Statements of Revenues and Expenses

THE CITY OF WINNIPEG - WINNIPEG POLICE SERVICES

Year ended December 31, 2017

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INDEPENDENT AUDITORS' REPORT

To the Winnipeg Police Board

We have audited the statement of revenues and expenses of The City of Winnipeg - Winnipeg Police Services, ("the schedule") for the year ended December 31, 2017. This schedule has been prepared in accordance with the financial reporting provisions in The City of Winnipeg By-Law No 148/2012 dated November 28, 2012.

Management's Responsibility for the Schedule

Management is responsible for the preparation of the schedule in accordance with The City of Winnipeg By-Law No 148/2012 dated November 28, 2012 referred to above, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the schedule based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.

Opinion

In our opinion, the financial information in the statement of revenues and expenses of The City of Winnipeg - Winnipeg Police Services for the year ended December 31, 2017 is prepared in all material respects, in accordance with the financial reporting provisions in The City of Winnipeg By-Law No 148/2012 dated November 28, 2012.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 to the schedule, which describes the basis of accounting. The schedule is prepared to provide information to The City of Winnipeg, the Manitoba Police Commission and the Winnipeg Police Board regarding The City of Winnipeg By-Law No 148/2012 dated November 28, 2012. As a result, the schedule may not be suitable for another purpose. Our report in intended solely for The City of Winnipeg, the Manitoba Police Commission and the Winnipeg Police Board, and should not be used by parties other than The City of Winnipeg, the Manitoba Police Commission and the Winnipeg Police Board.

KPMG LLP

Chartered Professional Accountants

August 14, 2018

Winnipeg, Canada

THE CITY OF WINNIPEG - WINNIPEG POLICE SERVICES
Statement of Revenues and Expenses
Year Ended December 31, 2017

	2017 $	2016 $
REVENUES		
Provincial government grants	**19,090,505**	**20,255,204**
Regulation Fees	**20,163,535**	**19,930,804**
Sale of goods and services	**6,470,856**	**6,454,992**
Other revenue	**2,593**	**34**
Recoveries	**817,911**	**701,283**
TOTAL REVENUES	**46,545,400**	**47,342,317**
EXPENSES (Schedule 1)		
Salaries and benefits	**236,462,166**	**239,736,272**
Services	**16,759,194**	**17,270,361**
Materials - parts and supplies	**5,344,792**	**4,916,192**
Assets and purchases	**1,370,058**	**2,402,199**
Debt and finance charges	**8,198,678**	**8,141,386**
Grant transfers	**14,377,586**	**15,263,660**
TOTAL EXPENSES	**282,512,474**	**287,730,070**
Funded by Commitment Reserve (note 2 (b))	**(248,467)**	**(2,833,056)**
NET TOTAL EXPENSES	**282,264,007**	**284,897,014**
EXCESS OF EXPENSES OVER REVENUES	**235,718,607**	**237,554,697**

THE CITY OF WINNIPEG - WINNIPEG POLICE SERVICES

Schedule 1 - Detailed Statement of Winnipeg Police Services Expenses

Year ended December 31, 2017

		2017	2016
		$	$
SALARIES			
	Salaries - permanent	179,778,774	180,190,527
	Salaries - temporary	345,008	280,489
	Sick Leave and Severance Pay	2,920,704	2,310,582
	Vacation/Overtime cashout	1,429,850	1,267,591
	Shift premium	1,169,896	1,373,982
	Long service pay	10,679	7,800
	Overtime	8,579,345	9,300,562
	Standby Pay	480,597	465,309
	Fatality pension premium	552,594	539,714
	Payroll costs	314,747	139,774
	Pension Awards	61,624	126,843
	Vision care	12,186	365,687
	Interest and Administration	548,291	472,248
	Acting pay	750,779	658,347
	Furlough recoveries - permanent	(108,551)	(120,153)
BENEFITS			
	Civic pension	31,313,970	31,745,664
	Civic pension cash out	45,036	26,280
	Canada pension	5,039,070	4,974,669
	Employment insurance	2,171,861	2,524,024
	Dental plan	41,238	2,131,284
	Group insurance	569,318	572,973
	Medical Expenses	435,150	318,356
	Ambulance/hospital coverage	-	63,720
TOTAL SALARIES AND BENEFITS		236,462,166	239,736,272

