

**Regional Municipality of York Police Services Board**

17250 Yonge Street, Newmarket, Ontario, Canada L3Y 4W5
(905) 830-4444 or 1-877-464-9675 ext. 7906
Fax: (905) 895-5249 e-mail: psb@yrp.ca www.yrpsb.ca

To Make a Difference in Our Community

October 23, 2012

Mr. Denis Kelly
Regional Clerk
The Regional Municipality of York
17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1



Dear Mr. Kelly:

At its meeting on October 17, 2012, the Regional Municipality of York Police Services Board received the attached report entitled "2013 Operating Budget" and approved the following recommendations:

1. That the Board approve the 2013 Operating Budget with a tax-levy impact of \$267,646,000, including the addition of 33 civilian members and 18 police officers; and
2. That the Board approve in principle the 2014 Operating Outlook with a tax-levy impact of \$279,921,000 for financial planning purposes; and
3. That the Board forward the 2013 Operating Budget and 2014 Operating Outlook to Regional Council through the Finance and Administration Committee.

Therefore, on behalf of the Police Services Board, I request that you forward the 2013 Operating Budget to Regional Council through the Finance and Administration Committee.

Yours truly,

A handwritten signature in cursive script that reads "Ingrid Hebel".

Ingrid Hebel
Acting Executive Director

/jk

/Attachment



Deputy Chief
Bruce Herridge

Chief of Police
Eric Jolliffe

Deputy Chief
Thomas Carrique



Vision-inspired Mission-focused Values-driven

THE REGIONAL MUNICIPALITY OF YORK POLICE SERVICES BOARD

REPORT OF THE CHIEF OF POLICE

17 OCTOBER 2012

2013 Operating Budget

RECOMMENDATIONS

1. That the Board approve the 2013 Operating Budget with a tax-levy impact of \$267,646,000, including the addition of 33 civilian members and 18 police officers; and
2. That the Board approve in principle the 2014 Operating Outlook with a tax-levy impact of \$279,921,000 for financial planning purposes; and
3. That the Board forward the 2013 Operating Budget and 2014 Operating Outlook to Regional Council through the Finance and Administration Committee.

SYNOPSIS

The total 2013 proposed Operating Budget of \$267,646,000 represents a (\$1,942,000) reduction from the amounts tabled at the Board's September 19, 2012 meeting. This report includes three options with cost reductions ranging up to (\$2,046,000) from the tabled amounts.

FINANCIAL IMPLICATIONS

The total 2013 tax levy requirements of \$267,646,000, results in an increase of \$12,943,000 or 5.1 percent over 2012 funding. The wage costs for 51 additional staff has been reduced in 2013 by salary gapping. This treatment reduces the first year wage cost 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 2014 is an additional \$2,362,000.

Deeds Speak

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.

BACKGROUND

At the Police Services Board meeting on September 19, 2012, an overview of the 2013 Draft Operating Budget presented an increase of \$14,885,000 or 5.8 percent over the 2012 approved budget. With the Board's direction to review and provide cost reduction options, savings have been found totalling (\$1,942,000) as follows:

- Increase to grant revenues from Provincial Court Security upload (\$1,561,000);
- Decrease to wage assumptions (\$700,000);
- Reduction to the contribution capital for the Information Technology Hardware project (\$300,000); and,
- Increase to debt principal, interest, net of development charges +\$619,000.

As per the Board's direction, alternative staffing options have been also considered, as follows:

Option		Net Tax-Levy	Incremental Cost	%	Cost Reduction from Tabling	2013 Annualization
1	As Tabled	\$269,588,000	\$14,885,000	5.84	\$0	\$2,362,000
2	33 Civilian 18 Sworn	\$267,646,000	\$12,943,000	5.08	(\$1,942,000)	\$2,362,000
3	25 Civilian 26 Sworn	\$267,542,000	\$12,839,000	5.04	(\$2,046,000)	\$2,258,000

- Option 1: Represents the costs tabled at the Board's September 19, 2012 meeting, a plan to meet the growth of the Region.
- Option 2: The recommended option, achieves the staffing of Option 1 and includes increases to revenues, decreases to wage assumptions and contribution to capital partially offset by increases to debt and interest costs.
- Option 3: Delivers cost savings of Option 2 and eliminates the civilianization of eight Sworn positions.

Based on Option 2 and factoring in all known budget pressures at this time, the 2013 Operating Budget and outlook to 2016 is as follows:

<u>In 000's</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Base Budget	254,703	267,646	279,921	290,839
i) Salaries and Benefits				
Increases for wages & reclassification	10,199	6,592	7,428	7,734
Increase in Court and Overtime	(300)	-	-	-
Annualization	1,510	2,362	1,540	1,578
Additional Staff	2,362	1,953	2,004	2,055
ii) Programs				
Increase in Operating Expenses	258	549	560	572
Debentures and Interest	968	2,585	1,012	(379)
Development Charges	(102)	(660)	(345)	(1,319)
iii) Incremental contribution to capital	(300)	-	-	-
iv) Revenues, Grants and Recoveries	(1,652)	(1,106)	(1,281)	(1,281)
Net Operating Budget	267,646	279,921	290,839	299,799
Incremental Budget Increase (\$)	12,943	12,275	10,918	8,960
Incremental Budget Increase (%)	5.1%	4.6%	3.9%	3.1%

Using an assessment assumption of 2.5 percent or \$6,368,000, the net tax levy impact after assessment is \$6,575,000 or an estimated 0.82 percent property tax impact in 2013.

At its June 27, 2012 meeting the Board received a Budget Direction Report from Regional Clerk Denis Kelly requesting the approval of a 2014 Budget Outlook. Estimates totalling \$279,921,000, an increase of \$12,275,000 or 4.6%, includes the addition of 33 police officers and 13 civilian members.

Upon approval of the 2013 Operating Budget of \$267,646,000 and 2014 Outlook of \$279,921,000 by the Board, the estimates will be forwarded to the Finance and Administration Committee and Regional Council for final approval.



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

EJ:jc