Regional Municipality of York Police Services Board

17250 Yonge Street, Newmarket, Ontario Canada L3Y 4W5
905-895-1231 or Toll Free: 1-877-464-9675 Ext. 7906
Fax: 905-895-5249 Web Site: www.yrpsb.ca

To Make a Difference in Our Community

RECEIVED
SEP 25 2008
R.M.Y. CLERK

September 25, 2008

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

Dear Mr. Kelly:

At its meeting on September 24, 2008, the Regional Municipality of York Police Services Board received the attached report from Chief Armand P. La Barge entitled *2009 Capital Budget and Forecast to 2018* and subsequently approved the following three recommendations:

1. That the Police Services Board approve the proposed 2009 Capital Budget for the one-year capital plan totaling $47,132,000; and

2. That the Police Services Board approve in principle the Ten-Year 2009 to 2018 Capital Forecast totaling $197,012,000 for financial planning purposes; and

3. That the 2009 Capital Budget and Ten-Year 2009 to 2018 Capital Forecast be forwarded to the Finance and Administration Committee and Regional Council.

Therefore, in accordance with the Board's resolution, I request that you forward this correspondence to Regional Council through the Finance and Administration Committee.

Yours truly,

C Phillipson

Connie Phillipson
Executive Director

Attachment

c. Regional Councillor Danny Wheeler, Chairman

York Regional Police

Chief of Police
Armand P. La Barge

17250 Yonge Street, Newmarket, Ontario, Canada L3Y 4W5
1-866-8POLICE TTY 1-800-668-0398 Fax 905-853-5810 www.police.york.on.ca

5

THE REGIONAL MUNICIPALITY OF YORK
POLICE SERVICES BOARD

REPORT OF THE CHIEF OF POLICE

24 SEPTEMBER 2008

2009 Capital Budget and Forecast to 2018

RECOMMENDATIONS

1. That the Police Services Board approve the proposed 2009 Capital Budget for the one-year capital plan totaling $47,132,000; and

2. That the Police Services Board approve in principle the Ten-Year 2009 to 2018 Capital Forecast totaling $197,012,000 for financial planning purposes; and

3. That the Board forward the 2009 Capital Budget and Ten-Year 2009 to 2018 Capital Forecast to Regional Council through the Finance and Administration Committee.

SYNOPSIS

The 2009 Capital Budget and Forecast to 2018 outlines the major facility, vehicle, information technology, communication and major equipment requirements of York Regional Police, summarized as follows:

- 2009 Capital Expenditures Budget amounts to $47,132,000.

  Projects to be undertaken in 2009 include Investigative and Support Services Facilities construction $38,030,000, vehicle purchases $4,679,000, information technology projects $2,938,000, renovations to existing facilities $625,000, specialized equipment projects $490,000 and communication equipment $370,000.

- Ten-year capital forecast (years 2009 to 2018) totals $197,012,000.

  The capital forecast, used for financial planning purposes, includes facilities projects that total $87,815,000, vehicle purchases of $51,939,000, information technology projects of

$30,258,000, communication equipment of $20,150,000 and specialized equipment projects of $6,850,000.

FINANCIAL IMPLICATIONS

Funding for the 2009 Capital Budget and Forecast to 2018 includes contributions from the Operating Budget, a draw from the regional reserve, development charge collections and debenture proceeds (debt) The 2009 project funding is as follows:

	Financing Sources						
Project	**Operating**	**Regional reserve**	**Development Charges**	**Auction Proceeds**	**Debt (DC)**	**Debt (Tax-levy)**	**Total**
Vehicles	$3,968,000		$130,000	$331,000		$250,000	$4,679,000
Facilities					$25,480,000	$13,175,000	$38,655,000
Communication Equipment	$307,000		$63,000				$370,000
Information Technology	$1,575,000	$1,103,000				$260,000	$2,938,000
Specialized Equipment	$295,000		$195,000				$490,000
	$6,145,000	$1,103,000	$388,000	$331,000	$25,480,000	$13,685,000	$47,132,000

Information Technology project funding

At its June 21, 2007 meeting, Regional Council adopted a draw from Regional reserves of $2,886,000 in 2007, 2008 and 2009, for the purposes of transitioning from leasing to purchasing Information Technology hardware and infrastructure. Subsequent to this approval, the Regional reserve has been accessed for $680,948.94 in 2007 and a budgeted draw of $715,200 in 2008, resulting in an available draw of $1,489,851.06 in 2009. The 2009 budget includes a draw of $1,103,000 which completes the lease phase-out below the Regional Council approved amount by $386,851.06.

Investigative and Support Services Facility project funding

Police facilities are funded from a combination of debentures repaid from tax levy and development charges, estimated to be $39,272.000 or 48.1 per cent from development charges and $42,367,000 or 51.9 per cent from debenture issues for total project funding of $81,639,000.

