Agenda – Executive Policy Committee – December 14, 2021

BUDGET REVIEW

Item No. 11 Preliminary 2022 Operating and Capital Budget

WINNIPEG POLICE BOARD RECOMMENDATION:

On December 3, 2021, the Winnipeg Police Board recommended to Council:

1. That the Board provide Council with an estimate of $319,725,866 as the total operating costs of the Winnipeg Police Service in 2022 that are required to maintain an adequate and effective police service in Winnipeg, with the proviso that there are risks associated with the $9,092,909 expenditure management target that could result in an over-expenditure authorization request in 2022;

2. That the Board advise Council that it estimates the net mill rate support required for the Winnipeg Police Service in 2022 at $272,679,005 based on a revenue estimate of $47,046,861;

3. That the Board provide Council with an estimate of $5,047,000 as the total cost for approved capital projects for the Winnipeg Police Service in 2022 that are required to maintain an adequate and effective police service in Winnipeg, with a proviso that there are risks such as replacement of critical equipment that remain unfunded. The Board acknowledges the 2022 capital projects will be funded with debt, which will result in increased debt and financing costs in future years;

4. That the Board advise Council of the risks associated with this budget recommendation, specifically the factors that may impact the budgeted expenditure management target. The risks identified in the Winnipeg Police Service 2022 Preliminary Budget Update presentation include:

    - growing demand for policing services, which is outpacing the current staffing complement and impacting member wellness;
    - escalating violent crime, case complexity and major incidents;
    - negotiation of new collective agreements that expire December 31, 2021;
    - operating budget risks and unfunded capital projects; and
    - impacts of COVID-19;

    and;

WINNIPEG POLICE BOARD RECOMMENDATION (continued):

5. That that Board request that the capital budget sheet for the North District Police Station approved by Council on November 26, 2020 be amended to add the sentence "operating and finance charges will be paid from the Land Operating Reserve", which parallels the capital budget sheet approved April 29, 2021 for the new North Transit garage wherein debt and finance charges are to be paid from reserves.

6. That the Board has adhered to The Police Services Act and refers the 2022 Preliminary Operating and Capital Budget as they pertain to the Winnipeg Police Service and as tabled by Executive Policy Committee, to Council for their consideration.

DECISION MAKING HISTORY:

WINNIPEG POLICE BOARD RECOMMENDATION:

On December 3, 2021, the Winnipeg Police Board passed the following motion:

WHEREAS section 19 of the Winnipeg Police Board By-Law requires the Winnipeg Police Board ("the Board") to "submit operating and capital estimates to Council that will show the amounts that will be required to maintain the Winnipeg Police Service and provide it with equipment and facilities";

AND WHEREAS subsection 29(1) of The Police Services Act states "To assist the council in developing the municipal budget, the police board must provide council with (a) an estimate of the costs required to operate the police service in the next fiscal year; and (b) any additional information that the council considers necessary to enable it to assess the financial requirements of the police service";

AND WHEREAS subsection 29(2) of The Police Services Act states "The council is responsible for establishing the total budget of the police service";

AND WHEREAS chapter 7 of the Manitoba Police Commission's policy manual states "The police board shall review the draft budget, including detailed submissions, at a special private board meeting for the purpose of budget review. In the review, the board members shall satisfy themselves that the budget is sufficient to maintain an adequate and effective police service";

AND WHEREAS City Council, through the Chief Financial Officer, provided the Board with an inter-office memorandum in May 2021 outlining the Budget Guidelines for the 2022 Budget Update;

AND WHEREAS per the Multi-Year Budget policy, Council may consider adjusting the approved operating projections and capital forecasts (of the current budget cycle - 2022 to 2023);

AND WHEREAS the 2022 to 2023 budgets are balanced already and this year's budget process will highlight all changes recommended from the operating projections and capital forecasts to decision makers;

AND WHEREAS the Board has consulted extensively with the Winnipeg Police Service, reviewed reports prepared by the Service, considered projections of the Service's revenues and expenditures for the coming years and emerging strategic priorities, compared previous Service budgets, and complied with direction based on decisions made by the Budget Working Group;

