regional Police budget was approved by the York Regional Police Services Board and forwarded to Council for inclusion in the overall Regional budget. The 2018 budget approved by the Police Services Board on October 18, 2017 is below the outlook approved as part of the 2017 to 2018 Budget.

A one-year operating budget was tabled for Council's consideration

The operating budget presented is a one-year budget for the remaining year of Council's term. Council is asked to approve the budget for 2018.

Multi-year commitments for capital projects are proposed as part of the budget process

Many complex capital projects span several years of planning, design and construction, requiring multi-year spending authority.

Capital Spending Authority is requested for projects with contractual and other clear or certain multi-year commitments. As in previous years, Council is asked to approve multi-year Capital Spending Authority for capital projects.

4. Analysis and Implications

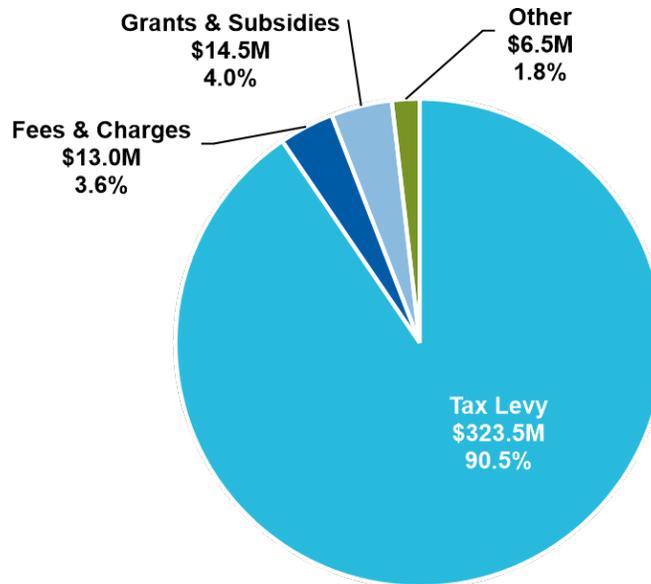
Operating Budget (page 215)

York Regional Police are mostly funded through tax levy

The budget shows both the gross operating expenditures (total budget) and the net tax levy (the portion of the budget paid for by the tax levy).

The total gross budget for police services in 2018 is \$357.5 million. As shown in Figure 1 below, the tax levy pays for 90.5% of the services provided by York Regional Police. Most of the remaining funds come from fees and grants.

Figure 1
Gross Expenditures by Funding Sources



Note: Numbers may not add due to rounding.

The proposed budget for York Regional Police reflects net operating expenditures of \$323.5 million in 2018

The 2018 operating budget includes the cost of providing:

- Base services
- Legislated and contractual requirements
- Fiscal strategy requirements
- Impact of capital
- Growth
- Service enhancements.

The proposed net budget for York Regional Police is \$323.5 million, or 30.2% of the total 2018 proposed Regional net operating budget, as shown in Figure 2 below.

Figure 2
York Regional Police Share of the Tax Levy

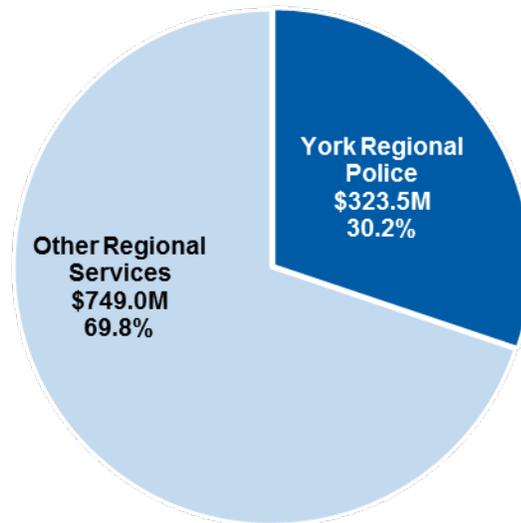


Table 1 in Attachment 1 summarizes the proposed gross and net operating budgets for 2018.

York Regional Police is below the approved outlook

The York Regional Police proposed 2018 budget is below the outlook approved as part of the 2017 to 2018 Budget by \$725,695. This is a result of lower than outlook spending on salaries and benefits, budgeting for grant funding that was not in the 2018 outlook, and managing pressures by using efficiencies identified by York Regional Police staff.

Capital Budget (page 216)

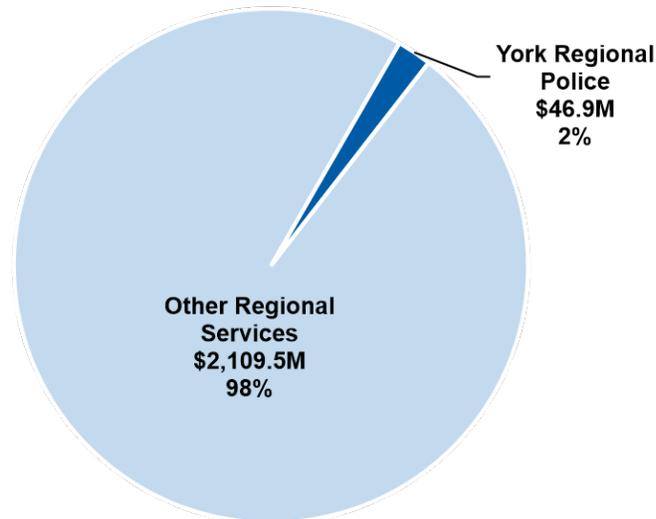
Approval of 2018 capital expenditures of \$22.6 million and Capital Spending Authority of \$46.9 million is requested for York Regional Police

The capital budget includes new infrastructure projects in support of growth, rehabilitation and replacement of existing infrastructure and service enhancement.

The proposed Capital Spending Authority for York Regional Police is \$46.9 million, or 2% of the total 2018 Capital Spending Authority, as shown below in Figure 3.

Figure 3

York Regional Police Share of Capital Spending Authority



Attachment 2 summarizes the 2018 Capital Spending Authority by program and shows the associated funding sources for York Regional Police. Details on the individual projects are available in the 2018 Budget book starting on page 367.

The budget is informed by Council-approved strategies and plans

The 2018 budget for York Regional Police reflects the directions and strategies set out in Vision 2051, and the York Region Official Plan. The budget is also supportive of the objectives outlined in the 2015 to 2019 Strategic Plan.

5. Financial Considerations

The net operating budget for York Regional Police totals \$323.5 million in 2018, as summarized in Attachment 1.

The proposed 2018 Capital Spending Authority reflects a multi-year commitment of \$46.9 million, as summarized in Attachment 2. Expenditures not identified as part of Capital Spending Authority but contained within the Ten-Year Capital Plan are provided for planning purposes and will be brought forward for formal approval in subsequent budget years.

6. Local Municipal Impact

The Region provides essential services to the residents and businesses in York Region. The challenge of meeting growing demands for service and improving service delivery is addressed through the Region's business planning process. The Region's investments support local municipalities.

7. Conclusion

This report sets out the proposed 2018 budget for York Regional Police. To facilitate the completion of the budget process, it is recommended that the Committee's recommendations be forwarded to Council for consideration on December 14, 2017.

For more information on this report, please contact Kelly Strueby, Director, Office of the Budget, at 1-877-464-9675 ext. 71611.

The Senior Management Group has reviewed this report.

November 14, 2017

Attachments (2)

8008493

Accessible formats or communication supports are available upon request

2018 Budget Summary for York Regional Police
Proposed Operating Budget Expenditures
(in \$000s)

Department	Page No.	2018 Budget	
		Gross	Net
York Regional Police	215	357,525	323,511
Total		357,525	323,511

Note: Net operating expenditures= tax levy

2018 Capital Expenditures and Capital Spending Authority (CSA)
York Regional Police

York Regional Police	Page No.	2018 \$000s	2018 CSA \$000s
Program Expenditures:			
York Regional Police	216	22,642	46,892
Funding Sources:			
Debt Reduction Reserve	216	4,448	12,065
Asset Replacement Reserves	216	5,776	5,776
Development Charge Reserves	216	12,343	28,976
Other Recoveries	216	75	75
Total Funding Sources		22,642	46,892



2018 Operating and Capital Budgets York Regional Police

Committee of the Whole
Budget Presentation
November 30, 2017

Virginia Hackson, Chair, Police Services Board
Eric Jolliffe, Chief, York Regional Police
Jeffrey Channell, Manager, Financial Services



Presentation Overview

- Remaining a Safe Community
- Regional Crime Trends
- 2018 Operating Budget
- 2018 Capital Budget and 10-year Capital Plan
- Questions and Answers





Remaining A Safe Community

- Efficient Deployment
- Increased Police Availability
- Community Partnerships
- Leading Edge Technology
- Integrated Approach to Community Education
- Increased Youth Engagement
- Community Safety Initiatives

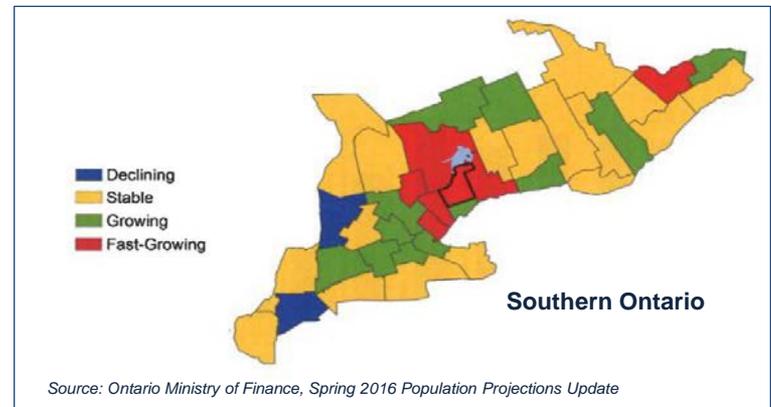


Building Relationships



In A Changing Region

- Continued growth throughout the Region
- Increased Intensification
- Greater Density/Vertical growth in Urban areas
- Aging population leading to an increase in vulnerable residents
- Continued Diversification

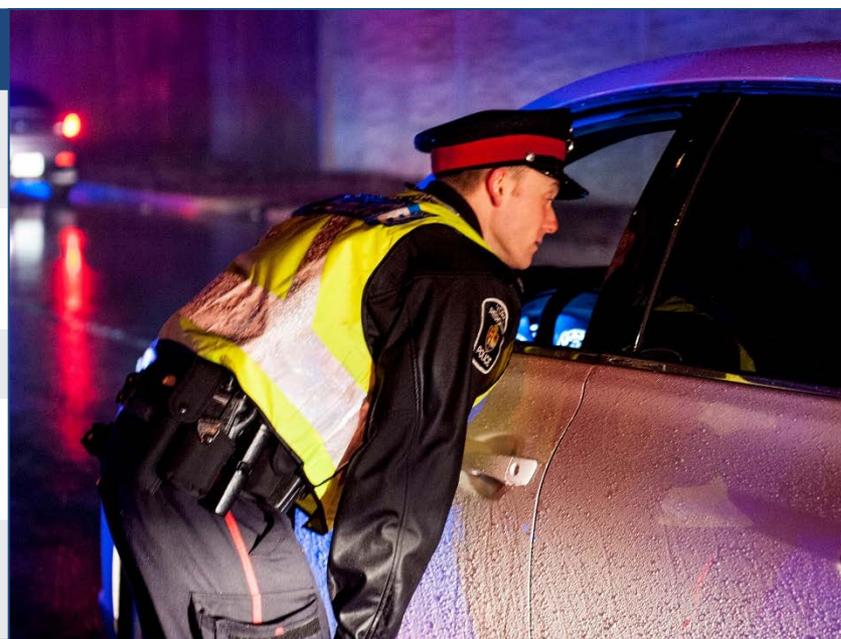




Then and Now

Top Five Community Priorities

	2013	2016
1	Crimes Against Property	Crimes Against Property
2	Violent Crimes	Traffic Safety and Enforcement
3	Guns and Gangs	Violent Crimes
4	Drug Control and Enforcement	Fraud
5	Traffic Safety and Enforcement	Drug Control and Enforcement



