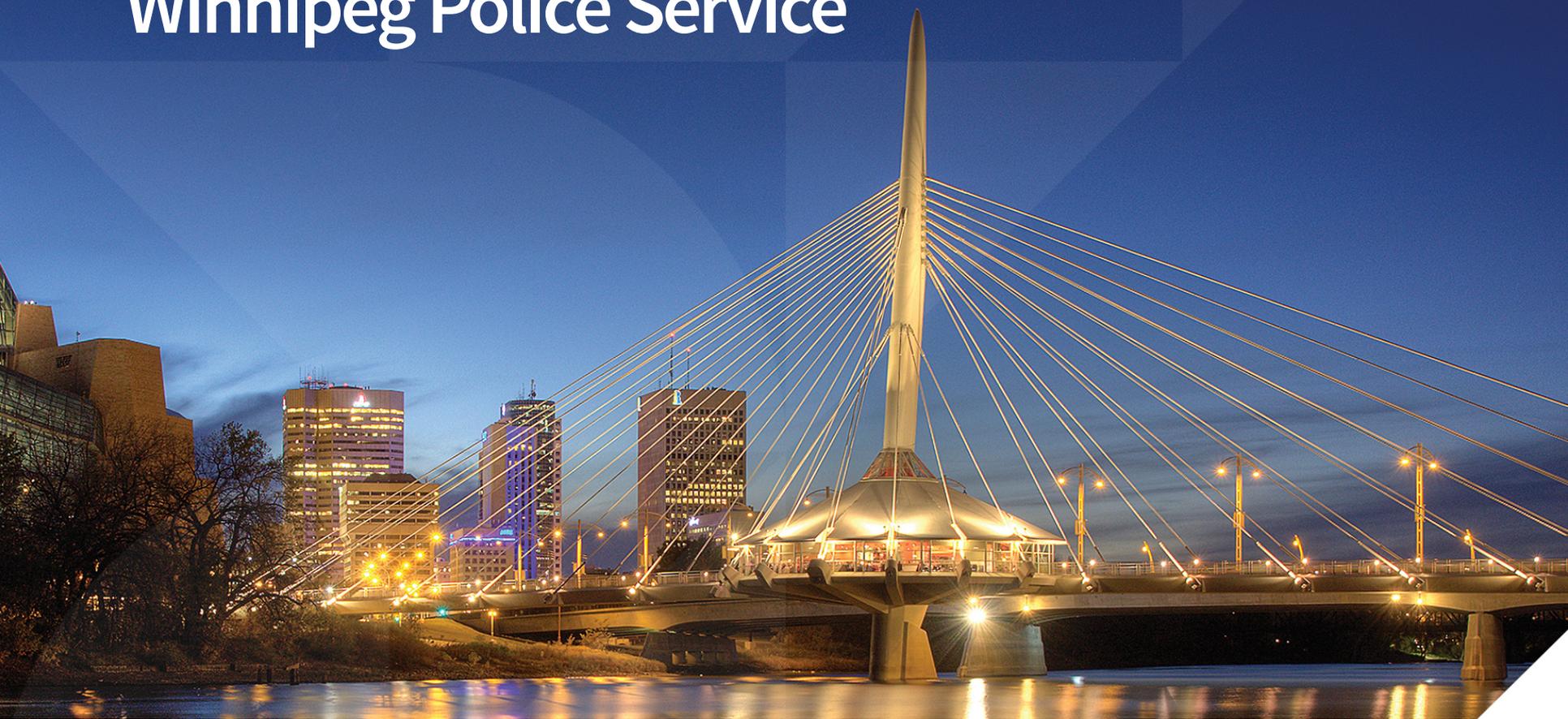




2020 to 2023 Preliminary Operating and Capital Budgets

Winnipeg Police Service



Winnipeg Police Board

March 13, 2020

Agenda

1. Strategic Objectives, Priorities and Performance Measurement
2. Preliminary Operating and Capital Budgets – Summary
3. Operating Budget
 - Operating Budget (Departmental)
 - Year over Year Variance Explanations
 - Operating Budget Options and Reductions
 - Salaries and benefits, FTEs, and vacancy management
 - Other Important Operating Budget Information - Risks
4. Capital Budget
 - Capital Investment Plan - Authorization
 - Capital Budget Options and Reductions
 - Capital Forecast to Submission Reconciliation
 - Other Important Capital Budget Information - Risks
5. Operating and Capital Referrals (not applicable)
6. Questions

Strategic Objectives and Key Priorities

As presented to the Winnipeg Police Board, November 12, 2019

Strategic Objectives

Source: Winnipeg Police Board, Winnipeg Police Service Strategic Plan

- Protection and Crime Prevention
- Community Partnerships
- Effective and Efficient Service
- Healthy Organization

Source: Volume 1, Our Winnipeg

- Safety and Security: Safe communities provide a better quality of life, enhanced opportunities for economic development, investment, tourism and increased civic vitality. Safety and Security are the most basic requirement of social sustainability.

