



City of
Peterborough

To: Members of the Finance Committee

From: Richard Freymond, Commissioner of Corporate and Legislative Services

Meeting Date: November 16, 2021

Subject: Peterborough Police Services 2022 Budget Report CLSFS21-039

Purpose

A report to inform Council that the 2022 Budget submission from the Police Services Board will be received on Tuesday, November 16, 2021.

Recommendation

That Council approve the recommendation outlined in Report CLSFS21-039, dated November 16, 2021, of the Commissioner of Corporate and Legislative Services as follows:

That the presentation and budget details presented to the November 16, 2021 Finance Committee by the Peterborough Police Services Board for the 2022 Budget be received for information.

Budget and Financial Implications

There are no additional budget and financial implications of the recommendation.

Background

The Finance Committee is scheduled to review the 2022 Draft Budget during the week of November 22, 2021. Tuesday, November 16, 2021 has been set aside to receive budget requests from outside Boards and Agencies.

Included on pages 191-195 of the 2022 Draft Budget Highlights Book is a high-level summary of information presented by the Peterborough Police Services Board (PSB).

The Draft Capital Budget includes two projects for Police Services. They are:

- Page 535 Ref #8-1.01 includes a provision of \$1,417,100 for tangible capital assets such as prisoner van, computer hardware, software and equipment.
- Page 539 Ref #8-1.02 includes a provision of \$27,500 for Police Service Strategic Plan.

The following chart provides details of the Operating and Capital components of the 2022 Police Services Board budget request.

Service		2021 Approved	2022 Draft Budget	% Difference	\$ Difference
Police	- Operating Support	27,033,125	27,975,484	3.5%	942,359
	- Capital Financing	1,670,700	1,444,600	-13.5%	-226,100
		<u>28,703,825</u>	<u>29,420,084</u>	2.5%	716,259

The budget details are appended to this report and further information will be provided by representatives from the Police Services Board on November 16, 2021.

Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

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Attachment:

Appendix A - 2022 Police Services Board Approved Budget



To: Chair and Members of the Peterborough Police Services Board
From: Scott Gilbert, Chief of Police
Meeting: August 31, 2021
Report Date: August 27, 2021
Subject: 2022 Peterborough Police Operating and Capital Budget Requests

Purpose

To inform the Board of Peterborough Police's 2022 Operating and Capital Budget requests and to obtain approval for these funding requests.

Recommendation(s)

That the Board approve the recommendation(s) outlined in this Report, as follows:

- a) That Peterborough Police Service's 2022 Operating Budget request of \$27,975,480, including \$220,000 financed by contributions from Police Reserves, be approved and forwarded to the City Council for consideration during their 2022 Budget deliberations.
- b) That Peterborough Police Service's 2022 Capital Budget request of \$1,417,065 be approved and forwarded to the City Council for consideration during their 2022 Budget deliberations.

Strength Impact

Board-approved positions as follow:

- 2 Full-Time Communicators (2 FTEs)

New requests are:

- 1 Part-time Special Constable (0.5 FTE)
- 1 Part-time Report Entry Clerk (0.5 FTE)

In total, there are 4 new positions included in 2022 Operating Budget request.

Summary Financial Information

Net operating expenditures of \$27,975,480, an increase of 3.49% over 2021 Operating Budget to maintain existing service levels.

The 2022 Operating Budget consists of:

1. Total compensation, representing 89.8% of total Operating Expenditures, is estimated at \$29,579,807, 4.7% or \$1,333,485 higher than prior year's Budget.
2. Non-salary costs are \$3,320,690, up 5.4% or \$170,615 over 2021 Budget.
3. Total Revenues increased by 12.9% or \$561,739 to \$4,925,017.

Operating Cost Drivers	2020 Budget	2021 Request	2022 Request	\$ Variance	% Variance	Notes
Expenditures						
Personnel	\$27,617,264	\$28,246,322	\$29,579,807	1,333,485	4.7%	Note 1
Contractual	1,626,797	1,702,241	1,852,007	149,766	8.8%	Note 2
Repairs, Maintenance	117,005	130,150	149,500	19,350	14.9%	Note 3
Professional Fee	180,000	130,000	130,000	0	0.0%	Note 4
Inter-departmental Charges	862,137	852,534	870,568	18,034	2.1%	Note 5
Travelling, Training	264,850	281,400	267,425	-13,975	-5.0%	Note 6
Contributions to Reserves	70,750	53,750	51,190	-2,560	-4.8%	Note 7
Operating Expenditures	30,738,803	31,396,397	32,900,497	1,504,100	4.79%	
Revenues						
Ontario grants	2,103,677	2,283,927	2,379,190	95,263	4.2%	Note 8
Other Municipal grants & fees	1,897,647	1,602,342	2,042,541	440,199	27.5%	Note 9
Fees, Service Charges	345,270	352,900	283,286	-69,614	-19.7%	Note 10
Contribution from Reserve		124,109	220,000	95,891	77.3%	
Total Revenues	4,346,594	4,363,278	4,925,017	561,739	12.9%	
% Change - excl. Reserve Contribution	16.7%	-2.5%	11.0%			
Net Requirement	\$26,392,209	\$27,033,119	\$27,975,480	942,361	3.49%	

2022 Operating Budget Highlights

The total cost to deliver policing services is \$32,900,497 gross and \$27,975,480 net.

