

# The Regional Municipality of York

Committee of the Whole  
Finance and Administration  
February 9, 2023

Report of the Commissioner of Finance

## 2023 to 2026 Budget – York Regional Police

### 1. Recommendations

1. Committee of the Whole recommends the budget as submitted for York Regional Police as follows:
  - a. The 2023 operating budget and 2024 to 2026 operating outlook as summarized in Attachment 1.
  - b. The 2023 capital expenditures and Capital Spending Authority, as summarized in Attachment 2.
2. The recommended budget be consolidated by the Commissioner of Finance and Regional Treasurer for consideration by Council on February 23, 2023.

### 2. Summary

This report provides a summary of the 2023 to 2026 Operating and Capital Budget for York Regional Police for consideration by Committee of the Whole. Details of the budget can be found on page 197 of the [2023 to 2026 Budget Book](#).

Key Points:

- The proposed budget enables York Regional Police to meet its mission of ensuring the Region's citizens feel safe and secure through excellence in policing. The proposed operating and capital budgets include additional staff to meet the needs of a growing population, legislative requirements and resources for complex investigations, modernizing processes and investments in vehicles, facilities, information technology, as well as communication and other specialized equipment
- The 2023 proposed gross operating expenditures are \$430.0 million, which is 14.8% of total Regional operating expenditures
- After non-tax revenues of \$38.5 million, the proposed net operating budget is \$391.5 million, or 29.1% of the Region's net expenditures, representing an increase of 3.88% from the 2022 budget

- The 2023 proposed capital budget is \$26.9 million, or 3.0% of the proposed total Regional capital expenditures, with proposed Capital Spending Authority of \$32.6 million

### **3. Background**

York Regional Police has as its mission to ensure the Region's citizens feel safe and secure through excellence in policing.

#### **The 2023 Budget was tabled with Council on January 26, 2023 with a proposed 2023 tax levy increase of 2.90% and an additional Rapid Transit / Infrastructure Levy of 1%**

The [2023 Budget Direction](#) report established the timeline of tabling the 2023-2026 Budget in January 2023, with departmental reviews by Committee of the Whole in February, and final approval by Council scheduled for February 23, 2023.

The proposed 2023 to 2026 Operating and Capital Budget was tabled with Council on January 26, 2023. It included a proposed tax levy increase of 2.90%. The tabled budget also includes an additional Rapid Transit / Infrastructure Levy of 1% to help fund the Yonge North Subway Extension and other critical infrastructure, which is consistent with funding requirements identified as part of the [2022 Regional Fiscal Strategy report, 2023 Budget Direction](#) report, and the [2022 Fiscal Sustainability Update](#). The budget as tabled was received and referred to the February meetings of Committee of the Whole for consideration and recommendation.

#### **The 2023 Budget is the first year of the 2023-2026 Multi-year Budget covering the term of Council**

The operating budget as presented includes the proposed 2023 budget and an outlook for 2024 to 2026. The outlook will be reviewed annually through the budget process. Each year Council will consider the proposed budget for the upcoming year and the outlook for the remaining years of Council's term.

For the 2023 to 2026 budget, Council is asked to approve the 2023 proposed operating budget and endorse the 2024 to 2026 outlook.

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

Many capital projects span several years of planning, design and construction, requiring spending authority beyond the current budget year.

Capital Spending Authority is requested for 2023 capital expenditures and for projects with contractual and other clear or certain multi-year commitments. As in previous years, Council is asked to approve the proposed 2023 capital expenditures and associated funding sources, as well as the multi-year Capital Spending Authority and associated funding sources.