Source: York Regional Police 2013 & 2016 Community Surveys



Then and Now

Quality of Service

Rating	2013	2016
Very Satisfied & Satisfied	94.8%	94.4%

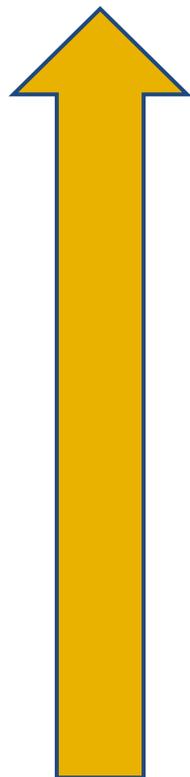
- 95.8% have confidence in York Regional Police
- 97.1% agreed or somewhat agreed that York Regional Police were courteous, respectful, competent and fair
- 89.4% agree they are receiving good value for tax dollar
- 94.3% feel very safe or reasonably safe in their community



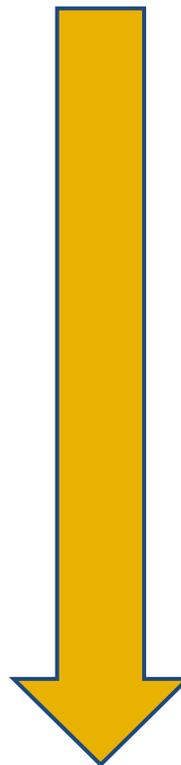
How are we doing?



Regional Crime Trends



- Violations causing Death
- Assaults
- Sexual Assault
- Robbery
- Fraud
- Theft Under \$5,000
- Break and enter
- Dangerous Operation
- Impaired Operation/
Related Violations
- Street Racing

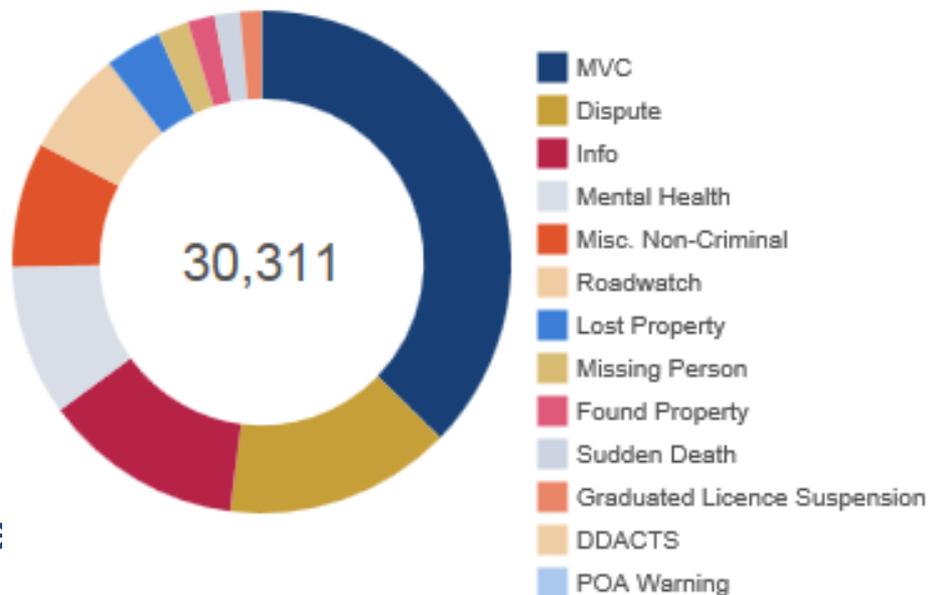
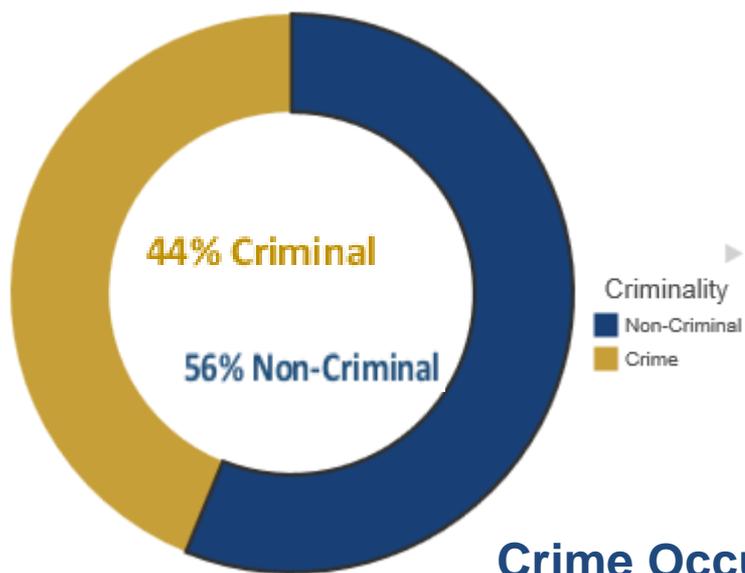


- Attempt Capital Crime
- Theft over \$5,000
- Mischief
- Weapons violations
- Drug violations
- Fail to remain

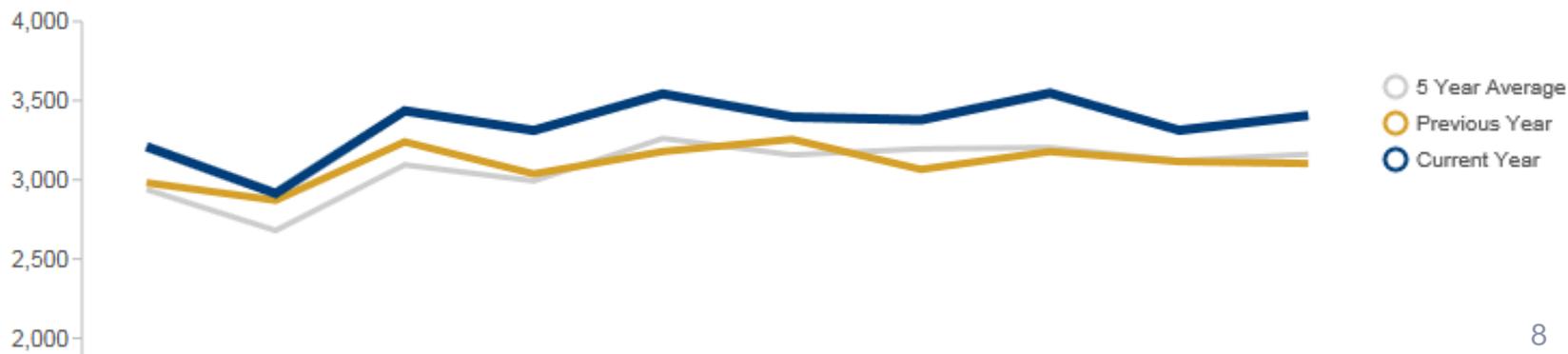
Source: York Regional Police Statistics



2017 YTD Workload



Previous Year Variance: **4.58%** ▲ 5 Year Variance: **5.86%** ▲





2018 Budget Expectations

2018 Operating Budget meets envelope

- Year four of the four-year multi-year budget process
- 2018 Operating envelope \$324.2M & Capital \$22.3M
- Capital envelopes including funding envelopes inclusive of Debt Reduction Reserves
- Multi-Year Budgeting benefits:
 - Tighten the links between budgeting and strategic priorities
 - Improving fiscal discipline
 - Provide a longer-term outlook for program and service planning purposes
 - Reducing uncertainties about future tax levies
 - Providing a long-term outlook to those who rely on Regional funding for programs they deliver

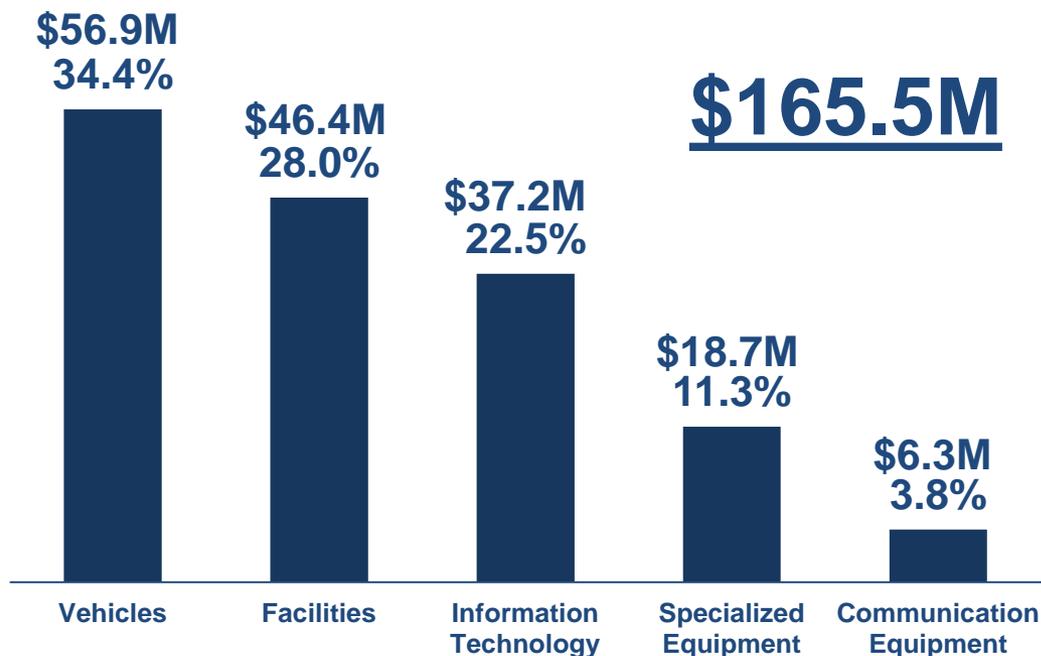


2018 Operating & 10-Year Capital Budget

2018 Operating Budget

- \$726K below Operating envelope for 2018
- Net Operating Budget of \$323.5M featuring 22 additional staff
- 4.1% increase from 2017