Key Priorities

Source: Winnipeg Police Board, Winnipeg Police Service Strategic Plan

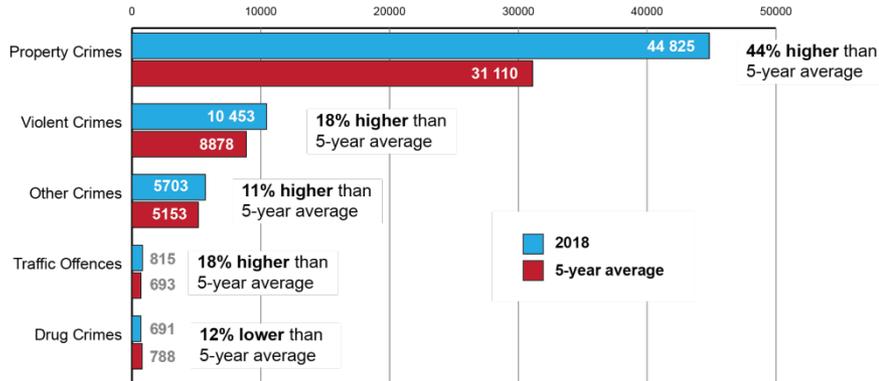
- Deliver intelligence led, proactive policing
- Safety of downtown and other at-risk neighbourhoods
- Prevent and disrupt gang and illicit drug activity
- Work with partners to protect vulnerable persons
- Collaborate to reduce demand for police responses
- Employee safety, health and wellness

Performance Measurement – Environmental Scan

As presented to the Winnipeg Police Board, November 12, 2019

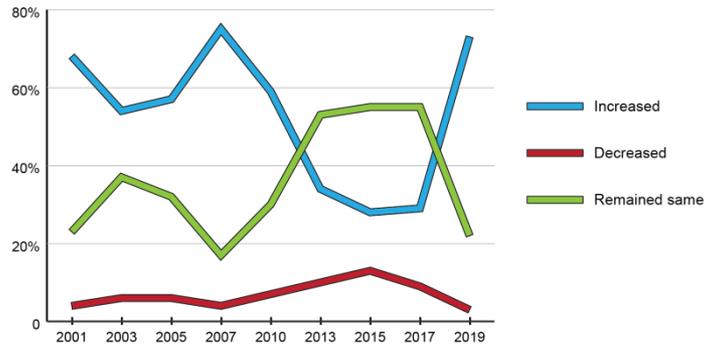
CRIME IN WINNIPEG

Crime Type Overview



Citizen Perception Survey: Crime and Safety

Thinking of the last year or so - Do you think that crime has increased, decreased, or remained about the same in the City of Winnipeg?



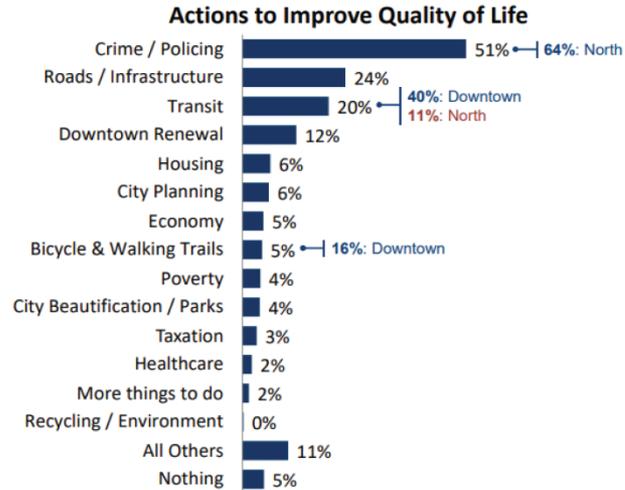
DISPATCHED AND NON DISPATCHED EVENT TREND



Citizens Perceptions on Crime / Policing

Actions to Improve Quality of Life

More than half of citizens cited actions related to crime and policing for improving the quality of life in Winnipeg.



