

December 19, 2016

To: His Worship the Mayor
And Members of City Council

Re: Regina Police Service 2017 Operating and Capital Budget

RECOMMENDATION

**RECOMMENDATION OF THE BOARD OF POLICE COMMISSIONERS
– DECEMBER 9, 2016**

1. That the 2017 Regina Police Service Operating and Capital Budget, which includes estimated gross operating expenditures of \$84,509,800 and revenues of \$8,849,800, resulting in a Net Operating budget of \$75,660,000, be approved.
2. That the 2017 Capital Budget of \$3,143,000, with capital funding to be determined by Regina City Council, be approved.

BOARD OF POLICE COMMISSIONERS – DECEMBER 9, 2016

The Board adopted the following resolution:

1. That the 2017 Regina Police Service Operating and Capital Budget, which includes estimated gross operating expenditures of \$84,509,800 and revenues of \$8,849,800, resulting in a Net Operating budget of \$75,660,000, be approved.
2. That the 2017 Capital Budget of \$3,143,000, with capital funding to be determined by Regina City Council, be approved.
3. That this report be amended to reflect the changes in operating expenditures and revenues, as set out in P16-66 Supplementary Report – 2017 Operating and Capital Budget.
4. That an edited version of this report be forwarded to the December 19, 2016 meeting of City Council

Recommendations #3 and #4 do not require City Council approval

Mayor Michael Fougere (Chairperson), Councillors: Barbara Young and Joel Murray, and Vic Pankratz were present during consideration of this report by the Board of Police Commissioners.

The Board of Police Commissioners, at its meeting held on December 9, 2016, considered the following report from the Chief of Police, tabled September 28, October 6 and November 30, 2016:

RECOMMENDATION

It is recommended that the Board of Police Commissioners:

1. Approve the 2017 Regina Police Service Operating and Capital Budget, which includes estimated gross operating expenditures of \$84,509,800 and revenues of \$8,849,800, resulting in a Net Operating Budget of \$75,660,000.
2. Approve the 2017 Capital Budget of \$3,143,000 with capital funding to be determined by Regina City Council.
3. Forward this report, as it may be amended, to Regina City Council.

CONCLUSION

The Regina Police Service proposed 2017 Operating and Capital Budget has been prepared based on a thorough review of conditions, challenges and opportunities facing the Regina Police Service. Efforts have been made to reduce spending where possible and to contain increases to the amount absolutely needed. The Regina Police Service 2017 Operating and Capital Budget is aimed at ensuring Regina Police Service performance, effectiveness and value to the community.

BACKGROUND

The Regina Police Service is presenting its proposed 2017 Operating and Capital Budget to the Board of Police Commissioners. The Board is required to make its budget available to Regina City Council by December 31, 2016.

DISCUSSION

The Regina Police Service works every day to provide good value to Regina citizens. The Service strives to continually improve itself within a strong framework of integrity and with a foundation of values that guide our plans, our work and our relationships. The Regina Police Service takes a lead role in providing public safety in the City of Regina. Recognition of this role is embodied in the Service's mission statement, and is the central principle underlying all our activities:

Regina Police Service Mission: Public service first

The Regina Police Service 2015 - 2018 Strategic Plan is based on four integrated areas of focus: service; communication; our people; and improvements. A summary of the Strategic Plan is provided in Appendix A.

The Regina Police Service financial plans provide the framework for the ongoing and sustained delivery of core policing work and support the strategic initiatives defined in the Regina Police

Service 2015 - 2018 Strategic Plan. The 2017 Operating Budget contains the funding needed to deliver policing services for the upcoming year and the five-year Capital Budget provides the long-term financial plan to prepare the Service for the future. Highlights of accomplishments resulting from the 2016 Operating and Capital Budget are contained in Appendix B.

The Regina Police Service continuously looks to improve its service delivery and measures its performance through established performance indicators. These performance indicators provide internal accountability to the Board of Police Commissioners and external accountability to the citizens of Regina (see Appendix C).

The annual budget process involves an environmental scan of internal and external conditions impacting the Service. Regina continues to experience economic growth and as such has had population growth, an enlargement of its physical footprint and changing demographics due to a significant increase in newcomers. In addition, the work of policing has changed. For example, technological advances and new investigative tools require training, equipment and human resource specialization; new laws increase enforcement requirements; court rulings have impacted the time required to support prosecutions; provincial and federal government legislative and policy changes have impacted the type of calls for service (mental health and addictions); and policing boundaries have opened up (joint forces operations). Each of these factors presents opportunities and challenges for the Service. The Regina Police Service continually seeks operational efficiencies and community partnerships to provide optimal value and service to the citizens of Regina.