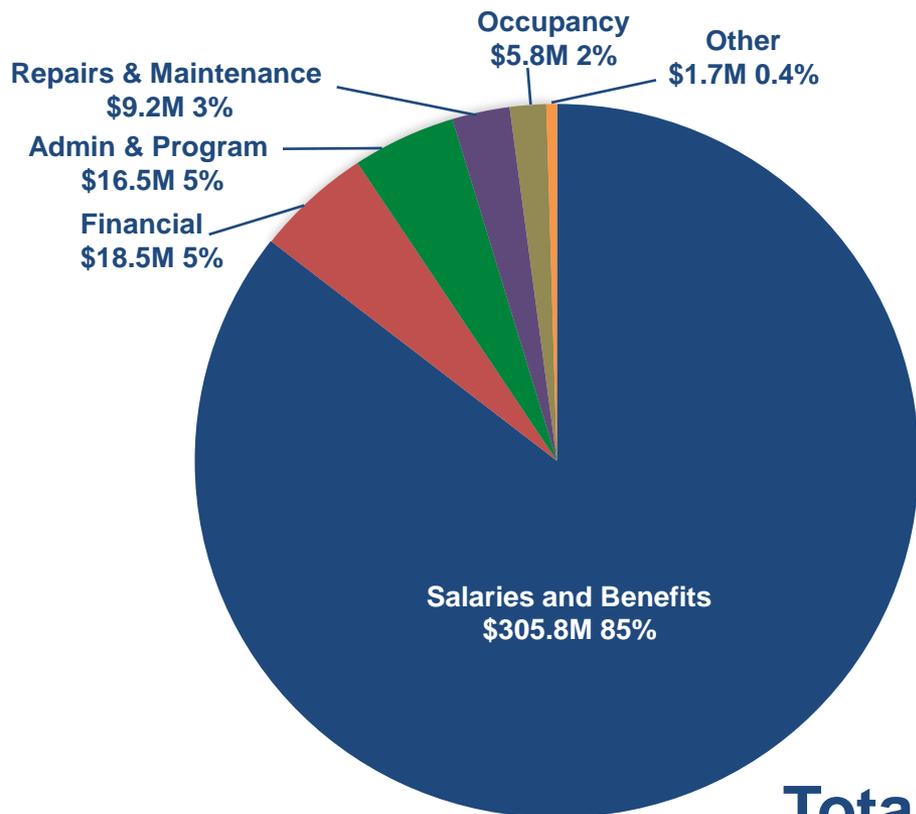
10-Year Capital Plan



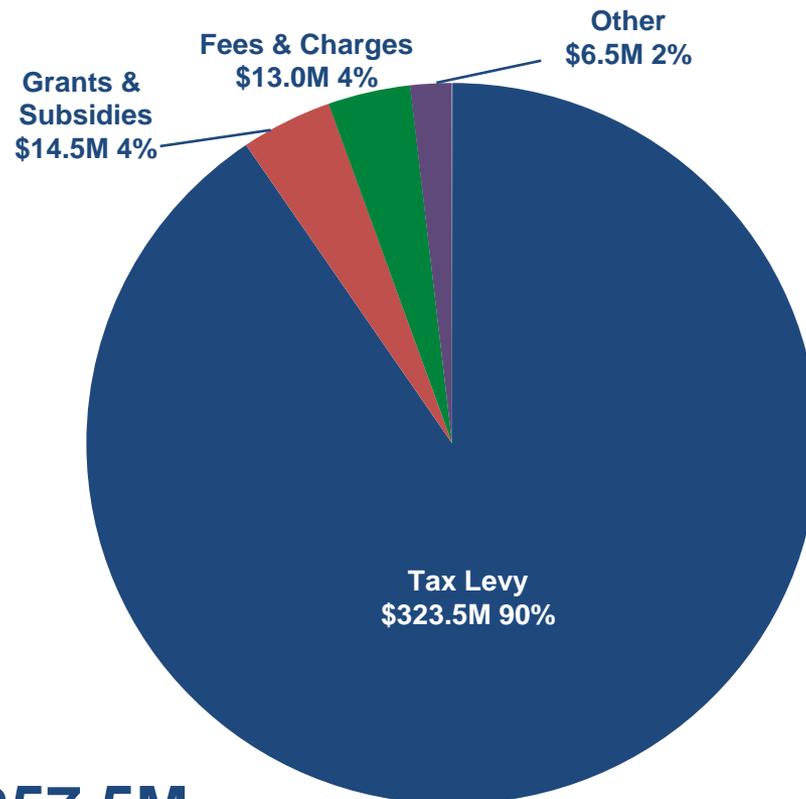


2018 Operating Budget Outlook

EXPENDITURE TYPE



FUNDING TYPE

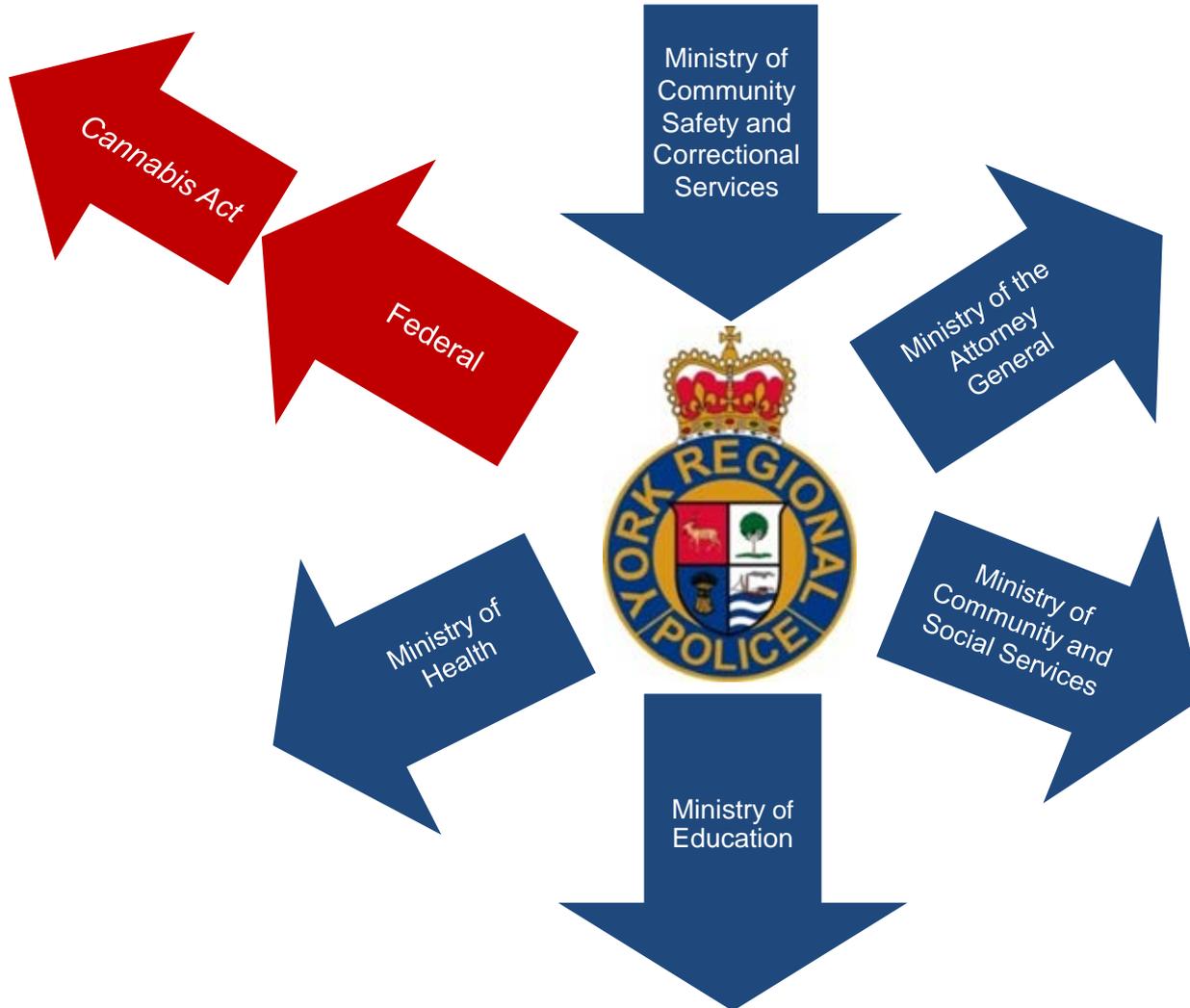


Total: \$357.5M

**Gross Operating Budget*



Service Delivery & Funding Challenges





2018 Additional Staff

14 Sworn Officers and 8 Civilians

Sworn Officers	14
Investigative Services	4
Organized Crime & Intelligence Services	4
District Operations	6
Civilian Support Staff	8
Operational Command	8



Lowest request for Sworn Officers in 15 years

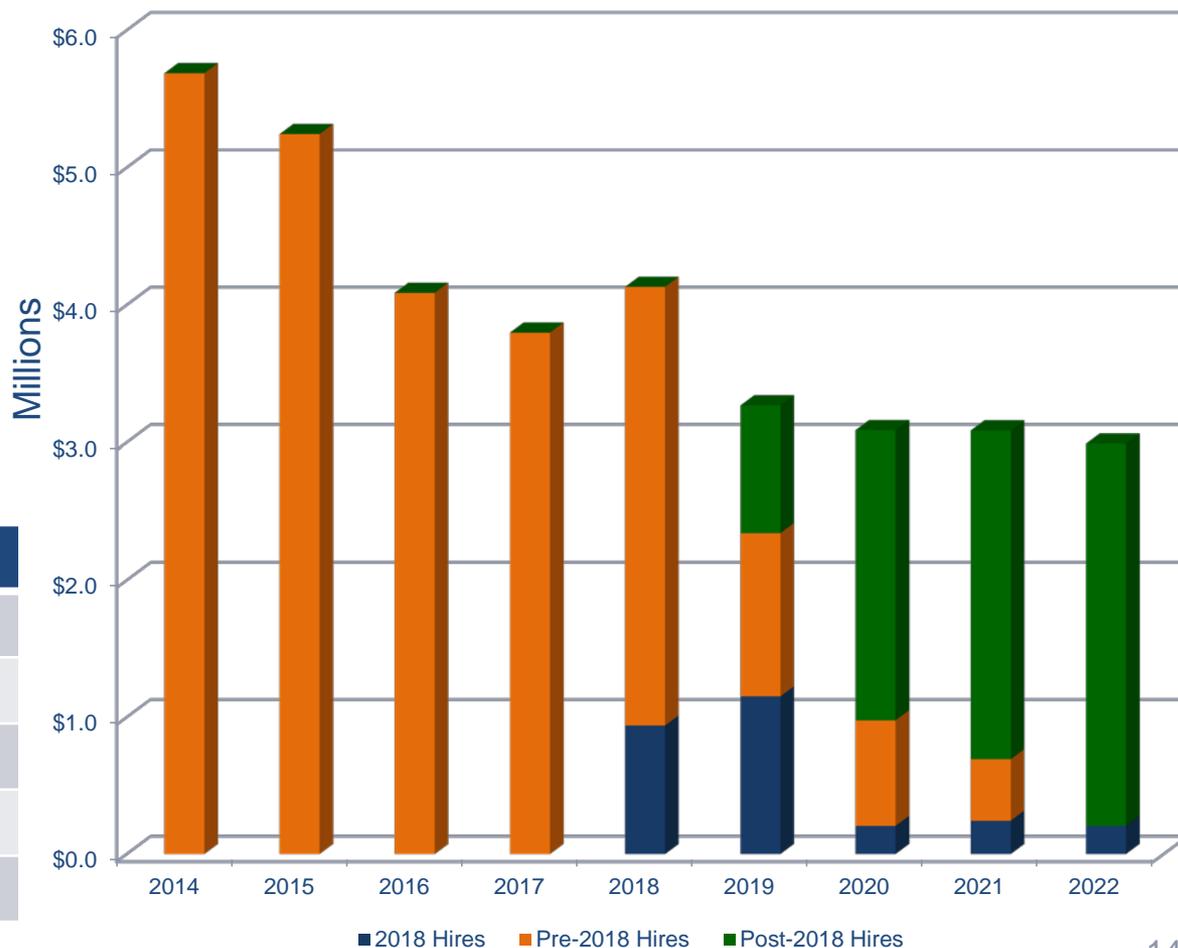


Wage Impacts of New Hires

30.5% of the 2018 increase from new hire wage costs

- **Gapping** – Initial year costs to reflect partial year intake dates.
- **Annualization** – Second year phase to budget the remaining full-year costs.
- **Reclassification** - Progressions through the salary grid:

Rank	Salary	Increment
Cadet	\$53,118	
4 th Class	\$65,429	\$12,311
3 rd Class	\$74,753	\$9,324
2 nd Class	\$86,142	\$11,389
1 st Class	\$96,759	\$10,617





YRP Savings Help Offset Region Pressures

Change to 2018 Outlook	Variance to Outlook (in \$000s)	Change to Net Tax Levy Outlook
Connected Officer	500	0.05%
PAVIS Grant Funding	(379)	(0.04%)
Salaries and Benefits	(320)	(0.03%)
Air Support Expenditures	(298)	(0.03%)
Efficiencies & Program Reductions	(229)	(0.02%)
York Regional Police*	(726)	(0.07%)

* Source: As highlighted in - Proposed 2018 Regional Budget Presentation to Council; November 16, 2017



2018 Operating Budget Outlook

Budget Risks

- Cannabis legalization and regulations
- Risk to grant revenues
- Changes to the *Police Service Act*
- Risk of additional long-term vacancies and retirements
- Reserve contributions
- Body worn cameras



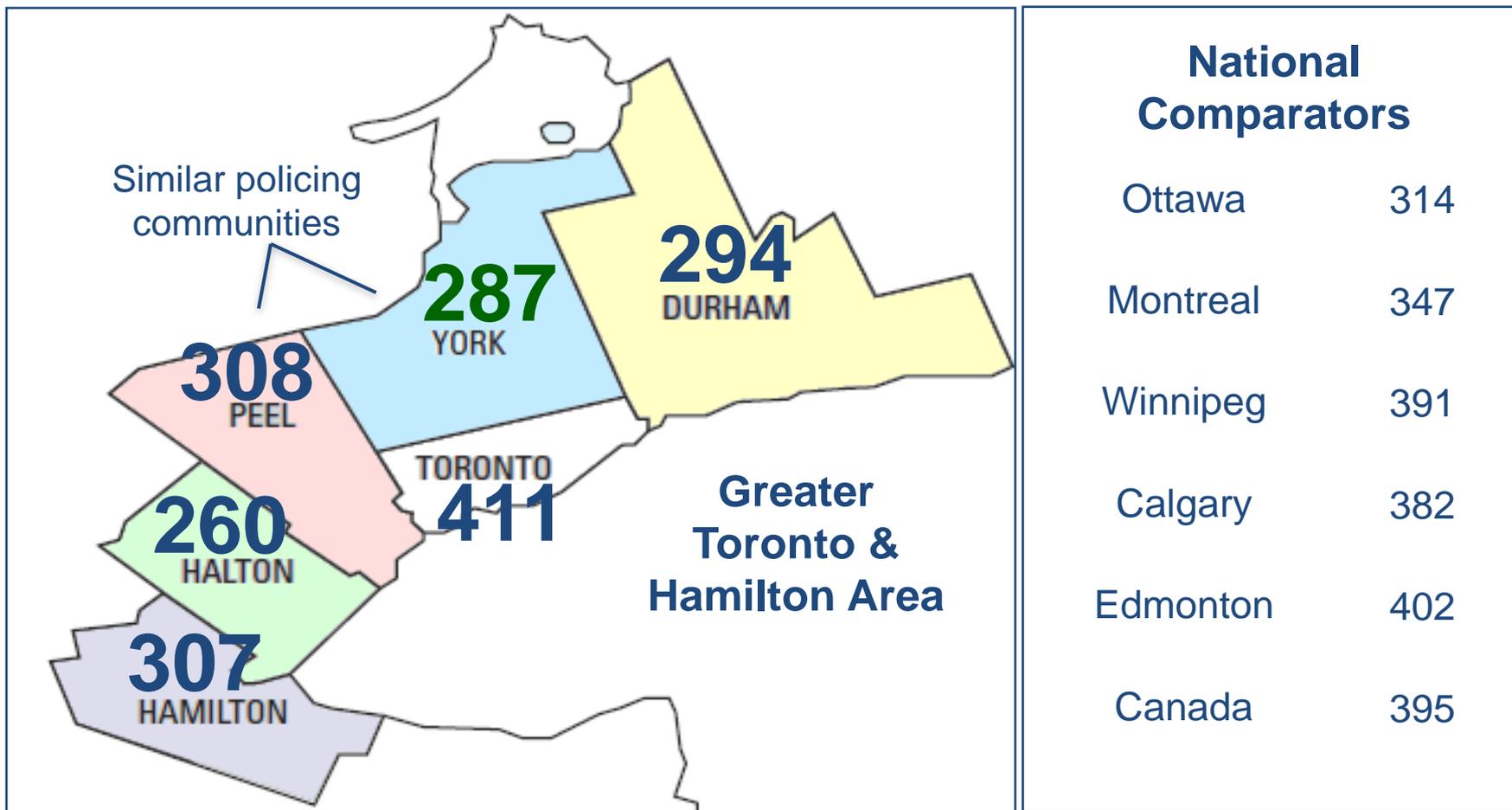
2015 - 2018 Operating Budget Overview

Below 3% After Assessment 2015-2018

In \$000s	2015 Approved	2016 Approved	2017 Approved	2018 Budget
Gross Expenditures	\$315,724	\$330,874	\$342,538	\$357,525
Less: Non-Tax Revenue	\$28,767	(\$33,375)	(\$31,748)	(\$34,014)
Net Expenditures	\$286,957	\$297,499	\$310,791	\$323,511
Net Increase (%)	3.2%	3.7%	4.5%	4.1%
Less: Assessment Growth (%)	(1.8%)	(1.8%)	(1.8%)	(1.7%)
Tax Levy Increase (%)	1.4%	1.9%	2.7%	2.4%



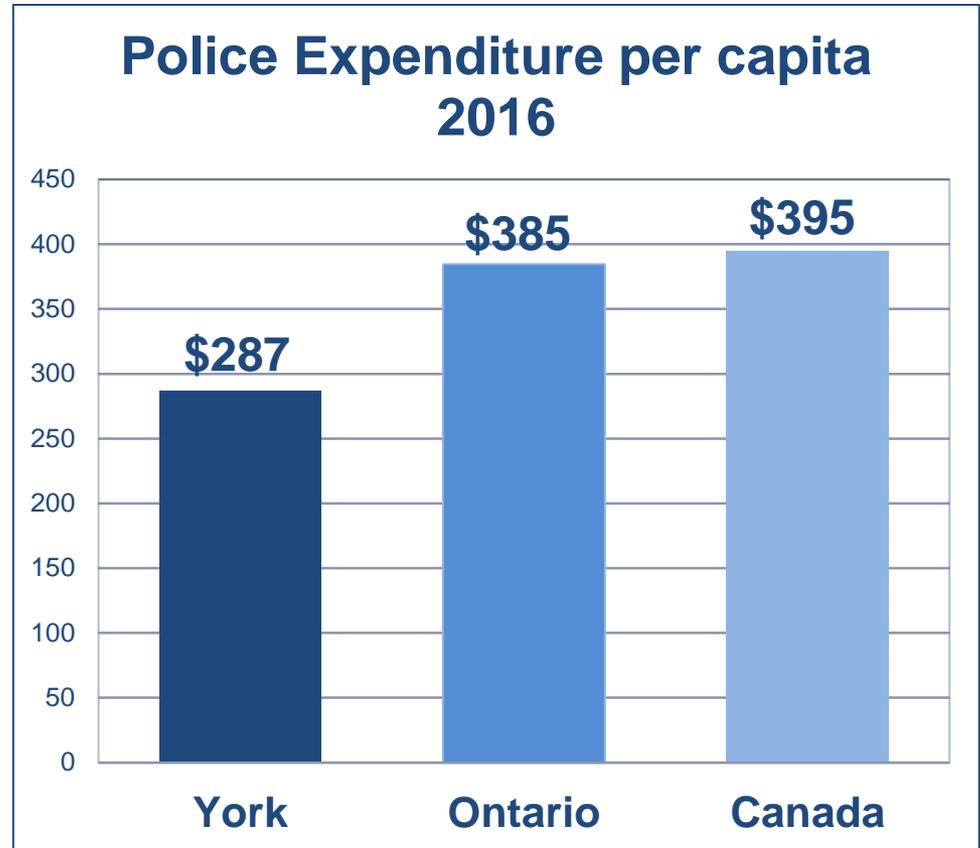
2016 Cost Per Capita Ratios





Police Resources in Canada 2016

- YRP's 140 Police per 100,000 remains the lowest (among jurisdictions greater than 1 million)
- YRP's staffing mix higher within Constable ranks, civilian management/professionals offset by fewer Uniform managers and below average civilianization.
- YRP's age mix older than national averages.
- Cost per capita lower than Ontario and Canada



YRP expenditure per capita is 27% lower than the national average



2018 Capital Budget Proposal

- A 2018 Capital Plan of \$22.6 million
- 2018 Capital Spend Authority (CSA) of \$46.9 million
- A 10-Year Plan of \$165.5 million through 2027