Importance of Service Areas

Public safety is rated as the most important service area followed by infrastructure.

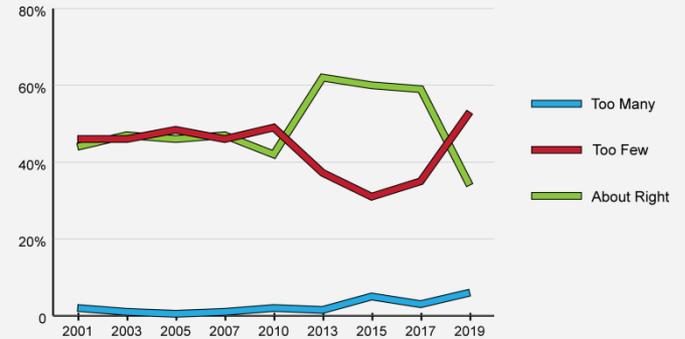
Service Area	Importance (weighted)	% Ranked 1 and 2	As compared to 2018
Public Safety (Fire Paramedic, Police)	1.7	81%	↔
Infrastructure (Roads, Water)	2.4	58%	↓
Community Services (Libraries, Recreation)	2.7	41%	↔
Property & Development (Land use planning)	3.2	21%	↑

1= most important

4= least important

Citizen Perception Survey: Staffing

How would you rate the number of officers in the City of Winnipeg?



Citizen Perception Survey: General Policing Issues - Importance

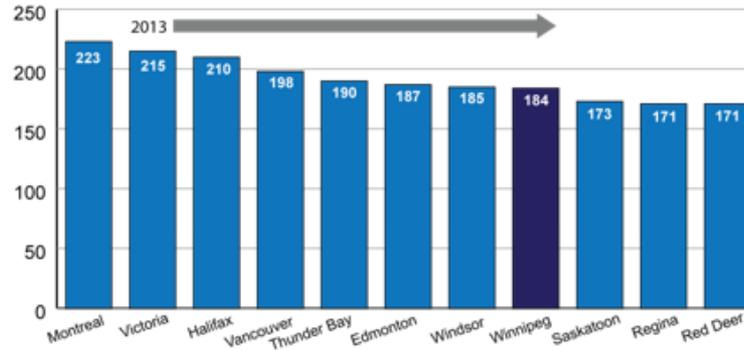
Please rate the importance of the following police activities on a scale from 1 to 5 in which 1 is not very important and 5 is extremely important.

Activity	2017 Average	2019 Average
G1.B. Criminal Investigations	4.57	4.66
G1.E. Concentrated effort on gang enforcement	4.46	4.58
G1.G. Responding promptly to calls	4.48	4.56
G1.F. Concentrated effort on drug dealers	4.36	4.55
G1.D. Crime prevention	4.34	4.48
G1.A. Being visible on patrol	4.24	4.32
G1.L. Victim Services		4.25
G1.I. Keeping peace and order on the streets	4.08	4.14
G1.K. Crime Education		4.01
G1.J. Community Relations		3.73
G1.C. Traffic enforcement	3.74	3.70
G1.H. Concentrating on intoxicated/street persons	3.48	3.45

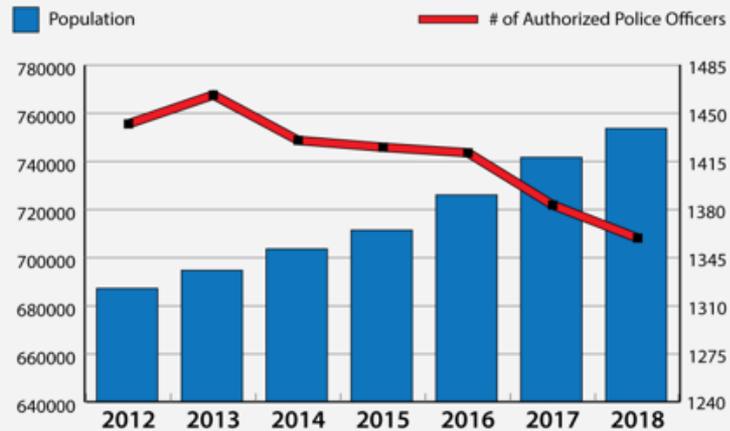
Police Resources

Statistics Canada (2018) CCJS Police Resources in Canada

2018 Cop to Population (sworn per 100,000 population ratio)



POPULATION vs. POLICE OFFICERS



Key Strategies

Goal 1: Protection and Crime Prevention

- Gang Suppression Strategy
- Downtown Safety
- Traffic Safety Strategy

Goal 2: Community Partnerships

- Indigenous Women and Girls Safety Strategy
- Restorative Justice
- Illicit Drug Strategy

