

PUBLIC

Addendum Item No. 7.2

THE REGIONAL MUNICIPALITY OF YORK
POLICE SERVICES BOARD

REPORT TO THE CHIEF OF POLICE

OCTOBER 26, 2016

2017 Capital Budget – Public

RECOMMENDATIONS

1. That the Board approve the proposed 2017 Capital Budget totaling \$22,450,000 with a Capital Spend Authority (CSA) of \$29,149,000; and
2. That the Board approve for financial planning purposes the 10-Year 2017-2026 Capital Forecast totaling \$170,672,000; and
3. That the Board forward the 2017 Capital Budget, Capital Outlook to 2018 and 10-Year 2017-2026 Capital Forecast for the Treasurer's tabling of The Regional Municipality of York's Budget at Regional Council on November 17, 2016.

SYNOPSIS

This report requests the Board's approval of the 2017 Capital Budget and Forecast to 2026 as set out in Appendix 1. The Capital Budget includes the major facility, vehicle, information technology, communication and major equipment requirements of York Regional Police, summarized as follows:

- 2017 Capital Budget Gross Expenditures total \$22,450,000 and include: \$13,763,000 for Facilities, \$4,050,000 for Vehicles, \$2,972,000 for Information Technology and \$1,665,000 for Specialized Equipment.

- A ten year 2017 to 2026 Capital Forecast for financial planning purposes totalling \$170,672,000: \$64,132,000 for Facilities, \$50,692,000 for Vehicles, \$32,076,000 for Information Technology, \$19,068,000 for Specialized Equipment and \$4,704,000 for Communication Equipment.

FINANCIAL IMPLICATIONS

Financing for the 2017 Capital Budget and Forecast to 2026 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 land.

The 2017 funding is as follows:

Category	Financing Sources					Total
	Reserves – Operating Tax-levy	Development Charges (DC)	Debt Reduction Reserve	Debt Repaid from DC	External Funding – Land Sale	
Vehicles	\$3,815,000	\$235,000				\$4,050,000
Facilities	\$1,046,000		\$1,549,000	\$8,943,000	\$2,225,000	\$13,763,000
Information Technology	\$1,274,000		\$1,698,000			\$2,972,000
Specialized Equipment		\$796,000	\$869,000			\$1,665,000
Total	\$6,135,000	\$1,031,000	\$4,116,000	\$8,943,000	\$2,225,000	\$22,450,000

BACKGROUND

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 2017 Capital Budget totals \$22,450,000 of new and re-budgeted funding classified into the following categories:

- Vehicles
- Facilities
- Information Technology
- Specialized Equipment

Vehicles - \$4,050,000

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

- Replacement and changeover of vehicles for \$4,050,000 pertains to front line vehicles replaced at 140,000 kilometres for Interceptor Sedans and 220,000 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 30 vehicles.
- Fleet vehicle financing will be through contributions from reserves (operating tax-levy) for \$3,815,000 with the remaining \$235,000 funded from development charges. Repair and maintenance expenses for all vehicles are contained in the Operating Budget.

Facilities - \$13,763,000

The following facilities projects are proposed for the 2017 Budget:

- Training Branch Facility – The \$5,715,000 budget is primarily for construction costs, architect and ancillary fees to complete the five year \$30.4 million project in 2017. The facility includes a modified shooting range to comply with Ministry standards, providing for a flat building site and LEED silver certification as approved at the April 16, 2014 Board Meeting. 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.
- #3 District Marine Headquarters – The \$2,500,000 budgeted in 2017 is to procure land and pay for architect fees. Capital Spend Authority on this project is \$7,800,000. 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 – The \$250,000 budgeted in 2017 is for architect fees. This funding is part of a four year \$25.8 million project. The new facility will replace the existing #1 District headquarters and serve as a warehouse for seized property. Funding for 2017 will be through 20-year debentures repaid from development charge contributions estimated at 69% with the balance being funded from debt reduction reserves.
- Land Bank Acquisition – The budget for \$3,000,000 is for the acquisition of land for the #1 District Multi-Function facility. Funding will be through the sale of existing land estimated at \$2,225,000 with the balance being funded through 10-year debentures repaid from development charge contributions.