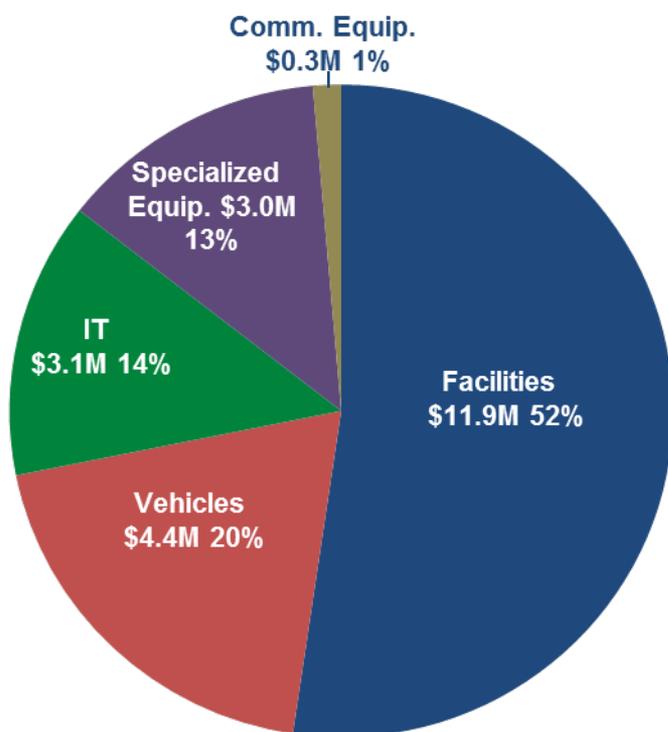




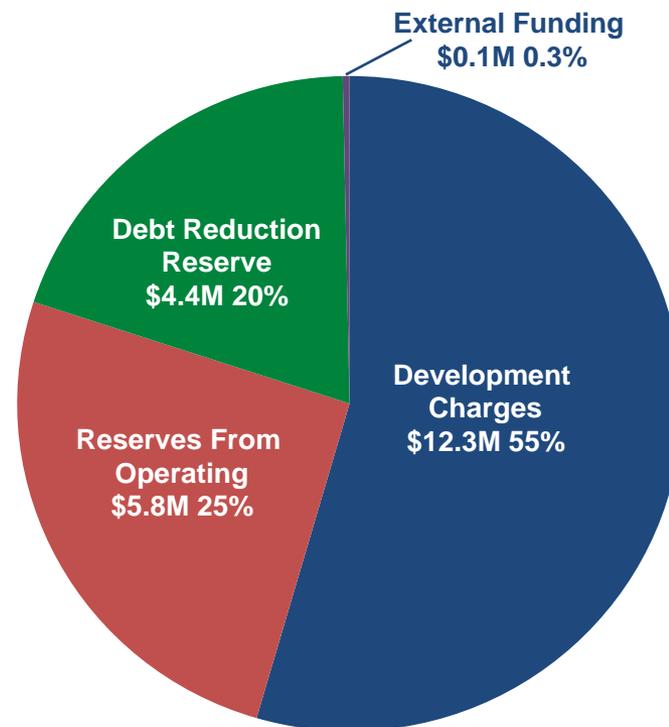
2018 Capital Plan Overview

Represents 3% of the York Region Capital Plan

2018 Capital Plan



Funding Sources



Total 2018: \$22.6 million
Total 2018 CSA: \$46.9 million



2018 Capital Plan

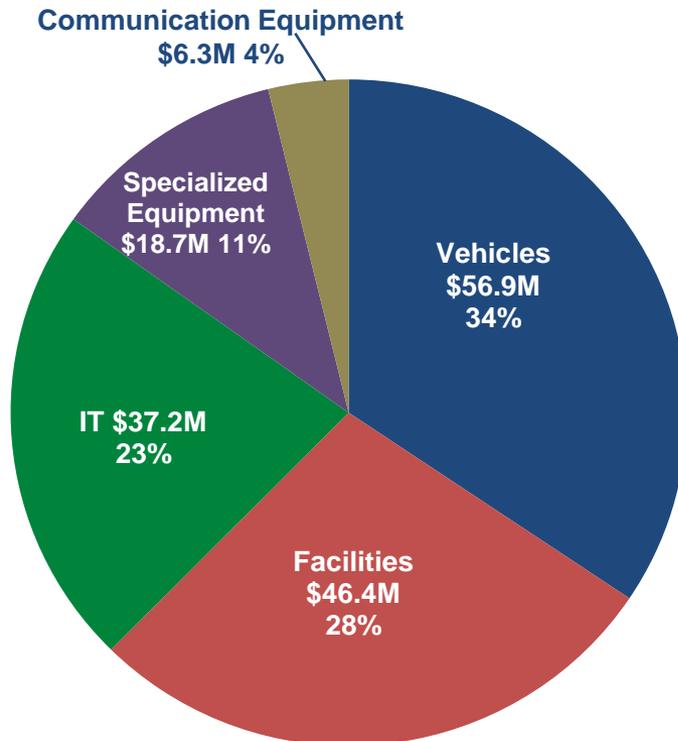
Facilities \$11.9M	Information Technology \$3.1M	Vehicles \$4.4M	Specialized Equipment \$3.0M	Communication Equipment \$0.3M
<ul style="list-style-type: none">• #1 District & Prospect Street Reno. \$1.5M• #3 District Marine HQ \$5.5M• Renovations & Equipment \$3.6M• King Sub-Station \$1.3M	<ul style="list-style-type: none">• IT Hardware & Software \$0.9M• IT Infrastructure \$0.9M<ul style="list-style-type: none">• Connected Officer & In-car modernization \$1.1M• Business Intelligence \$0.2M	<ul style="list-style-type: none">• Vehicles \$4.1M• Air Operations \$0.3M	<ul style="list-style-type: none">• Furniture \$0.4M• CEW \$0.2M• Technical Investigations \$1.1M• Robotics/ Support Services \$0.2M• Other \$1.1M	<ul style="list-style-type: none">• Radio System \$0.3M



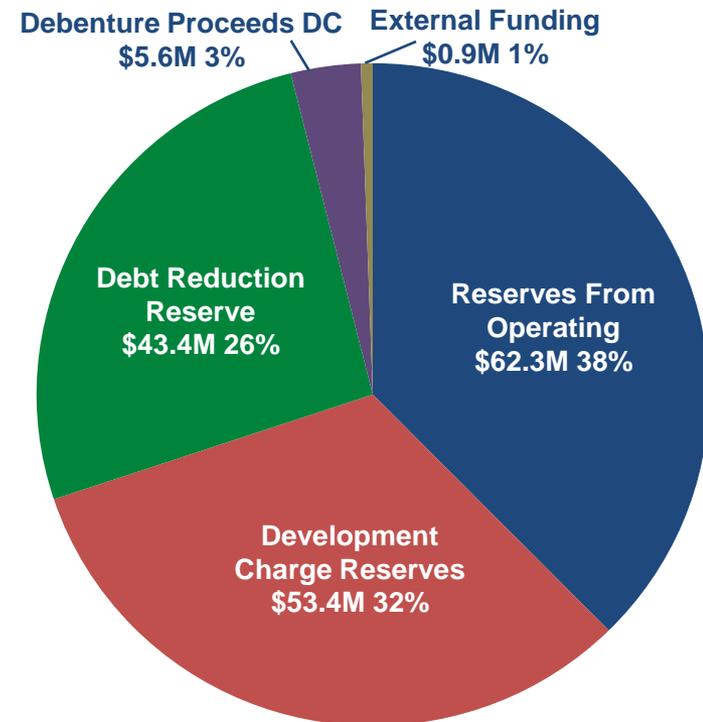
10-Year Capital Plan Overview

Represents 2.8% of York Region's 10-Year Capital Plan

10-Year Capital Plan



Funding Sources



Total 10-Year: \$165.5M



2018 to 2027 10-Year Capital Plan

Facilities \$46.4M	Information Technology \$37.2M	Vehicles \$56.9M	Specialized Equipment \$18.7M	Communication Equipment \$6.3M
<ul style="list-style-type: none">• #1 District & Prospect Street Reno. \$25.7M• New District & Sub-Station outlook \$5.0M• Land Bank Acquisition \$3.0M• #3 District Marine HQ \$5.5M• Renovations & Equipment \$5.9M• King Sub-Station \$1.3M	<ul style="list-style-type: none">• IT Hardware & Software \$11.5M• IT Infrastructure \$9.6M<ul style="list-style-type: none">• Connected Officer & In-car modernization \$8.4M• CAD-Record management \$3.7M• Business Intelligence \$1.1M• Data Governance \$1.0M• Other \$1.9M	<ul style="list-style-type: none">• Vehicles \$45.4M• Air Operations \$11.5M	<ul style="list-style-type: none">• Forensic Equipment \$3.8M• Furniture \$3.7M• Body Armour \$2.9M• CEW \$2.9M• Technical Investigations \$2.2M• Robotics/ Support Services \$1.0M• Other \$2.2M	<ul style="list-style-type: none">• Portable & Mobile Radio \$4.7M• Radio System \$1.6M



Return on Investment

2016	York	Peel	Ottawa	Toronto	Montreal	Calgary	Winnipeg	Edmonton
Crime Rate	Lowest	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th
Crime Severity Index	Lowest	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th
Police to Population	1:752	1:666	1:709	1:529	1:436	1:595	1:507	1:547
Gross Cost per Capita	\$287	\$308	\$314	\$411	\$347	\$382	\$391	\$402

*York Regional Police remains one of the most effective & efficient police services in Canada
York Region remains one of Canada's Safest Communities among comparators*



Key Points

- YRP's 2018 Operating Budget is \$0.7M below Operating Envelope; the lowest request for Sworn Officers in 15 years
- YRP is the most cost efficient police service with the lowest cost per capita among Canadian jurisdictions greater than 1 million population
- Budget does not include additional funding requirements for enforcement of the *Cannabis Act*, at \$5.7M for 2018 or 2 percent increase
- The transition from legacy grants to the new PEM grant poses a potential risk to \$6M worth of provincial funding in 2018 and beyond
- YRP's 10-year capital outlook of \$165.5M provides sound financial planning to guide the acquisition and replacement of infrastructure assets



Police Services Board Budget Request

The York Regional Police Services Board requests that the Committee approve funding of:

1. 2018 Operating Budget of \$323,511,000
2. 2018 Capital Budget \$22,642,000 with a Capital Spend Authority (CSA) of \$46,892,000
3. Ten-Year 2018-2027 Capital Forecast totaling \$165,527,000





Budget Recommendation

1. The Committee of the Whole recommends the budget as submitted for York Regional Police as follows:
 - a) The 2018 operating budget as summarized in Attachment 1
 - b) The 2018 capital expenditures and the 2018 Capital Spending Authority, as summarized in Attachment 2.
2. The recommended budget be consolidated by the Treasurer for consideration for Council approval on December 14, 2017.





Questions?



The Regional Municipality of York Police Services Board

To Make a Difference in Our Community

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October 20, 2017

Mr. Bill Hughes
Commissioner of Finance & Regional Treasurer
The Regional Municipality of York
17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1



Dear Mr. Hughes:

RE: 2018 York Regional Police Operating and Capital Budgets

At its meeting on October 18, 2017, the Regional Municipality of York Police Services Board received the enclosed report of the Chief of Police entitled *2018 Operating and Capital Budgets* and adopted the following recommendations:

1. That the Board approve the 2018 Operating Budget with a tax-levy impact of \$323,511,232;
2. That the Board approve the proposed 2018 Capital Budget totalling \$22,642,000 with a Capital Spend Authority (CSA) of \$46,892,000;
3. That the Board approve for financial planning purposes the 10-Year 2018-2027 Capital Forecast totalling \$165,527,000; and
4. That the Board forward the 2018 Budget information for the Treasurer's tabling of The Regional Municipality of York's Budget at Regional Council on November 16, 2017.

I am forwarding the 2018 Budget information for the tabling of The Regional Municipality of York's Budget at Regional Council in accordance with the Board's resolution.