The guiding principles used in preparing the 2017 budget include:

- Alignment of the financial plan with the strategic plan.
- Continue to commit to the delivery of quality service for Regina citizens while looking for ways to become more efficient and to streamline and simplify our work.
- Identify opportunities to improve our performance and to create value.
- Understand and build interrelationships which helps us to become more cost effective and to deliver superior service.
- Sustainability of infrastructure through long-term planning while using a balanced and measured approach to safeguard our assets.
- Anticipate and plan for the long-term to align the work of the Service with the growth and changes in the City.
- Incorporate fiscal responsibility into every expenditure decision made by the Regina Police Service as a means of providing stability to the organization, stretching the value of resource usage and being accountable to citizens who want the tax dollars they provide to be prudently allocated.

Operating Budget

The 2017 Operating Budget supports cost adjustments to reflect changing internal and external conditions and Strategic Plan initiatives. For 2017, the Regina Police Service proposes a Net Operating Budget of \$75,660,000. This includes \$84,509,800 in gross operating expenditures and \$8,849,800 in anticipated revenues. The resulting Net Operating Budget is a \$3,978,300 or

5.5% increase over the 2016 budget. This is arrived at through an expenditure increase of \$3,672,000 and a revenue decrease of \$306,300. Staffing expenditures support 575 permanent and 13 casual FTE's and comprise 88.5% of the Gross Operating Budget.

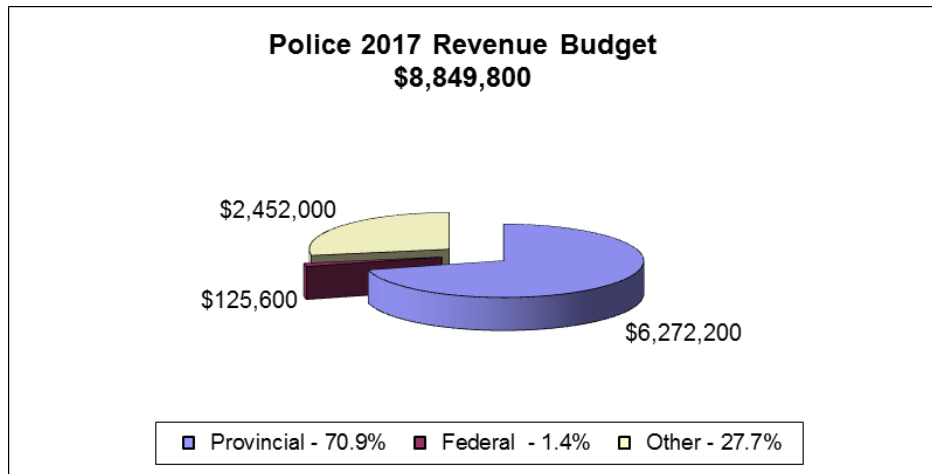
	Police 2017 Operating Budget			
	2016	2017	Dollar	Percent
	Budget	Budget	Change	Change
Revenue Budget				
Provincial Programs	6,812,500	6,272,200	(540,300)	
Federal Programs	125,600	125,600	-	
Other Revenues	2,218,000	2,452,000	234,000	
	\$9,156,100	\$8,849,800	-\$306,300	-3.3%
Gross Operating Budget				
Salary/Benefit Costs	71,784,900	74,823,300	3,038,400	4.2%
Corps of Commissionaires	419,400	429,900	10,500	2.5%
Operational Expenses	8,633,500	9,256,600	623,100	7.2%
	\$ 80,837,800	\$ 84,509,800	\$ 3,672,000	4.5%
Net Operating Budget	\$71,681,700	\$75,660,000	\$ 3,978,300	5.5%

Operational expenses reflect an increase of \$623,100 or 7.2% increase from the 2016 level. The Regina Police Service 2016 Net Operating Budget consumed 17.5% of the City of Regina's 2016 Operating Budget.

Highlights of the 2017 Operating Budget *changes* include:

- Permanent staffing adjustments support a civilian Freedom of Information Compliance Officer.
- Permanent staffing adjustments for cost-recovered positions include conversion of two casual Traffic Clerks to permanent status and the removal of funding for three positions including the Fraud Investigator Social Services, Aboriginal Policing Coordinator and Provincial Aboriginal Recruiting Officer.
- \$240,000 for support costs for the off-site data center (private cloud system).
- \$104,200 for increased costs for contracted services, rentals and leasing.
- \$127,900 for increased costs for utilities and telephones.
- \$72,500 for increased costs to purchase ammunition.