Goal 3: Effective and Efficient Service

- Next Generation 911 (NG911)
- Virtual Police Response (VPR)
- Mobile App
- Drone Program

Goal 4: Healthy Organization

- Workplace Safety and Wellness Initiatives

2020 Preliminary Operating and Capital Budgets

1. Operating Budget – Annual year over year budget growth rates (%) based on 2019 expenditures

(Before Capital related expenses – Cash to Capital/Debt & Financing Charges)

Negotiated CBA increases 2.5% (2020 to 2021)

	4-Year Average
Submitted Operating Budget (June 2019)	2.8%
EPC Target to balance the budget	2.0%
Operating Options Presented to the Winnipeg Police Board in Fall 2019	2.0%
Preliminary Budget (March 2020)	2.0%

2. Cash to Capital Funding Levels (in millions)

	2020	2021	2022	2023	2024	2025
Submitted Operating Budget (June 2019)	\$1.625	\$4.990	\$6.547	\$1.534	\$2.655	\$2.098
Presented to Committee in Fall 2019	\$1.625	\$4.990	\$6.616	\$1.534	\$2.655	\$2.098
Preliminary Budget (March 2020)	\$1.625	\$4.990	\$5.047	\$3.034	\$2.655	\$2.098

Operating Budget (Departmental or Service Based Basis)

2020 Preliminary Operating Budget and 2021 to 2023 Budget Projections in millions of \$	2018 Actual	2019 Budget	2020 Preliminary Budget	Year over Year Increase / (Decrease)	%	2021 Projection	2022 Projection	2023 Projection	4 year Average % Change
GOVERNMENT GRANTS	19.989	19.064	19.251	0.187		19.064	19.064	19.064	
SERVICE AND OTHER	27.989	27.072	27.257	0.185		26.807	26.966	26.952	
TOTAL REVENUE	47.978	46.136	46.508	0.372	1%	45.871	46.030	46.016	0%
SALARIES & BENEFITS	243.986	254.637	259.430	4.793		264.777	269.074	277.086	
SERVICES	16.697	17.871	17.969	0.098		18.042	18.047	17.885	
MATS PARTS & SUPPLIES	5.935	5.718	5.833	0.115		5.686	5.739	5.862	
ASSETS & PURCHASES	1.568	1.614	1.611	(0.003)		1.740	1.740	1.740	
GRANTS, TRANSFERS & OTHER	11.406	10.136	10.346	0.210		9.973	10.119	11.197	
RECOVERIES	(1.115)	(0.621)	(0.629)	(0.008)		(0.631)	(0.633)	(0.635)	
TOTAL OPERATIONAL EXPENDITURES	278.477	289.356	294.560	5.204	2%	299.587	304.086	313.135	3%
DEBT & FINANCE CHARGES	8.810	9.161	7.955	(1.206)		8.583	9.133	9.263	
TRANSFER TO CAPITAL	3.277	2.900	1.625	(1.275)		4.990	5.047	3.034	
TOTAL EXPENDITURES	290.564	301.417	304.140	2.723	1%	313.159	318.267	325.432	2%
Mill Rate Contribution / (Support)	242.586	255.281	257.632	2.351		267.288	272.237	279.416	
Total Operational Expenditures (before capital related expenditures) Year over Year % Change					2%	2%	2%	3%	2%
Total Expenditures Year over Year % change					1%	3%	2%	2%	2%

Year over Year Variance Explanations

(in millions)