Yours truly,

Mafalda Avellino
Executive Director

/Attach. (1)

cc. Chris Raynor, Regional Clerk



Deeds Speak

Thomas Carrique
Deputy Chief of Police

Eric Jolliffe
Chief of Police

André Crawford
Deputy Chief of Police

PUBLIC

THE REGIONAL MUNICIPALITY OF YORK POLICE SERVICES BOARD

REPORT TO THE CHIEF OF POLICE

OCTOBER 18, 2017

2018 Operating and Capital Budgets

RECOMMENDATIONS

1. That the Board approve the 2018 Operating Budget with a tax-levy impact of \$323,511,232;
2. That the Board approve the proposed 2018 Capital Budget totalling \$22,642,000 with a Capital Spend Authority (CSA) of \$46,892,000;
3. That the Board approve for financial planning purposes the 10-Year 2018-2027 Capital Forecast totalling \$165,527,000; and
4. That the Board forward the 2018 Budget information for the Treasurer's tabling of The Regional Municipality of York's Budget at Regional Council on November 16, 2017.

SYNOPSIS

This report requests the Board's approval of the 2018 proposed Operating Budget of \$323,511,232, a 4.1 percent or \$12,720,304 increase over the 2017 Operating Budget. This proposal is (\$725,694) below the 2018 funding envelope target communicated by Treasurer Bill Hughes in his letter dated May 25, 2017. This report also requests the Board's approval of the 2018 Capital Budget and Forecast to 2027 as set out in Appendix 1. The Capital Budget includes the major facility, vehicle, information technology, communication and specialized equipment requirements of York Regional Police.

Vision-inspired

Mission-focused

Values-driven



The Bill Fisch Centre for Police Excellence
47 Don Hillock Drive, Aurora, ON L4G 0S7 Tel: 1 866 876 5423 | TTY: 1 800 668 5810 | yrp.ca

FINANCIAL IMPLICATIONS

The total 2018 tax-levy requirements of \$323,511,232 results in an increase of \$12,720,304 or 4.1 percent over 2017 funding. The proposal includes a reduction of (\$379,046) from the Budget tabled at the Board's September 20, 2017 meeting. Annual salary and benefits costs for 22 additional staff in 2018 have been reduced by salary gapping. This treatment reduces first year wage costs to reflect an intake process that occurs throughout the year of hire. The second year cost to annualize the wages for the full year in 2019 is an additional \$967,200. The Budget figures presented exclude assessment growth and Regionally allocated costs, in accordance with Budget guidelines provided annually from The Regional Municipality of York Office of the Budget staff.

Funding sources for the 2018 Operating Budget are as follows:

Operating Funding Sources					
	Tax-levy	Grant and Subsidies	Service Fees and Charges	Other	Total
Operating Budget (Gross)	\$323,511,232	\$14,450,246	\$13,023,300	\$6,631,519	\$357,616,297
Percentage	90%	4%	4%	2%	100%

Financing for the 2018 Capital Budget and Forecast to 2027 is a combination of contributions from reserves (operating tax-levy), debenture proceeds repaid from development charges, debt reduction reserve funding, development charge collections and external funding – proceeds from sale of equipment and from Fire Partners.

Funding sources for the 2018 Capital Budget are as follows:

Capital Funding Sources						
Category	Reserves – Operating Tax-levy	Development Charges (DC Reserve)	Debt Reduction Reserve	Debt Repaid from DC	External Funding	Total
Vehicles	\$3,201,000		\$224,000	\$989,000		\$4,414,000
Facilities	\$185,000		\$1,546,000	\$10,119,000		\$11,850,000
Information Technology	\$2,102,000	\$65,000	\$934,000			\$3,101,000
Specialized Equipment	\$288,000	\$738,000	\$1,562,000	\$379,000		\$2,967,000
Communication Equipment		\$53,000	\$182,000		\$75,000	\$310,000
Total	\$5,776,000	\$856,000	\$4,448,000	\$11,487,000	\$75,000	\$22,642,000
Percentage	25%	4%	20%	51%	0.3%	100%

BACKGROUND

Operating Budget

At its meeting on September 20, 2017, the Board received a tabling of the 2018 Operating Budget, which was (\$346,649) below the 2018 operating budget envelope. With the Board's direction, Financial Services staff made a further reduction of (\$379,046) by including Provincial Anti-Violence Intervention Strategy Grant funding in 2018 budget.

Based on the reduction and all known budget pressures, the 2018 Operating is as follows:

2018 Operating Budget	
<u>In 000's</u>	Proposed 2018
Base Budget	310,791
Salaries and Benefits	
Increases for wages & reclassification	10,287
Annualization of additional staff	1,771
Additional Staff	967
Expenditures	
Increase to operating expenses	1,281
Debt principle, interest and contribution to debt reduction	773
Development Charges	(532)
Revenues, Grants and Recoveries	(1,826)
Net Operating Budget	323,511
Incremental Budget Increase (\$)	12,720
Incremental Budget Increase (%)	4.1%

Capital Budget

York Regional Police's Plan has been developed to provide the infrastructure necessary to deliver quality policing services for the protection of all its citizens. The York Regional Police 2018 Capital Budget totals \$22,642,000 of new and re-budgeted funding classified into the following categories: \$4,414,000 for Vehicles, \$11,850,000 for Facilities, \$3,101,000 for Information Technology, \$2,967,000 for Specialized Equipment, and \$310,000 for Communication Equipment.

Vehicles - \$4,414,000

This category includes an annual project for the addition and replacement of marked, unmarked, and special purpose vehicles, as well as the Police Helicopter, in accordance with York Regional Police's vehicle replacement program.

- Replacement and changeover of vehicles for \$4,125,000 pertains to front line vehicles replaced at 140,000 kilometres for Interceptor Sedans and 180,000 kilometres for Interceptor Utility vehicles. The replacement methodology was set to maximize residual

value for the vehicles at auction, minimize major component repair cost and to meet reliability expectations of Police specification vehicles.

- New funding exists for the implementation of anti-idling technology for 20 vehicles and kit changeovers for 36 vehicles.
- \$289,000 in the 2018 Budget pertains to retrofit and replacement parts for the Police Helicopter – AIR2.
- Fleet vehicle financing will be through contributions from reserves (operating tax-levy) for \$3,201,000, \$989,000 funded from debt repaid from development charges and the remaining \$224,000 from the Debt Reduction Reserve. Repair and maintenance expenses for all vehicles are contained in the Operating Budget.

Facilities - \$11,850,000

The following facilities projects are proposed for the 2018 Budget:

- #3 District Marine Headquarters – The \$5,450,000 budgeted in 2018 is for construction of the new Marine Headquarters. Funding will be through 20-year debentures repaid from development charge contributions estimated at 90 percent with the balance being funded from debt reduction reserves.
- #1 District Multi-Function Facility – The \$1,500,000 budgeted in 2018 is for land and architect fees. The Capital Spend Authority for this project is \$25.75 million over three years. Funding for 2018 will be through 20-year debentures repaid from development charge contributions estimated at 69 percent with the balance being funded from debt reduction reserves.
- King Sub-station – The budget of \$1,300,000 in 2018 is mainly for construction and furniture and fixture fees. Funding will be through 10-year debentures repaid from development charge contributions estimated at 90 percent with the balance being funded from debt reduction reserves.
- Renovations to #4 District – The budget of \$1,850,000 is for architectural fees and renovations. Funding will be through 10-year debentures repaid from development charge contributions estimated at 90 percent with the balance being funded through contributions from reserves (operating tax-levy).
- Community Safety Village Expansion & Renovations – The budget of \$1,500,000 is for architectural fees and renovation. Funding will be through 10-year debentures repaid from development charge contributions estimated at 90 percent with the balance being funded from debt reduction reserves.
- Renovations to Existing Facilities – The \$250,000 budget is for a #5 District building automation system replacement project. Financing will be through debt reduction reserves.

Information Technology - \$3,101,000

The 2018 Information Technology (IT) projects reflect the ongoing replacement and growth of technology needs, including:

- **Hardware** - This annual project replaces aged desktop computers, laptops and printers in accordance with the ever-greening replacement strategy. It will be financed by a \$920,000 contribution from reserves (operating tax-levy).
- **Infrastructure and Applications** - This project for \$878,000 targets the expanding records retention needs of the organization and new IT initiatives. It will be funded through a combination of contribution from reserves (operating tax-levy) at 80 percent and the remaining from debt reduction reserves.
- **Connected Officer and In-Car modernization** – The request for \$1,143,000 relates to support for the modernization of officers and vehicles, and implementing efficiencies such as installation of full size printers, update and maintain in-car cameras and mobile workstations in Police vehicles. Financing will come from a combination of Development charge reserves, debt reduction reserve and contribution from reserves (operating tax-levy).
- **Business Intelligence** – This project is for a Business Intelligence system tailored to police agencies that would improve YRP operations by providing accurate and timely Key Performance Indicator (KPI) information and enable management to make effective decisions. The budgeted \$160,000 will be funded through debt reduction reserves at 78 percent and the remaining through development charge reserves.

Specialized Equipment - \$2,967,000

Combined specialized equipment projects total \$2,967,000 and includes: furniture, uniform equipment, firearms and conductive energy weapons, support service equipment, forensic equipment, closed circuit equipment and technical investigation equipment. Funding will come from a combination of debt reduction reserves, development charge reserves, contribution from reserves (operating tax-levy) and debt repaid from development charges.

Communication Equipment - \$310,000

The radio system project includes relocation of the Queensway Radio site and the maintenance and betterments of the Motorola Capital equipment. Financing of \$310,000 will be through the debt reduction reserve, development charge reserves and external funding.

In summary, total expenditures in the 2018 Capital Plan of \$22,642,000 will be funded by:

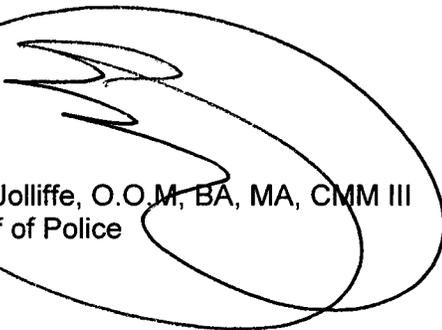
- Debenture proceeds repaid from development charges of \$11,487,000 or 51 percent;
- Contribution from reserves (operating tax-levy) of \$5,776,000 or 25 percent;
- Debt reduction reserves of \$4,448,000 or 20 percent;
- Development charge collections from reserves of \$856,000 or 4 percent; and
- External Funding of \$75,000 or 0.3 percent

A ten year 2018 to 2027 Capital Forecast for financial planning purposes include expenditures totalling \$165,527,000: \$56,955,000 for Vehicles, \$46,350,000 for Facilities, \$37,162,000 for

Information Technology, \$18,716,000 for Specialized Equipment and \$6,344,000 for Communication Equipment. (Appendix 1, 2018 Capital Budget and Ten-Year 2018 to 2027 Capital Forecast).

The attached Appendix 2 is the York Regional Police section to be included in The Regional Municipality of York's 2018 Budget Book. Included on page 8 are the risks to policing as a result of the legalization of cannabis expected on July 1, 2018.