2022 Operating Budgets consider known COVID-19 impacts but do not include inflation for materials, supplies, and contracted services. Non-salary items include our best estimates based on the information available at time of Budgeting. These estimates are subject to change and the effect on the financial statements of changes in such estimates in future periods could be significant.

Grants, Service Fees and Recoveries are \$4,705,017, up 11% or \$465,548 over 2021 Budget. The Budgetary increase is primarily driven by the new five-year Police Services Agreement between City of Peterborough and Cavan Monaghan Township.

Ontario Grants increased by 4.2% or \$95,263 mostly due to a combination of increased grant allocation for Court Security and Prisoner Transportation (\$47,697) and higher recovery costs from the Provincial Initiatives to fight crimes (\$46,250).

Service Fees are reduced by \$69,614 (19.7%), largely reflecting lower recovery service fees (Paid Duty) and fewer records checks given the ongoing risks as a result of the COVID-19 pandemic.

A contribution of \$220,000 is transferred from Police Reserves to help lessen the impact of 2022 Budget uncertainty.

Total Revenues, including Contribution from Police Reserve, are \$4,925,017, 12.9% or \$561,739 higher than 2021 Budget.

Expenditures Highlights

1. **Personnel** Budget request of \$29,579,807 (2021: \$28,246,322)

Salary assumptions incorporate recent bargaining agreements reached in June 2021. Contractual salary increases, including annual grid increases, under the new collective bargaining agreement (2021-2023) made up the majority of the obligation for compensation budget increase.

The 2022 Budget includes: 2 full-time 911 Communicators (Civilian position), 1 part-time Court Security Officers (Civilian position), and 1 part-time Report Entry Clerk (Civilian position). In addition to these new positions, 2022 Budget reflects the addition of a new Court Supervisor with the net Budget impact estimated at \$18,115.

The part-time Report Entry Clerk is required to fulfill contractual obligations as per the new Service Agreement with the Cavan Monaghan Township.

The estimation of overtime costs of \$502,900 (2021: \$360,292) is subject to uncertainty.

2. **Contractual services** provided at \$1,852,007, \$149,766 or 8.8% year-over-year increase.

Information technology related expenditures (business phone lines, mobile phones and internet services) are up \$29,460 or 15.2% over previous year's Budget.

Radio System Service contractual obligations increased by \$17,625 or 4.5% over 2021 Budget.

Other changes to the draft 2022 Budgets include adding the following annual expenditures:

- Investigative software subscription fee -- \$39,719
- HealthIM software subscription fee (3-year contract) -- \$28,201
- New operating lease -- \$27,985

3. **Repairs and Maintenance** provision is increased by \$19,350 to \$149,500 primarily due to higher costs of services and supplies.
4. **Fee** expenditures consists of \$130,000 provided for Board legal fees, comparable to 2021 Budget.
5. **Inter-departmental Charges** of \$870,568, an increase of 2.1% compared to the 2021 Budget

These allocations include:

Feet repairs and maintenance services -- \$137,355

Fuel costs -- \$243,254

Liability insurance costs -- \$167,823, up 20% from 2021 Budget of \$139,853

Technical support services (PTS) -- \$322,136, an increase of 2% or \$6,317

6. **Travelling and Training** expenditures estimated at \$267,425, \$13,975 or 5% less than 2021 Budget based on year-to-date trending.

7. **Contributions to Reserves** reduced by \$2,560 or 4.8%

Health Care Spending Account increase in liability (\$7,440) is fully offset by deferred Contribution to Recruitment Reserve (\$10,000).

An annual contribution of \$13,750 is to fund a Strategic Plan every four years.

Revenues Highlights

8. **Ontario Grants totalled \$2,379,190**

2022 Budgets include the following Provincial Grants:

- \$665,409 -- Community Safety and Policing Grant (Year 3)
- \$1,490,942 -- Court Security Prisoner Transportation Program (2021)
- \$70,850 -- Partial funding for the Electronic Forensic Examiner and \$122,090 for an Investigative Officer under the agreement between the OPP's Provincial ICE Strategy and the Peterborough Police Service
- \$29,900 – Provincial Strategies

9. Other Municipal grants & fees estimated at \$2,042,541, \$440,199 higher than forecast in the 2021 Budget

For 2022, the net Police Service Budget includes estimated revenue of \$636,017 from Selwyn Township for police services on a contract basis to the Lakefield Ward within the Township of Selwyn and \$1,386,524 from the Township of Cavan Monaghan.

In addition to the above, Cobourg Police Service (CPS) agreed to provide Peterborough Police Service (PPS) an annual amount of \$20,000 pro-rated on a monthly basis of \$1,666.66. CPS requested to have their Forensic Identification Officer utilize workspace within the Forensic Identification Unit and take advantage of job shadow opportunities and potential shared investigative work as agreed upon by both CPS and PPS.