## 4. Analysis

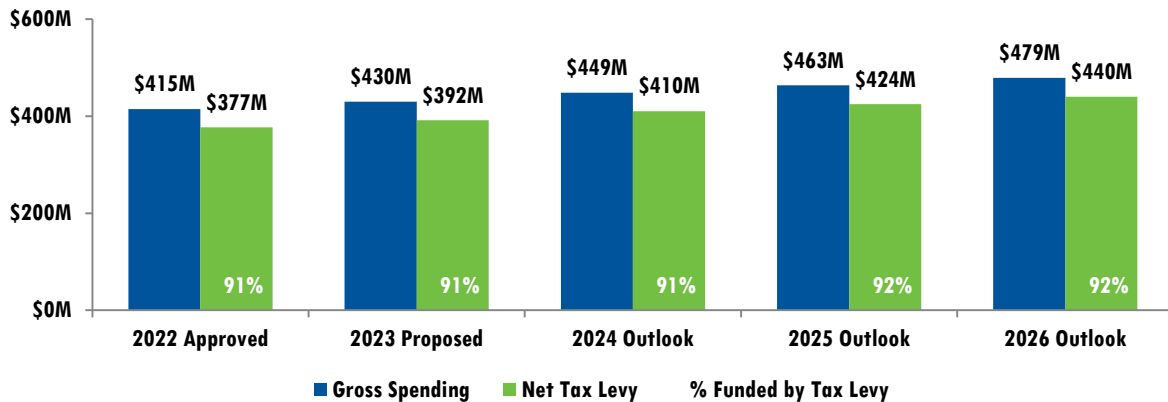
### OPERATING BUDGET

#### Approval of 2023 gross expenditures of \$430.0 million and net expenditures of \$391.5 million is requested

The budget includes gross operating expenditures (i.e., total budget), and net expenditures, which correspond to the portion of the budget paid by the tax levy. Non-tax revenues fund the difference. For York Regional Police, non-tax revenues come from grants and subsidies, fees and charges, development charges, third party recoveries, and reserves.

The 2023 proposed gross operating expenditures for York Regional Police are \$430.0 million, or 14.8% of total Regional expenditures. The proposed 2023 net expenditures of \$391.5 million are 29.1% of the total, representing an increase of 3.88% from 2022 budget. The tax levy funds 91.1 % of York Regional Police 2023 gross expenditures, as shown in Figure 1 below.

**Figure 1**  
**2023 Proposed Gross and Net Operating Expenses**



#### Major drivers for the increase in the proposed 2023 York Regional Police operating budget include inflation and staffing to meet the needs of a growing population

The proposed 2023 net budget for York Regional Police is \$391.5 million, an increase of 3.88% from the previous budget.

The department's proposed 2023 net budget is 3.88% higher than the 2022 budget, largely due to new staffing required to address population growth, implementation of Community Safety and Wellbeing Plans, and the need for resources to address the increasing complexity of investigations. Inflationary pressures such as fuel costs are also a significant driver of budget increases.

The percentage increase in the proposed York Regional Police budget does not reflect any offset from assessment growth revenue, as assessment growth is applied to reduce the overall Regional tax levy, rather than apportioned to individual departments.

### **Funding from senior governments represents 3.4% of the department's 2023 budget**

York Regional Police continues to receive the provincial Community Safety and Policing Grants, as well as Court Security and Prisoner Transportation funding. These grants are reviewed and awarded annually and are subject to change in outlook years of the multi-year budget. A growing gap is emerging between policing expenditures and funds received by senior government funding, which directly impacts the net tax levy. York Regional Police actively monitor and apply for provincial and/or federal funding opportunities on an ongoing basis.

### **Impacts of COVID-19 and mitigation strategies are reflected in the proposed operating budget**

The COVID-19 pandemic had major impacts on York Region in 2020 to 2022, and some of these are expected to continue in 2023. Significant ongoing impacts for York Regional Police include the need for personal protective equipment and the loss of some revenues, which are expected to increase slightly in 2023.

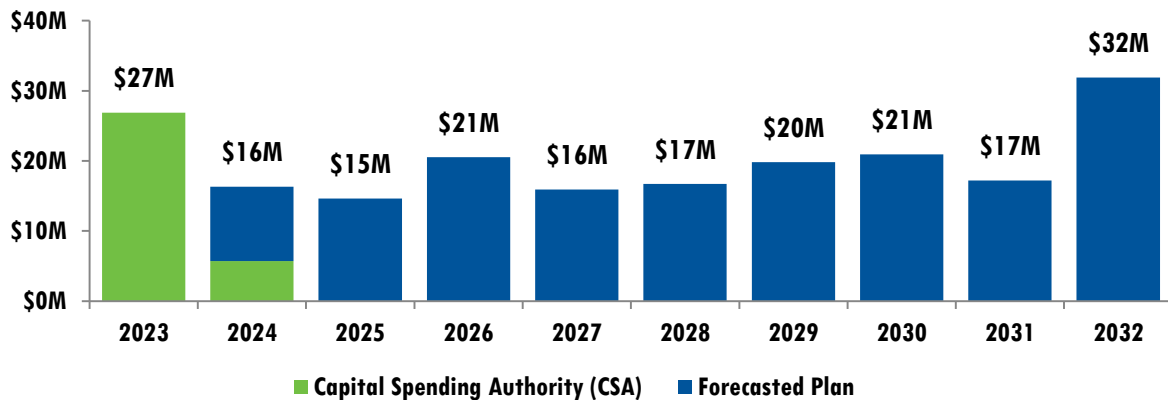
## **CAPITAL BUDGET**

### **Approval of 2023 capital expenditures of \$26.9 million and Capital Spending Authority of \$32.6 million is requested**

The York Regional Police capital budget enables infrastructure projects in support of growth and renewal of police vehicles, facilities, technology, and specialized and communication equipment.