It is therefore recommended that the Board approve the 2018 Operating Budget of \$323,511,232, the 2018 Capital Budget of \$22,642,000, the 2018 Capital Spend Authority of \$46,892,000, and the 10-Year 2018 to 2027 Capital Forecast totalling \$165,527,000 for financial planning purposes, and that the Board's recommendations be forwarded for incorporation into the Treasurer's tabling of The Regional Municipality of York's Budget at Regional Council on November 16, 2017.



Eric Jolliffe, O.O.M, BA, MA, CMM III
Chief of Police

EJ:ll

Accessible formats or communication supports are available upon request

Appendix 1: 2018 Capital Budget and Ten-Year 2018 to 2027 Capital Forecast

Description	Budget 2018	Capital Forecast 2019-2027									Total 2018-2027
		2019	2020	2021	2022	2023	2024	2025	2026	2027	
Vehicles											
Vehicles	4,125	4,210	4,290	4,380	4,470	4,550	4,650	4,740	4,830	4,930	45,175
Marine Patrol Boat		250									250
Air Operations - Fixed Wing		3,153									3,153
Air Operations	289	618		163	5,320		406	823	758		8,377
Sub Total Vehicles	4,414	8,231	4,290	4,543	9,790	4,550	5,056	5,563	5,588	4,930	56,955
Facilities											
#3 District - Marine Headquarters	5,450										5,450
#1 District Multi-Function	1,500	12,500	11,750								25,750
Land Bank Acquisition		3,000									3,000
King Sub-Station	1,300										1,300
New District and Substation Outlook			5,000								5,000
Renovations #4 District	1,850										1,850
CSV Expansion & Renovations	1,500										1,500
Renovations/Major Equipment to Existing Facilities	250	250	250	250	250	250	250	250	250	250	2,500
Sub Total Facilities	11,850	15,750	17,000	250	250	250	250	250	250	250	46,350
Communication Equipment											
Radio System	310	190	380	380	190	190					1,640
Portable and Mobile Radio Replacement				2,352	2,352						4,704
Sub Total Communication Equipment	310	190	380	2,732	2,542	190	0	0	0	0	6,344
Information Technology											
IT Hardware and Software	920	1,090	1,110	1,130	1,150	1,170	1,190	1,210	1,230	1,250	11,450
Learning Management System				150					150		300
CAD/RMS Upgrades				250				250			500
YRPNet Re-write		124					150				274
Disaster Recovery Plan		319					308				627
IT Infrastructure and Applications	878	969	969	969	969	969	969	969	969	969	9,599
Connected Officer/In-Car Modernization	1,143	933	937	942	378	765	388	962	967	972	8,387
Data Governance and Retention Management									1,000		1,000
Business Intelligence	160									905	1,065
Employee Scheduling					110						110
Talent Management							150				150
Computer Aided Dispatch - Records Mgmt System									3,700		3,700
Sub Total Information Technology	3,101	3,435	3,016	3,441	2,607	2,904	3,155	3,391	8,016	4,096	37,162
Specialized Equipment											
Specialized Equipment - Furniture	370	370	370	370	370	370	370	370	370	370	3,700
Specialized Equipment - Additional Staff/ Body Armour	386	386	386	386	386	386	386	386	386	386	3,860
Specialized Equipment - Firearms & Conductive Energy	197	297	297	297	297	297	297	297	297	297	2,870
Specialized Equipment - Robotics / Support Services	182	159			400					250	991
Specialized Equipment - Forensic Equipment	142	1,900		1,763							3,805
Specialized Equipment - Closed-Circuit / Witness Rooms	590										590
Specialized Equipment - Telephone				700							700
Specialized Equipment - Technical Investigations	1,100					1,100					2,200
Sub Total Specialized Equipment	2,967	3,112	1,053	3,516	1,453	2,153	1,053	1,053	1,053	1,303	18,716
Total Gross Expenditures	22,642	30,718	25,739	14,482	16,642	10,047	9,514	10,257	14,907	10,579	165,527
Envelope	22,261	30,944	18,214	11,533	15,916	10,676	13,795	9,305	15,578	12,263	160,485
Over / (under) envelope	381	-226	7,525	2,949	726	-629	-4,281	952	-671	-1,684	5,042
Financing Sources											
Debt Reduction Reserve	4,448	10,308	5,212	5,277	6,527	1,706	1,243	1,713	5,204	1,717	43,355
Debt Repaid from Development Charges	11,487	13,062	13,520	1,703	2,721	1,267	1,133	1,246	2,305	1,105	49,549
Development Charges From Reserve	856	1,393	872	1,267	834	719	762	822	822	1,081	9,428
External Funding - Fire partners & Auction Proceeds	75	79	159	159	384	79					935
Contribution from Reserves (Operating Tax-Lewy)	5,776	5,876	5,976	6,076	6,176	6,276	6,376	6,476	6,576	6,676	62,260
Total Financing	22,642	30,718	25,739	14,482	16,642	10,047	9,514	10,257	14,907	10,579	165,527



YORK REGIONAL POLICE

The overall goal of York Regional Police Service is to provide superior quality service to the citizens it serves, while responding to new demands and challenges.

The operating budget to be supported by the tax levy will increase by \$[12.7] million, or [4.1]%, in 2018 from 2017.

Expanded service needs, reflecting a larger population, are driving the increase. In 2018, the operating budget will support the addition of 22 staff, which represents a 1.0% increase from 2017.

As in 2017, funding will support the accelerated hiring of new officers in 2018 to prepare for the impact of numerous pending retirements.

Ensuring the safety and security of people and property

Like other police services in Ontario, York Regional Police is governed by the provincial *Police Services Act*. The principles in the Act speak to ensuring the safety and security of people and property, safeguarding fundamental rights, co-operating with local communities, respecting and understanding the needs of the victims of crime, and being sensitive to the diverse character of Ontario society.

A seven-member civilian Police Services Board oversees York Regional Police and, as part of its oversight, reviews and approves its budget before it is presented to Council for final approval. The approved budget, which the Police Services Board approved in [October?] 2017, sets out total operating spending of \$[323.5] million for 2018 net of offsetting revenues. On a gross basis including revenues, the figure is \$[357.6] million.

The police service's executive branch comprises the Office of the Chief of Police and several functions that support service-wide goals and standards. An administrative branch deals with information including court-related services, financial, infrastructure and community services. The operations branch delivers policing and related services.

The operations of the service take place in five districts, each of which has a district headquarters building, across the nine York Region local municipalities. Within each district, there are patrol, criminal investigation, and community-oriented units that deal with crime prevention and first-line response.

A district may, as needed, call on more specialized resources managed out of police headquarters in Aurora. These include front-line duty inspectors, major incident management, marine, air and canine units, collision investigations, criminal investigation and forensics. Other centralized services include intelligence, traffic enforcement and safety programs. The service also uses specialized equipment, such as an Unmanned Aerial System and tactical robots.

Continued on page [XX]

Major initiatives planned and underway:

- Building the York Regional Police Marine Unit Headquarters on Lake Simcoe with a total expected capital cost of \$[8.1] million and completion date of 2018.
- Hiring 22 new staff in 2018, including 14 sworn officers and eight civilian positions, to address population growth.
- Expanding the Community Safety Village to include additional classrooms and office space, at a total expected capital cost of \$1.8 million.

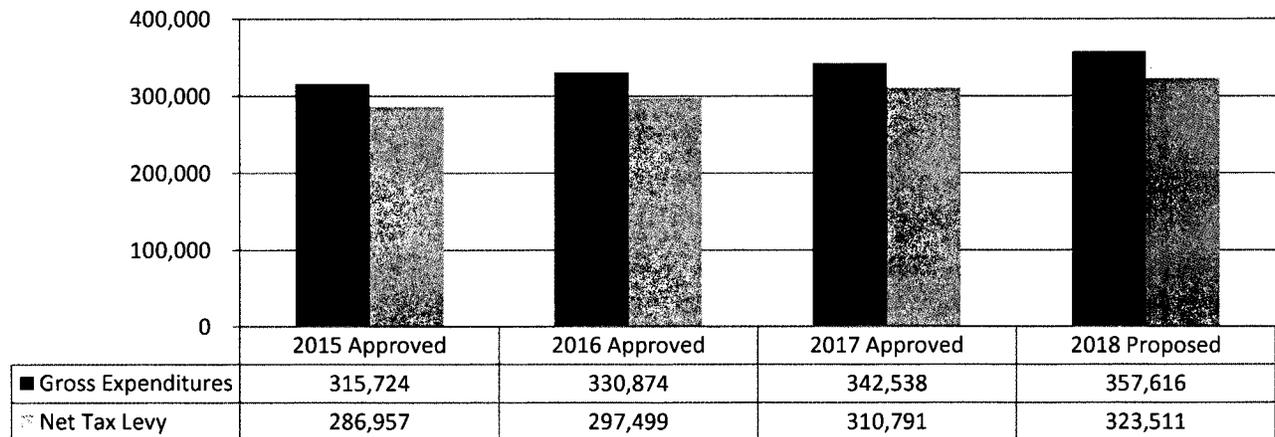
2018 operating budget share of total spending and how it's funded

(in \$000s)



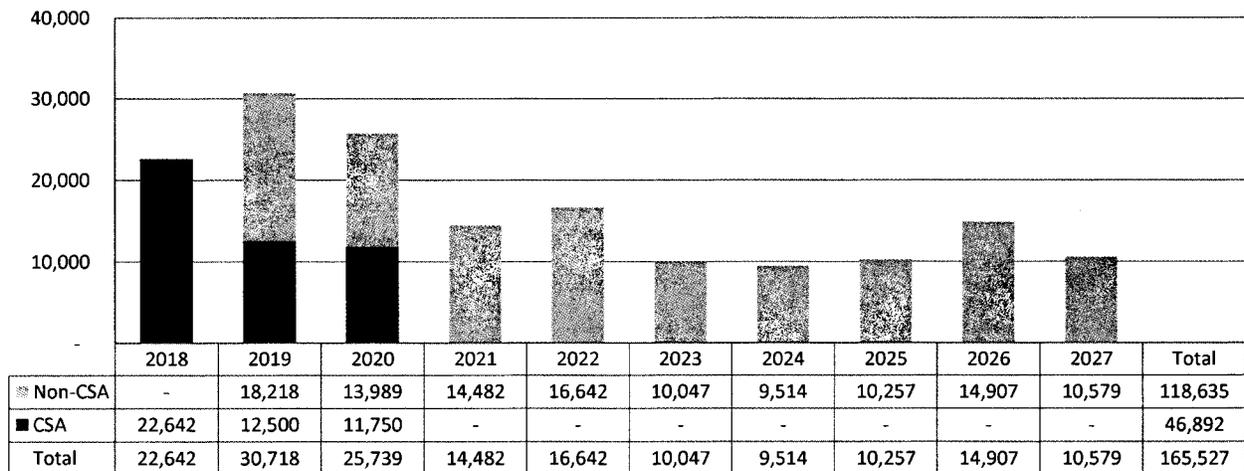
4-year operating budget spending

(in \$000s)



10-year capital plan and Capital Spending Authority (CSA)

(in \$000s)



Ontario police services call for funds to enforce new *Cannabis Act*

York Regional Police, with other police services in Canada, have signalled concerns about the risks and costs associated with the federal government's proposed *Cannabis Act*, which would provide legal access to cannabis and control and regulate its production, distribution and sale.