- Debt is repaid from tax levy with a ten to twenty year term. The Operating budget impact from debt issuance is estimated to be:

Year	Incremental Tax-Levy $	Incremental Tax Levy %
2010	$2,890,000	1.2%
2011	$2,088,000	0.8%

- Development charges are collected through the Region of York Development Charge By-Law in compliance with requirements of the provincial *Development Charges Act, 1997*. In consultation with Business Planning and Budget staff, the calculation of growth, or development charge funding was initially 51.6 per cent. The funding variance was due to maximizing available collections which are calculated on an historical ten year standard and future population projections. The ten year 2007-2016 Development Charge facility collections have been fully committed toward the Investigative and Support Services facility. As a result, any future facility projects considered during the 2010-2016 period would be funded exclusively from tax levy and an economic risk exists whereby any shortfall in collections will need to be covered by tax levy.

BACKGROUND

York Regional Police's Capital Plan has been developed to provide the infrastructure necessary to deliver quality policing services with a concerted effort to ensure the protection of all citizens. The York Regional Police 2009 Capital Budget totals $46,882,000 of new funding classified into the following components: vehicles, facilities, communications equipment and information technology, and specialized equipment.

Vehicles $4,679,000

An annual project for the addition and replacement of marked, unmarked, and special purpose vehicles in accordance with York Regional Police's vehicle replacement methodology.

- Replacement of Vehicles for $4,056,000, including front line vehicles replaced at 120,000 kilometres or approximately two years old. The replacement methodology was set at two years to maximize residual value for the vehicles at auction and minimize major component repair cost. The 120,000 kilometre maximum was chosen to closely coincide with the 100,000 kilometre power train warranty as negotiated by the multi-agency co-operative purchasing group. Financing will in part come from auction proceeds, but primarily through contributions from the Operating Budget (not debentured), a pay-as-you-go philosophy, consistent with prior years practice.

- Additional Staff Vehicles of $373,000 will be partially funded from development charges with the remaining funded from contributions from the Operating Budget.

- The Armoured vehicle project $250,000 will add an armour protected vehicle to the fleet. Financing for this project will be from debenture proceeds to be repaid over five years from the Operating budget

- Repair and maintenance expenses for all vehicles is contained in the Operating Budget. The incremental impact of the additional staff vehicles is $16,500 per annum (33,000 km per vehicle * 10 vehicles * $0.05 per km).

Facilities $38,655,000

The 2009 facility projects are reflective of the York Regional Police long-term facilities plan.

- Investigative Services and Support Services Facility $38,030,000 is estimated to be constructed over two years with commencement of construction in February 2009. Financing will be through development charge contributions (estimated at 68.7 per cent for 2008) and debenture proceeds to be repaid over ten years from contributions from the Operating Budget.

- Renovations to Existing Facilities project $625,000 is comprised of continuing District renovations including an enhancement to improve CCTV security camera coverage. The need for the additional cameras was recommended by a Quality Assurance audit to assist with complaints or damage to property investigations. This project will be financed through debenture proceeds to be repaid from contributions from the Operating Budget over a five year term.

Communications Equipment $370,000

Radio equipment is a replacement project of mobile radios and portable user gear. Financing will be from a contribution from the Operating budget of $307,000 for the replacement component and from development charges for $63,000 for radios relating to growth.

Information Technology $2,938,000

The 2009 Information Technology projects reflect the ongoing replacement and growth to technology including:

- Hardware and Infrastructure continues the transition from leasing to buying IT hardware & computer infrastructure initiated in 2007. Financing will be from a contribution from the Operating Budget of $1,575,000 which after lease savings represents a $0 change from Information Technology funding from 2008. The remaining funding of $1,103,000 will be drawn from the Regional reserve. Repayment to the Regional reserve commences in 2010.

- The In-car video project for $260,000 will outfit ten vehicles with an advanced in-car camera and recording technology. Financing for this project will be from debenture proceeds to be repaid over five years from the Operating budget.

Specialized Equipment $490,000

Specialized Equipment of $490,000 includes furniture and other equipment for growth hires. In 2008, for the first time these growth expenditures were financed from development charges, which continues in 2009.

In summary, expenditures in the 2009 Capital Plan will be funded via debenture proceeds ($13.4 million or 28.6 per cent), tax levies ($6.2 million or 13.1 per cent), development charge collections ($25.9 million or 55.2 per cent), contributions from the Region's capital reserve ($1.1 million or 2.4 per cent), and auction proceeds (vehicle sales $0.3 million or 0.7 per cent). The ten-year capital forecast to 2018 has been approved in principle for financial planning purposes by the Police Services Board and totals $196,762,000.

Armand P. La Barge

Armand P. La Barge, O.O.M
Chief of Police

APL/jc