Year over year (increase) / decrease	2020 Preliminary Budget	2021 Budget Projection	2022 Budget Projection	2023 Budget Projection
1) <i>Revenue change due to the following:</i>				
- Increase (Decrease) in Provincial Funding	\$ 0.187	\$ (0.187)		
- Increase (Decrease) in Services and Other	0.185	(0.449)	(0.159)	(0.014)
Net Revenue Change	\$ 0.372	\$ (0.637)	\$ (0.159)	\$ (0.014)
2) <i>Expenditure change due to the following:</i>				
- Increase (Decrease) in Salary & Benefits	\$ 4.793	\$ 5.347	\$ 4.297	\$ 8.012
- Increase (Decrease) in Services	0.098	0.073	0.006	(0.163)
- Increase (Decrease) in Debt & Financing	(1.207)	0.649	0.551	0.130
- Increase (Decrease) in Transfer to Capital	(1.275)	3.365	0.057	(2.013)
- Increase (Decrease) in Grants & Transfers	0.210	(0.373)	0.146	1.078
- Miscellaneous adjustments.	0.103	(0.043)	0.051	0.121
Net Expenditure Change	\$ 2.723	\$ 9.019	\$ 5.107	\$ 7.165

Expenditure Management \$988k (2019-2023)

Operating Budget Options

Options Presented to Board vs. Preliminary Budget	Total 4-year Proposal	Total 4-year Preliminary Budget	Explanation
a. Remove District 3 (North) relocation costs <i>(new in 2020)</i>	<i>(0.500)</i>	<i>(0.500)</i>	North District Station is in disrepair and is quickly approaching a state where it may need to be closed due to workplace health and safety concerns. Decisions regarding a new build to commence in 2020 are pending. Costs to relocate members before or during construction of a new station may impact the budget.
b. Reduce Operating Expenses <i>(new in 2020)</i>	<i>(1.008)</i>	<i>(1.008)</i>	Budget reduction for operating expenses that were increased in 2020; no impact to service delivery.
c. Reduce Legal expenses <i>(increased in 2019)</i>	<i>(1.324)</i>	<i>(1.324)</i>	Budget increased in 2019 for outstanding legal obligations; budget reduced for 2020-2023; no impact to service delivery.
d. Reduce Court Overtime	<i>(3.731)</i>	<i>(3.154)</i>	Costs associated with matters and court proceedings referred to external legal counsel were adjusted to forecasted levels; no impact to service delivery. Pension savings not applicable in the 4-year preliminary budget due to amendment to Police Pension Plan (Council Dec 12/19)
e. Defer CBA Projections	<i>(8.058)</i>	<i>(8.058)</i>	Defer CBA projections in 2022/2023 to end of year, in line with timing of current contract which expires Dec 2021 instead of Jan 1 increases; no impact to service delivery.
f. Complement Reduction	<i>(14.736)</i>	-	Reductions in complement of sworn members and auxiliary cadets.
g. Pension adjustment	-	<i>(14.736)</i>	The savings from the police pension plan reforms detailed in the report Revisions to the Winnipeg Police Pension Plan By-law No.126/2011 from 2020-2023 be utilized as a funding source for the WPS operating budget to meet the budget targets as set by EPC.
Total Adjustments	<i>(29.357)</i>	<i>(28.780)</i>	

Salary Budget and Full Time Equivalents (FTEs) / Vacancy Management

2020 - 2023 Preliminary Operating Budget

	2019 Adopted Budget	2020 Preliminary Budget	Increase / (Decrease)	2021 Budget Projection	2022 Budget Projection	2023 Budget Projection
Full Time Equivalents <i>(number of FTEs)</i>	1,939.58	1,940.58	1.00	1,940.58	1,940.58	1,940.58
Salaries & Benefits <i>(in millions of \$)</i>	\$ 254.6	\$ 259.4	\$ 4.8	\$ 264.8	\$ 269.1	\$ 277.1
Vacancy Management included in Salaries & Benefits <i>(in millions of \$)</i>	\$ (0.241)	\$ (0.241)	\$ -	\$ (0.244)	\$ (0.247)	\$ (0.251)

Other Important Operating Budget Information - Risks

a. North District Station is in disrepair and is quickly approaching a state where it may need to be closed due to workplace health and safety concerns. Decisions regarding a new build to commence in 2020 are pending. Costs to relocate members before or during construction of a new station may impact the budget.

b. Radios are failing at a higher rate than expected which compromises officer and public safety. Projected costs and roll-out of batter replacements for radios were refined as part of the target reductions but some risk still exists that service delivery could be impacted if failure rates increase beyond expectations. Risks to citizens by preventing officers from responding to calls for service and risks to officer safety when unable to communicate in high risk situations. Radio Failures could impact the budget.