- Renovations to Existing Facilities – The \$252,000 budget is for parking lot structure repair and maintenance at headquarters and LED parking lot and outdoor lighting at headquarters, #2, #3 and #4 Districts. Financing will be through debt reduction reserves.
- Renovations to #4 District – The budget of \$1,046,000 is for architectural fees and construction. This project will be funded through contributions from reserves (operating tax-levy). Capital Spend Authority includes \$369,000 in 2018.
- Community Safety Village Expansion – The budget of \$330,000 is for architectural fees. Capital Spend Authority includes \$520,000 in 2018. This project will be financed through Debt reduction reserves.
- King Sub-station – The budget of \$670,000 is mainly for construction. Capital Spend Authority includes \$430,000 in 2018 for contractor 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.

Information Technology - \$2,972,000

The 2017 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 Strategy. It will be financed by a \$1,274,000 contribution from reserves (operating tax-levy).
- Infrastructure and Applications - This project for \$1,023,000 targets the expanding records retention needs of the organization and new IT initiatives. It will be entirely funded through debt reduction reserves.
- Business Intelligence – The request for \$450,000 is for the completion of a \$1.7 million project. This business intelligence solution will allow for the creation of performance reports (KPI's) and dashboards designed to improve service delivery in all areas of the business. Financing of \$450,000 will come from debt reduction reserves.
- YRPnet Re-write – This project aims to re-design the York Regional Police intranet site and address internal communication concerns as identified in the Communications Strategy. The budgeted \$115,000 will be funded through debt reduction reserves.
- Employee Scheduling – This project will provide for an update to Telestaff 5x for the current employee scheduling software. Capital Spend Authority includes \$80,000 in 2018. The budgeted \$110,000 will be funded through debt reduction reserves.

Specialized Equipment - \$1,665,000

Combined specialized equipment projects total \$1,665,000 and include: furniture, uniform equipment, firearms and conductive energy weapons, in-car video equipment, and technical investigation equipment. Technical investigation equipment expenses of \$869,000 will come from debt reduction reserves with the remaining projects being financed from development charge reserves.

In summary, total expenditures in the 2017 Capital Plan of \$22,450,000 will be funded by:

- Debenture proceeds repaid from development charges of \$8,943,000 or 40 percent;
- Contribution from reserves (operating tax-levy) of \$6,135,000 or 27 percent;
- Debt reduction reserves of \$4,116,000 or 18 percent;
- External Funding from sale of land of \$2,225,000 or 10 percent; and
- Development charge collections from reserves of \$1,031,000 or 5 percent.

It is recommended that the 2017 Capital Budget of \$22,450,000, the 2017 Capital Spend Authority of \$29,149,000, the 2018 Outlook of \$22,261,000 and the 10-Year 2017 to 2026 Capital Forecast totaling \$170,672,000 be approved and forwarded for the Treasurer's tabling of The Regional Municipality of York's Budget at Regional Council on November 17, 2016.

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Chief of Police

EJ:jc

Accessible formats or communication supports are available upon request.