In response to the tabling of the legislation in April 2017, the Ontario Association of Chiefs of Police passed a resolution asking that the federal and provincial governments create new funding for local police services for enforcement of the proposed act.

The resolution noted that in Colorado, which legalized marijuana in 2014, a portion of the revenues collected is directed to enforcement.

The chiefs also asked for clarification as to who will enforce the legislation, expressing the concern that municipal police forces will have the major responsibility, adding to their costs.

They identified several major cost drivers, especially around roadside testing of motorists. These include the need to train officers to perform standardized field sobriety testing, to train some officers to become drug recognition experts, and to buy and maintain testing devices. For York Region Police, some of these costs have yet to be identified in the 2018 budget.

Training will also have to ensure officers understand the significant reform to impaired driving laws brought about by legalization.

The chiefs also cited as a cost driver a higher demand for service arising from the legislation because of more mental health calls, motor vehicle collisions, and various crimes.

A focus of the police service is updating tools and models as the foundation of modern policing. Recent examples include a new Business Intelligence software solution and the move to sector model policing discussed below.

Major achievements in the past year included:

- Opening a new, state-of-the-art training centre in East Gwillimbury in July 2017, which brings together theoretical and hands-on training previously provided in a number of locations.
- Gaining recognition for the Hold Up Unit's role in bringing the notorious "Vaulter" to justice (see box on page [XX]).
- Successfully implementing the sector model of policing in all districts, resulting in enhanced police presence, increased patrol supervision, better response times and more balanced workload.

Looking ahead:

Population growth, increasing cultural diversity and greater urbanization are all potential challenges for policing. The police service is addressing these through a business plan that focuses on maintaining a high level of public trust and satisfaction, continuously improving and modernizing business processes, addressing evolving and serious crime, and placing greater emphasis on youth engagement, inclusivity and partnerships with diverse communities. Its operating budget and investments in capital support these goals.

An increased cost pressure in 2018 may relate to passage of the federal government's proposed *Cannabis Act*, as discussed in the box on [this page].

The police service has developed a 10-year capital plan backed up by an internal 100-year outlook to ensure assets are purchased, constructed and

maintained in a responsible way that meets future demand and gives taxpayers the best value for money. The police budget includes Capital Spending Authority of \$[46.9] million in 2018.

In the medium term, plans for capital projects include replacing Newmarket district headquarters and building new sub-stations in King City, Aurora, and West Vaughan, and a new district in South Richmond Hill.

The police service will also continue to invest in the police fleet, communications equipment, information technology and specialized equipment.

Asset management planning reflects the relatively short service life of many of the police service's assets, such as vehicles. York Regional Police published a 2015 State of Infrastructure Report. In preparing for the report, the service reviewed its capital assets to inform the capital business plan. Looking at the condition, lifecycle and replacement cost of existing assets resulted in several new specialized equipment projects.

Hold Up Unit's investigation brings down the notorious Vaulter

York Regional Police helped to put an end to the exploits of Canada's most notorious bank robber, the "Vaulter Bandit," garnering its Hold Up Unit a 2017 Excellence in Policing Award.

The Vaulter was responsible for 21 bank heists across the country between 2010 and 2015. His spree began in February 2010, when he robbed two Markham banks on back-to-back days. Over the next seven months, the suspect went on to rob another eight banks across the Greater Toronto Area. He also hit banks in Calgary, Hamilton and Ottawa.

It was his frequent modus operandi – vaulting over the counter to demand money from tellers at gunpoint – that earned him the "Vaulter" nickname. But he also earned the attention of the Canadian Bankers' Association, which in 2010 offered a \$10,000 reward for information that led to his arrest.

Five years and 11 bank robberies later, that reward had grown to \$100,000 in 2015. Finally investigators got a break. A fingerprint was pulled from a heist in Mississauga. This allowed them to identify a suspect, dual American-French citizen Jeffrey James Shuman.

Shuman was tracked to Europe, where he was arrested in Geneva, Switzerland on the strength of an Interpol Red Notice. After extradition back to Canada, he pleaded guilty before a court in York Region to seven counts of robbery using a firearm. In July 2017 he was sentenced to 15 years in prison and ordered to pay back nearly \$450,000.

The Operating Budget 2018

York Regional Police Financial Summary

(in \$000s)	2017 Budget	2018 Proposed	Inc/(Dec) \$
Operating Expenditures	341,228	355,947	14,719
Contribution to Capital	-	-	-
Revenues	(31,747)	(34,105)	(2,358)
Allocations and Recoveries	1,310	1,669	359
Net Budget	310,791	323,511	12,720
% Change			4.1%
Outlook - Restated	310,791	324,237	13,446

York Regional Police Incremental Changes to Budget

(in \$000s)	2018 Proposed	
	Gross	Net
Restated Base	342,538	310,791
Base Adjustments	13,925	12,100
Efficiencies & Program Reductions	(229)	(229)
Legislated & Contractual	-	-
Impact of Capital	414	(118)
Growth & Service Enhancements	967	967
Proposed Total Budget	357,616	323,511
Change from Prior Year	\$ 15,078	12,720
	% 4.4%	4.1%

York Regional Police Staffing Summary

	2018 Proposed	% Change
Budget Base	2,245.0	
New	22.0	1.0%
Conversions	-	
Program Reductions	-	
Total Full-Time Equivalent	2,267.0	1.0%
Outlook - Restated	2,267.0	1.0%

York Regional Police Budget Changes

(in \$000s)	2018 Proposed	
	Gross	Net
Budget Base	342,538	310,791
Base		
Compensation and Inflation	13,561	13,561
Legislated Program Requirements	-	-
Contractual Commitments and Rate Adjustments	-	-
Contributions to Non-Capital Reserves	-	-
Direct Charges, Allocations and Recoveries	365	365
Revenues		
Other Revenues	-	(1,826)
Program Reductions and Efficiencies	(229)	(229)
	13,697	11,871
Impact of Capital		
Contributions to Capital Reserves	(359)	(359)
Net Debenture Financing of Capital Projects	773	241
Operating Impact of New Capital	-	-
	414	(118)
Growth and Service Enhancements		
Maintaining Existing Service Levels	967	967
Enhancing Service Levels	-	-
	967	967
Proposed Total Budget	357,616	323,511
Change from Prior Year	\$ 15,078	12,720
	% 4.4%	4.1%

The Capital Budget 2018 to 2027

York Regional Police 2018 Capital Spending Authority and Funding

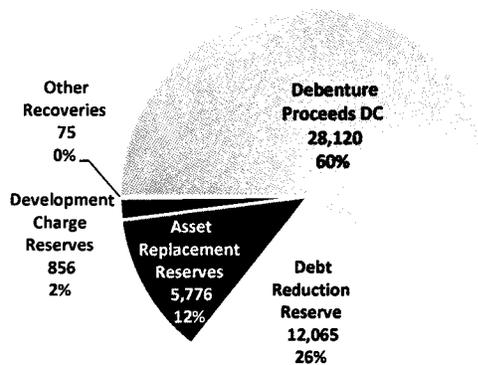
(in \$000s)	2018	2019	2020	2021	2022	2023	2024-2027	Total CSA
2018 Capital Spending Authority	22,642	12,500	11,750	-	-	-	-	46,892
Financing Sources for 2018 Capital Spending Authority								
Debt Reduction Reserve	4,448	3,926	3,691	-	-	-	-	12,065
Asset Replacement Reserves	5,776	-	-	-	-	-	-	5,776
Development Charge Reserves	856	-	-	-	-	-	-	856
Other Recoveries	75	-	-	-	-	-	-	75
Planned Debenture Proceeds*	11,487	8,574	8,059	-	-	-	-	28,120
Total Financing Sources	22,642	12,500	11,750	-	-	-	-	46,892
Development Charges								
Development Charges	11,487	8,574	8,059	-	-	-	-	28,120
Total Debt Repayment Sources	11,487	8,574	8,059	-	-	-	-	28,120

Capital reports including the details by project are included in the Appendix starting on page [XX].

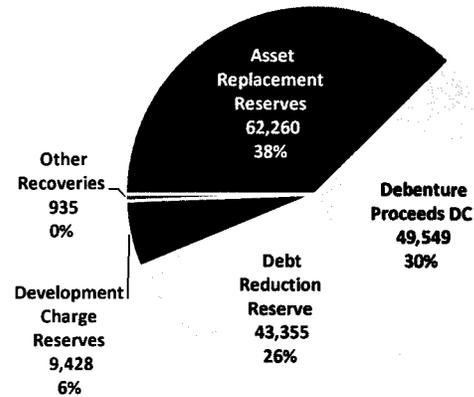
2018 York Regional Police Capital Financing

(in \$000s)

Capital Spending Authority \$47 Million

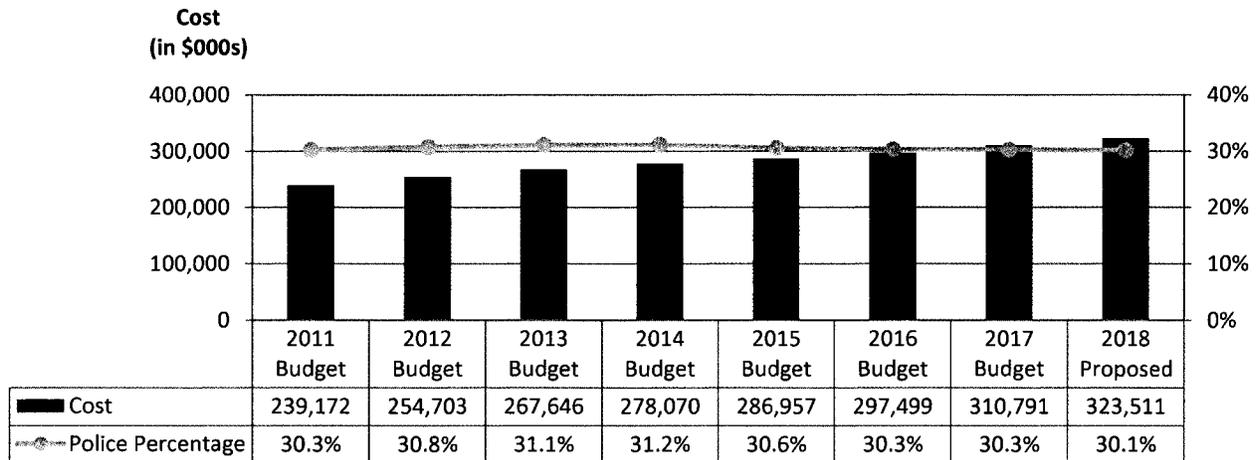


10-Year Plan \$166 Million



York Regional Police Metrics

The Police percentage of Regional tax levy is expected to remain moderate



Note: Police percentage is calculated by dividing their net operating costs by the Region's net operating costs before assessment growth revenue.

Managing costs in times of growth, York Regional Police's portion of the regional tax-levy is expected to remain moderate.