THE CITY OF WINNIPEG - WINNIPEG POLICE SERVICES

Schedule 1 - Detailed Statement of Winnipeg Police Services Expenses

Year ended December 31, 2017

	2017	2016
	$	$
SERVICES		
Professional and consultant services	989,723	195,719
Office equipment maintenance	1,396,129	1,500,488
Duffy's Taxi	28,202	34,914
Freight and messenger services	41,168	45,655
Non-professional services	6,964,305	7,250,087
Janitorial Services	-	-
Allocated department costs	10,770	28,997
Auto allowance	4,467	5,386
Light and Power	15,154	14,054
Real property contracts - construction and maintenance	578,392	1,007,288
Vehicle Maintenance	84,620	77,063
Towing Services	40,828	40,501
Cleaning and Laundry	58,478	53,881
Other Equipment Servicing	490,063	650,476
Printing,Binding,Photocopying	72,599	76,396
Telephone-Regular Desk Set	393,418	449,952
Telephone-Cellular	411,885	416,413
Telephone-Alarm Systems	7,855	4,715
Data Comm DSL	502,063	552,935
Advertising	5,864	58,304
Insurance and Licenses-Auto	256,557	225,583
Fleet Insurance	883,251	911,133
Drivers' Licenses	25,913	28,660
Certificates,Permits,Licenses	42,063	36,358
Hauling Expense	31,191	34,058
Rentals	613,072	578,340
Fleet Capital Lease	1,768,891	2,108,454
Equipment Rental-External	235,853	174,203
Parking Space Rental	138,785	117,859
Meal Expense	6,560	3,592
Luncheons, Receptions & Events	45,443	43,552
Membership Fees	42,022	37,964
Postage	45,736	53,177
Training,Workshops and Tuition	169,205	210,862
Conferences	13,131	18,156
Conferences Involving Travel	316,218	200,401
Travel-City Business	29,320	24,785
	16,759,194	17,270,361

THE CITY OF WINNIPEG - WINNIPEG POLICE SERVICES

Schedule 1 - Detailed Statement of Winnipeg Police Services Expenses

Year ended December 31, 2017

	2017	2016
	$	$
MATERIALS, PARTS AND SUPPLIES		
Photographic Supplies	11,563	14,785
Stationery and Office Supplies	191,058	237,917
Periodicals and Subscriptions	23,732	32,133
Computer Software	179,733	70,083
Maintenance materials		
Photographic supplies		
Medical,Dental & Lab Supplies	182,346	58,629
Animal Food and Supplies	10,322	12,448
Cleaning Supplies	64,455	56,359
Other Operating Supplies	747,079	766,304
Small Tools	5,163	10,404
Uniforms & Protective Clothing	491,470	668,077
Uniforms/Clothing Other	1,033,904	681,938
Motive Fuels and Lubricants	265,161	240,798
Lubricants	-	-
Fleet Fuel	1,196,281	1,133,502
Electrical and Communication	-	1,182
Automotive Parts	541,094	509,469
Clothing Allowance	390,280	420,271
Inventory Adjustment	11,151	1,893
	5,344,792	4,916,192
ASSETS AND PURCHASES		
Motive Equipment	151,593	495,147
Elec,Light and Comm Equipment	273,155	77,958
Office Equipment	3,843	7,601
Other Equipment	622,282	1,213,709
Computer Hardware	222,284	243,005
Office Furniture	93,312	356,613
Books	3,589	8,166
	1,370,058	2,402,199

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Schedule 1 - Detailed Statement of Winnipeg Police Services Expenses

Year ended December 31, 2017

	2017	2016
	$	$
TOTAL DEBT AND FINANCES		
Interest	6,209,669	6,216,975
Principal	1,800,413	1,800,412
Letter of Credit Fees	98,586	95,121
Debenture Issue Expense	59,165	8,090
Credit Card Commission	30,845	20,788
	8,198,678	8,141,386
TOTAL GRANTS		
Grants-Cash	55,814	55,814
Claims	-	55,901
Claims-Vehicles	45,500	-
Claims	383,237	212,541
	484,551	324,256
TRANSFERS TO OTHER FUNDS		
Tsf to General Capital Fund	128,198	350,792
Tsf to GCF-cash to capital	3,075,000	6,120,000
Tsf to Insurance Reserve	(117,113)	(27,107)
Tsf to Civic Accommodations	10,135,633	9,101,771
Tsf to Commitment Reserve	-	-
Inter-Dept Tsf to GRF - BTS	547,668	389,166
Inter-Dept Tsf to GRF - HRPS	167,494	77,256
Purchasing Card Rebate	(43,845)	(22,474)
Expenditure Management	-	(1,050,000)
	13,893,035	14,939,404
Total Expenses	282,512,474	287,730,070