DECISION MAKING HISTORY (continued):

WINNIPEG POLICE BOARD RECOMMENDATION (continued):

AND WHEREAS the Committee of the Whole Board met in private on June 18, 2021, August 27, 2021 and November 19, 2021 to review budget estimates for the Winnipeg Police Service and risks were identified to Corporate Finance to communicate to the Budget Working Group;

AND WHEREAS the Committee of the Whole Board met in private on November 29, 2021 to review the Preliminary 2022 Operating and Capital Budget as tabled by the Executive Policy Committee at its meeting on November 26, 2021;

AND WHEREAS the Board, at its public meeting on December 3, 2021, reviewed the 2022 Preliminary Operating and Capital Budget for the Winnipeg Police Service.

THEREFORE, BE IT RESOLVED:

1. That the Board provide Council with an estimate of $319,725,866 as the total operating costs of the Winnipeg Police Service in 2022 that are required to maintain an adequate and effective police service in Winnipeg, with the proviso that there are risks associated with the $9,092,909 expenditure management target that could result in an over-expenditure authorization request in 2022;

2. That the Board advise Council that it estimates the net mill rate support required for the Winnipeg Police Service in 2022 at $272,679,005 based on a revenue estimate of $47,046,861;

3. That the Board provide Council with an estimate of $5,047,000 as the total cost for approved capital projects for the Winnipeg Police Service in 2022 that are required to maintain an adequate and effective police service in Winnipeg, with a proviso that there are risks such as replacement of critical equipment that remain unfunded. The Board acknowledges the 2022 capital projects will be funded with debt, which will result in increased debt and financing costs in future years;

4. That the Board advise Council of the risks associated with this budget recommendation, specifically the factors that may impact the budgeted expenditure management target. The risks identified in the Winnipeg Police Service 2022 Preliminary Budget Update presentation include:

DECISION MAKING HISTORY (continued):

WINNIPEG POLICE BOARD RECOMMENDATION (continued):

- growing demand for policing services, which is outpacing the current staffing complement and impacting member wellness;
- escalating violent crime, case complexity and major incidents;
- negotiation of new collective agreements that expire December 31, 2021;
- operating budget risks and unfunded capital projects; and
- impacts of COVID-19;

and;

5. That that Board request that the capital budget sheet for the North District Police Station approved by Council on November 26, 2020 be amended to add the sentence "operating and finance charges will be paid from the Land Operating Reserve", which parallels the capital budget sheet approved April 29, 2021 for the new North Transit garage wherein debt and finance charges are to be paid from reserves.

6. That the Board has adhered to The Police Services Act and refers the 2022 Preliminary Operating and Capital Budget as they pertain to the Winnipeg Police Service and as tabled by Executive Policy Committee, to Council for their consideration.

and forwarded to Council.

DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On November 26, 2021, the Executive Policy Committee tabled and referred the Preliminary 2022 Operating and Capital Budgets to the following budget review process:

Monday, November 29, 2021 – 5:00 p.m.	Standing Policy Committee on Innovation and Economic Development
Tuesday, November 30, 2021 – 5:00 p.m.	Standing Policy Committee on Property Development, Heritage, and Downtown Development
Friday, December 3, 2021 – 9:30 a.m.	Winnipeg Police Board
Saturday, December 4, 2021 – 9:30 a.m.	Standing Policy Committee on Infrastructure Renewal and Public Works
Monday, December 6, 2021 – 2:30 p.m.	Standing Policy Committee on Water and Waste, Riverbank Management and the Environment
Tuesday, December 7, 2021 – 2:30 p.m.	Standing Policy Committee on Protection, Community Services and Parks
Friday, December 10, 2021 – 9:30 a.m.	Executive Policy Committee – Delegations
Tuesday, December 14, 2021 – 9:30 a.m.	Executive Policy Committee – Recommendation to Council
Wednesday, December 15, 2021 – 9:30 a.m.	Council