c. Costs associated with matters and court proceedings referred to external legal counsel may exceed budget allocation.

d. Initiatives to streamline court processes have resulted in efficiencies and reductions in the use of overtime. Projected savings of \$3.1 million in overtime may be impacted by the increase in violent incidents and the number of matters proceeding to court.

e. The timing of the CBA projections for 2022 and 2023 have been adjusted to PP26 to coincide with the negotiated remuneration provisions for the first three years of the current collective agreement. Increases are subject to collective bargaining and negotiated terms may impact the budget.

f. The City's projected savings from pension reform have been allocated to the Service. As the changes to the WPS Pension By-law are the subject of a grievance, projected savings could be impacted by the Arbitrator's decision.

Capital Investment Plan - Authorization

ATTACHMENT TO THE PRESENTATION (APPENDIX 1)

Capital Budget Options

Options Presented to WPB vs. Preliminary Budget	Total 6-year Proposal	Total 6-year Preliminary Budget	Explanation
a. Increase Technology Upgrades - Information Systems	125.00	125.00	Proposal to increase included. Portion of project scope will be phased in a later year.
b. Delete Communication Centre Back Up Site	(550.00)	(550.00)	Proposal to delete included. Funding to address emergent risks may need to be considered in-year.
c. Add Technological Crime Infrastructure	380.00	380.00	Proposal to add included. Evergreening project initiative to upgrade and replace information systems to support technological criminal investigations.
d. Add Building Security System Evergreening	159.00	159.00	Proposal to add included. Evergreening project to address risk to system stability impacting officer safety.
e. Increase Flight Operations - Forward Looking Infra-Red (FLIR) Equipment	134.00	134.00	Proposal to increase included to address pricing increase.
f. Reduce Technical Surveillance Systems	(900.00)	(900.00)	Proposal to reduce included to address refined project estimates and scope.
g. Advance and increase Communication Sites Upgrade - Audio Loggers	53.00	53.00	Proposal to advance and increase included to align with roll-out of Next Gen 911.
h. Defer Call Answer Software	-	-	Project was deferred to 2023 to align with roll-out of Next Gen 911.
Total Adjustments	Continued on next page...		

Deferred lower-risk projects to long-term forecast

Refined project scopes/cost estimates

Capital Budget Options - Continued

Options Presented to WPB vs. Preliminary Budget	Total 6-year Proposal	Total 6-year Preliminary Budget	Explanation
i. Defer Body Worn Cameras	(1,014.00)	(1,014.00)	Proposal to defer included. Project scope and funding requires definition and alignment with departmental technology acquisitions.
j. Increase E-Ticketing Hardware	75.00	75.00	Proposal to increase included to address pricing increase.
k. Defer Back Up Centre Renovations	(1,000.00)	(1,000.00)	Proposal to defer included. Project scope and funding requires definition.
l. Add Indoor Firing Range	150.00	150.00	Proposal to add included. Project to allow for training required for annual mandatory firearms qualification and specialized weapon certification.
m. Add Active Shooter Response Training Facility	150.00	150.00	Proposal to add included. Project to allow for mandatory active shooter response training.
n. Add Police Vehicle Operations - Facility	3,000.00	3,000.00	Proposal to add included. Project to offset operational risks related to maintenance of the Police Vehicle Operations Facility.
o. Defer Building Video Surveillance Systems	(3,056.00)	(3,056.00)	Proposal to defer included. Project scope and funding requires definition and alignment with departmental technology acquisitions.
Total Adjustments	(2,294.00)	(2,294.00)	

Deferred lower-risk projects to long-term forecast

Refined project scopes/cost estimates

Capital Forecast to Preliminary Budget Reconciliation

ATTACHMENT TO THE PRESENTATION (APPENDIX 2)

Other Important Capital Budget Information - Risks

CAPITAL RISK LIST		
1	Communication Sites - Infrastructure and Radio Equipment Maintenance	Radios and infrastructure will need maintenance to ensure operational continuity in coordination with the Infrastructure Planning Office.
2	Evidence Archive Building	Storage capacity of existing Evidence Control Unit at Police Headquarters will reach capacity in 2021.
3	North District Station	New construction to replace the time expired North District Station. Project estimates and operational impacts are in process and will be finalized as project approvals are advanced.

Questions?