Appendix 1: 2017 Capital Budget and Ten-Year 2017 to 2026 Capital Forecast

Description	Budget 2017	Capital Forecast 2018-2026										Total 2017-2026
		2018	2019	2020	2021	2022	2023	2024	2025	2026		
Vehicles												
Vehicles	4,050	4,130	4,210	4,300	4,380	4,470	4,560	4,650	4,750	4,840		44,340
Marine Patrol Boat		250										250
Air Operations - Fixed Wing		900										900
Air Operations		437	490	0	100	3,750	0	0	0	425		5,202
Sub Total Vehicles	4,050	5,717	4,700	4,300	4,480	8,220	4,560	4,650	4,750	5,265		50,692
Facilities												
Training Branch Facility	5,715											5,715
#3 District - Marine Headquarters	2,500	5,300										7,800
#1 District Multi-Function	250	5,350	16,600	3,550								25,750
Land Bank Acquisition	3,000		3,000				3,000					9,000
Sub-Station Outlook	670	430		5,000				5,000				11,100
Renovations #4 District	1,046	369										1,415
CSV Expansion & Renovations	330	520										850
Renovations/Major Equipment to Existing Facilities	252	250	250	250	250	250	250	250	250	250		2,502
Sub Total Facilities	13,763	12,219	19,850	8,800	250	250	3,250	5,250	250	250		64,132
Communication Equipment												
Radio System												
Portable and Mobile Radio Replacement					2,352	2,352						4,704
Sub Total Communication Equipment	0	0	0	0	2,352	2,352	0	0	0	0		4,704
Information Technology												
IT Hardware and Software	1,274	1,300	1,330	1,350	1,380	1,410	1,430	1,460	1,490	1,520		13,944
Learning Management System					150					150		300
CAD/RMS Upgrades	0				250				250			500
YRPNet Re-write	115				150					150		415
Disaster Recovery Plan	0	308			308					308		924
IT Infrastructure and Applications	1,023	678	1,083	636	717	1,167	640	1,039	1,200	1,220		9,403
Data Governance and Retention Management										1,000		1,000
Business Intelligence	450									650		1,100
Employee Scheduling	110	80						450				640
Talent Management								150				150
Computer Aided Dispatch - Records Mgmt System										3,700		3,700
Sub Total Information Technology	2,972	2,366	2,413	1,986	2,955	2,577	2,070	3,099	2,940	8,698		32,076
Specialized Equipment												
Specialized Equipment - Furniture	370	370	370	370	370	370	370	370	370	370		3,700
Specialized Equipment - Additional Staff	98	98	98	98	98	98	98	98	98	98		980
Specialized Equipment - Firearms & Conductive Energy	197	197	197	197	197	197	197	197	197	197		1,970
Specialized Equipment - In-Car Video	131	700	700	700	131	131	131	131	700	700		4,155
Specialized Equipment - Robotics / Support Services						400						400
Specialized Equipment - Forensic Equipment		142	1,900	1,763								3,805
Specialized Equipment - Closed-Circuit / Witness Rooms			716									716
Specialized Equipment - Telephone					700							700
Specialized Equipment - Technical Investigations	869	452				1,321						2,642
Sub Total Specialized Equipment	1,665	1,959	3,981	3,128	1,496	2,517	796	796	1,365	1,365		19,068
Total Gross Expenditures	22,450	22,261	30,944	18,214	11,533	15,916	10,676	13,795	9,305	15,578		170,672
Envelope	16,278	36,318	17,724	14,984	11,763	12,921	11,453	14,485	9,555	15,413		160,894
Over / (under) envelope	6,172	-14,057	13,220	3,230	-230	2,995	-777	-690	-250	165		9,778
Financing Sources												
Debt Reduction Reserve	4,116	5,370	9,653	4,264	2,225	6,188	890	2,389	1,450	7,703		44,248
External Funding - Land Sale	2,225											2,225
Debt Repaid from Development Charges	8,943	8,827	14,386	6,935	2,352	2,352	3,000	4,500	0	0		51,295
Development Charges From Reserve	1,031	2,505	1,609	1,614	1,050	1,055	1,060	1,066	1,641	1,646		14,277
Auction Proceeds - Helicopter						700						700
Contribution from Reserves (Operating Tax-Lewy)	6,135	5,559	5,296	5,401	5,906	5,621	5,726	5,840	6,214	6,229		57,927
Total Financing	22,450	22,261	30,944	18,214	11,533	15,916	10,676	13,795	9,305	15,578		170,672