The 2023 proposed capital expenditures are \$26.9 million, or 3.0% of the total Regional capital expenditures. The proposed Capital Spending Authority is \$32.6 million as shown on the next page in Figure 2, or 0.6% of the Region's total Capital Spending Authority.

**Figure 2**  
**Ten-Year Capital Plan and Capital Spending Authority (CSA)**



Attachment 2 summarizes proposed 2023 capital expenditures and Capital Spending Authority by program, and associated funding sources for York Regional Police. Details on the individual projects are available in the 2023 to 2026 Budget Book starting on page 315.

### **The proposed budget supports the tabled 2023 to 2027 Strategic Plan**

The [2023 to 2027 Strategic Plan](#) was tabled at Regional Council on December 15, 2022. The budget for York Regional Police supports the *Strategic Plan* priority to **Support Community Well-Being** under the Heathy Communities Area of Focus. More information on alignment between the *Strategic Plan* and the budget is provided in the 2023 to 2026 Budget Book.

## **5. Financial**

The proposed 2023 net operating budget for York Regional Police totals \$391.5 million, which represents 3.88% increase before assessment growth revenue, as summarized in Attachment 1.

The proposed 2023 capital budget of \$26.9 million and Capital Spending Authority of \$32.6 million are summarized in Attachment 2.

## **6. Local Impact**

The Region’s budget supports a wide range of public services that support and benefit residents and local economies. The Region works with its local municipal partners to develop many Regional programs and services. Local needs and impacts are an important consideration in delivering effective and efficient services for a growing population.

## 7. Conclusion

This report sets out the proposed operating and capital budgets for York Regional Police. To facilitate completion of the budget process, it is recommended that the Committee's recommendations be forwarded to Council for consideration on February 23, 2023.

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For more information on this report, please contact Kelly Strueby, Director, Office of the Budget at 1-877-464-9675 ext. 71611. Accessible formats or communication supports are available upon request.



Recommended by:

**Laura Mirabella, FCPA, FCA**

Commissioner of Finance and Regional Treasurer



Approved for Submission:

**Bruce Macgregor**

Chief Administrative Officer

January 27, 2023

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Attachment 1 (below) - 2023 to 2026 Operating Budget for York Regional Police

Attachment 2 (below) - 2023 Capital Expenditures and Capital Spending Authority (CSA) for York Regional Police

## 2023-2026 Operating Budget for York Regional Police

(in \$000s)	Page No.	2022 Budget		2023 Proposed		Change	2024 Outlook		2025 Outlook		2026 Outlook	
		Gross	Net	Gross	Net	Net %	Gross	Net	Gross	Net	Gross	Net
York Regional Police	204	414,698	376,910	430,018	391,544	3.88%	448,476	410,066	463,075	424,484	478,466	439,819
<b>Total</b>		<b>414,698</b>	<b>376,910</b>	<b>430,018</b>	<b>391,544</b>	<b>3.88%</b>	<b>448,476</b>	<b>410,066</b>	<b>463,075</b>	<b>424,484</b>	<b>478,466</b>	<b>439,819</b>

<sup>1</sup> The percentage change in the proposed budget does not reflect any offset from assessment growth revenue

<sup>2</sup> Summary of the consolidated Operating Budget for York Region can be found on the table on pages 46-47 in the 2023-26 Budget Book

## 2023 Capital Expenditures and Capital Spending Authority (CSA) for York Regional Police

York Regional Police	Page No.	2023 \$000s	Total CSA \$000s
<b>Program Expenditures:</b>			
York Regional Police	206	26,867	32,557
<b>Funding Sources:</b>			
Development Charge Reserve	206	9,456	11,009
Asset Replacement Reserve	206	10,093	13,587
Debt Reduction Reserve	206	5,306	5,319
Program Specific Reserves	206	1,933	2,563
Other Recoveries	206	79	79
<b>Total Funding Sources</b>		<b>26,867</b>	<b>32,557</b>

<sup>1</sup> Summary of the consolidated Capital Budget for York Region can be found on the table on pages 58-59 in the 2023-26 Budget Book