10. Fees and Service Charges provided at \$283,286, \$69,614 or 19.7% lower than previous year's estimate

Police Service Fees consist of Record Checks (\$210,000), Taxi and Limo Licence fees (\$20,000), Alarm Call fees (\$11,143), Motor Vehicle Collision reports (\$13,543), Towing revenue (\$15,000), Confirmation letters (\$1,100), Freedom of Information Request fees (\$2,500), and Paid Duty admin fee recovery (\$10,000).

Financing for the operating Budget is a combination of contributions from reserves (\$220,000) and municipal tax levy (\$27,975,480).

2022 Capital Budget Highlights

Capital Budget represents 4% of the Peterborough Police Service's total Budget.

The 2022 Capital Budget totalling \$1,417,065 provides funding for:

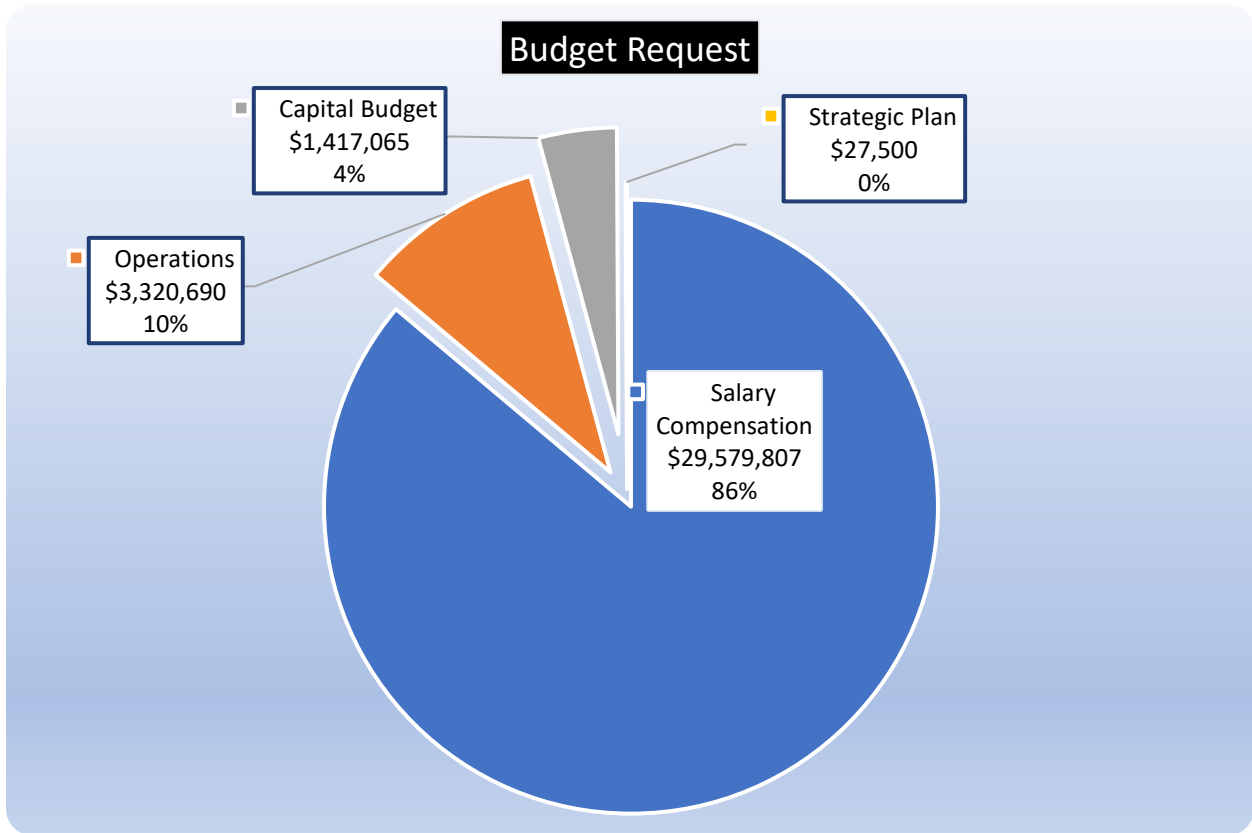
Capital Cost Drivers	2022	2021	2020
Fleet renewal	\$739,850	\$597,900	\$397,568
IT System and Improvements	\$559,779	\$839,413	\$400,775
Other Equipment	\$117,436	\$105,900	\$268,200
Total	\$1,417,065	\$1,543,213	\$1,066,543

In addition to normal requirements for fleet replacement, communication equipment, security initiatives, and computer hardware/software, 2022 Capital Requests include the following priorities:

- Replacement of Prisoner Van – estimated costs \$110,000
- In-Car Camera system – estimated costs \$118,181
- Evidence.com – \$38,905 continue with the Evidence.com project
- Fingerprint device (2) -- estimated costs \$52,936
- Off-Road Vehicle – estimated costs \$61,950

Strategic Plan 2021 – 2024

Strategy 2: Our commitment to managing information and investigative solutions using current and emerging technology.



Prepared by Tia Nguyen, Finance Manager.

Reviewed by Scott Gilbert, Chief of Police.

Submitted by Scott Gilbert, Chief of Police.