The 2017 Revenue Budget is \$8,849,800 a decrease of 3.3% over 2016. The Revenue Budget supports 10.5% of the Regina Police Service Gross Operating Budget and funds 64.5 permanent and casual FTE's. Revenue sources include funding from the provincial government (70.9%), federal government (1.4%) and other revenues (27.7%).



Highlights of the 2017 Revenue Budget *changes* include:

- Revenue decreases from the provincial government under established partnerships include 3 positions: elimination of Fraud Investigator Social Services (-\$111,400), Aboriginal Policing Coordinator (-\$150,000), and Provincial Aboriginal Recruiting Officer (-\$110,000).
- Revenue funding for traffic initiatives transferred from SGI to the City of Regina \$130,000.
- Revenue funding for TRiP (The Regina intersectoral Partnership) has decreased by \$68,000.

Capital Budget

The value of the proposed five-year Capital Budget is \$20.0 million including \$3,143,000 in 2017. Capital financing is provided by the City of Regina and in the recent past has been subsidized by the Police General Reserve. The current balance of the Police General Reserve is \$818,930 and can be used to sustain Police operations through any financial circumstances or challenges that may arise. The City of Regina has adopted a minimum \$400,000 and a maximum \$2,000,000 target balance for the Police General Reserve.

The Capital Budget includes five program areas: Facilities Development, Communications, Information Technology, Emergency Services Equipment, and Fleet. The five-year plan includes projects that will enhance Regina Police Service performance and provide the tools to get the job done.

Police 2017 - 2021 Capital Budget (000's)						
Capital Program	2017	2018	2019	2020	2021	Total
Facilities Development	227.0	80.0	80.0	80.0	80.0	547.0
Communications	126.0	170.5	400.0	-	-	696.5
Information Technology	1,805.0	2,940.4	4,025.0	3,100.0	1,775.0	13,645.4
Emergency Services Equipment	185.0	644.7	275.0	25.0	30.0	1,159.7
Fleet	800.0	800.0	800.0	800.0	800.0	4,000.0
Capital Total	\$ 3,143.0	\$ 4,635.6	\$ 5,580.0	\$ 4,005.0	\$ 2,685.0	\$ 20,048.6
Capital Financing	2017	2018	2019	2020	2021	Total
Current Contributions to Capital	3,143.0	4,635.6	5,580.0	4,005.0	2,685.0	20,048.6
Police General Reserve ¹	-	-	-	-	-	-
Capital Total	\$ 3,143.0	\$ 4,635.6	\$ 5,580.0	\$ 4,005.0	\$ 2,685.0	\$ 20,048.6
1. The Police General Reserve current balance is \$818,930.						

Capital program highlights for 2017 include the following:

- \$227,000 in Facilities Development for the police service center to be located in The Mamaweyatitan Centre and for ongoing furniture replacement.
- \$126,000 in Communications for the implementation of Quality Assurance Call Handling Software in the 9-1-1 PSAP (public safety answering point).
- \$1,805,000 in Information Technology to support infrastructure and business applications. Funding includes ongoing replacement of computer equipment and ongoing expenditures for supporting computer infrastructure. Business application funding includes ongoing implementation of video recording in front-line cars, creation of a Business Intelligence System, upgrade to the On-Line Reporting Software and specialized software to support tactical analysis.
- \$185,000 in Emergency Services Equipment to support ongoing upgrades at the Emergency Services Training Facility and the second year implementation of carbines (rifles) to the front-line.
- \$800,000 in Fleet continues to provide ongoing funding for the regular replacement of marked, unmarked and specialty vehicles.

RECOMMENDATION IMPLICATIONS

Financial Implications

The Regina Police Service budget will have financial implications for 2017 as outlined in this report.

Environmental Implications

None with respect to this report.

Strategic Implications

The Regina Police Service budget is prepared in conjunction with the Regina Police Service 2015 – 2018 Strategic Plan.

Other Implications

Regina Police Service performance has an impact on the community and its citizens.

COMMUNICATIONS

The Regina Police Service 2017 budget will be submitted to Regina City Council once the budget has been reviewed and approved by the Board of Police Commissioners.

Respectfully submitted,

BOARD OF POLICE COMMISSIONERS

A handwritten signature in cursive script that reads "Elaine Gohlke".

Elaine Gohlke, Secretary