



January 24, 2023

Regional Councillor Michael Harris
Strategic Planning and Budget Committee Chair
Regional Municipality of Waterloo
150 Frederick Street Kitchener ON
N2G 4J3

Dear Councillor Harris,

Re: 2023 Waterloo Regional Police Service Operating and Capital Budget

On behalf of the Waterloo Regional Police Services Board and all members of the Waterloo Regional Police Service (WRPS), we look forward to presenting the proposed 2023 Operating and Capital Budget to the Strategic Planning and Budget Committee on Wednesday, February 1, 2023.

Waterloo Regional Police Services Board Vice-Chair, Dr. Karin Schnarr, will provide introductory remarks. Kirsten Hand, WRPS Director of Finance and Assets, and I will provide a comprehensive presentation regarding our recommendations and an overview of service demands.

Attached is a copy of the report (2023-003) that was presented to the Waterloo Regional Police Services Board on January 18, 2023.

The Waterloo Regional Police Services Board passed the following motion on January 18, 2023:

That as part of a multi-year plan for an increase in sworn officers of 55 over 2023, 2024 and 2025, the Waterloo Regional Police Services Board approve the Waterloo Regional Police Service (WRPS) 2023 Operating Budget net levy of \$214,060,266; and

That the Waterloo Regional Police Services Board approve the 10-Year Capital Forecast, 2023 – 2032 (Appendix G).

In addition to this report and the presentation that will be shared on February 1, 2023, we will also provide Region of Waterloo Council members with a *2023 WRPS Budget Information Package*, which will highlight trends and statistics involving WRPS and other comparable police services across the province.

The proposed budget that will be presented on February 1, 2023 is the result of considerable discussion, research, and effort on behalf of our membership. It highlights the need for an investment in public safety within our community as a result of increased violent crime and calls for service, as well as continued demands from the community for enhanced service. We cannot compromise the safety of those who live in this ever-growing community but, instead, must prepare and invest to ensure a safe and prosperous future.

The Vision of our Service is that “*every person in Waterloo Region is safe and feels safe.*” To achieve this, we recognize the need to also commit to system-wide community solutions to address the root causes of crime and victimization.

We must continue to work in collaboration to find the best solutions possible to ensure the health, safety and wellbeing of all residents we serve.

Waterloo Region, like most communities across the province, is facing challenging times. We believe our proposed budget will allow your Police Service to maintain the level of public safety that the community expects and deserves, while creating opportunities for continued evolution and financial stability.

We continue to be proud of the leadership, commitment, and dedication our members provide to the Waterloo Region community 24/7/365. Likewise, we are grateful for your continued leadership, support, and consideration of our proposed 2023 Operating and Capital Budget.

We look forward to discussing our shared commitment to providing the best service possible to all residents of Waterloo Region.

Sincerely,



Mark Crowell
Chief of Police

Cc.

Ms. Meghan Martin, Police Services Board
Ms. Karen Redman, Chair, Region of Waterloo
Mr. Bruce Lauckner, CAO, Region of Waterloo



Subject: 2023 Operating and Capital Budget Approval

From: Finance Unit
Finance and Assets Branch

To: The Chair and Members of the Waterloo Regional Police Services Board

Date: January 18, 2023

Board Recommendation

That the Waterloo Regional Police Services Board approve the Waterloo Regional Police Service (WRPS) 2023 Operating Budget net levy of \$214,060,266; and

That the Waterloo Regional Police Services Board approve the 10-Year Capital Forecast, 2023 – 2032 (Appendix G).

Summary

The population of Waterloo Region has grown significantly over the last decade; however, the number of officers per 100,000 population has declined and WRPS is well below both provincial and national averages (Appendix A). Additionally, over the last decade, the Total Crime Severity Index (CSI) in Waterloo Region has gone from 59.19 in 2012 to 79.0 in 2021, an increase of 34% (Appendix B). When compared to other large police services in Ontario, the WRPS is above the median for total CSI, violent CSI and non-violent CSI. In 2022, Waterloo Region experienced an overall increase in incidents of crime when compared to 2021, specifically with the following:

- 56 percent increase in shootings;
- 27 percent increase in weapon violations;
- 36 percent in luring cases under cybercrime; and,
- 19 percent increase in impaired driving charges (Appendix C).

As the Police Services Board is aware, KPMG recently undertook a Neighbourhood Policing Staffing and Workload Review that examined staffing needs and patrol workloads for WRPS. KPMG concluded that an increase in WRPS frontline officer complement was necessary in the coming years to address high officer case loads and declining clearance rates. The proposed 2023 budget aligns with that KPMG report by making the necessary investments in frontline services.

WRPS is recommending that the Police Services Board approve the proposed 2023 Operating Budget, which makes critical investments in public safety across Waterloo Region. This includes the addition of 19 uniform officers for high demand policing areas, including frontline and victim-focused areas. With our deep commitment to public safety, these frontline investments are necessary now to ensure WRPS is able to keep pace with population pressures and the increasing rate of crime across the Region. The recent tragic events involving police fatalities in Ontario has also underscored the importance of our commitment to WRPS member health, safety and wellbeing. Included in this proposed budget are additions to our Wellness and Recruitment Units to ensure our members remain healthy, at work, and to support meeting ambitious recruitment goals.

The WRPS is undergoing a multi-year planning, modernization and recruitment strategy aimed to keep pace with public safety realities in Waterloo Region. Once fully recruited and hired, the 35 positions approved through the 2022 Operating Budget will enhance the following areas: Frontline Patrol, Real Time Operations Centre, Emergency Response Unit, Missing Persons, Cybercrime/Child Exploitation, Human Source Management, Major Crime, Break and Enter, Auto Theft and Robbery. With a challenging recruitment environment and no staffing additions made in either 2020 or 2021, WRPS is doubling efforts towards a total Service commitment to recruitment for these positions, including the creation of a *WRPS Uniform Recruitment Steering Committee*.

Through prudent investments, the proposed 2023 Operating Budget is the next step in this multi-year strategic plan and will see 19 officers hired in WRPS priority areas (see chart below for further information).

Primary Areas of Investment for 2023 Proposed Budget	
Frontline Patrol Services	Investment in frontline patrol services is required to meet population growth, increased calls for service demand and increase presence in both urban and rural communities.
Intimate Partner Violence (IPV) Unit	IPV continues to be a national issue and affects many in Waterloo Region. In 2022, IPV investigated 1,860 cases, laying 1,463 charges. Service-wide, WRPS received 6,190 calls for IPV related service and five of six homicides in Waterloo Region were family-violence related.
Special Victims Unit, Senior Support Team, and Human Trafficking Unit	These units investigate violent crimes within Waterloo Region and require significant resources to investigate and maintain community safety. The Special Victims Unit and the Intimate Partner Violence Unit are high-volume areas that require specialized training and collaboration with community partners to ensure survivors of sexual and intimate partner violence receive the best care possible and that offenders are held accountable. These units received 889 reports in 2022.
Wellness	Investing in the Wellness Unit is an investment in both the police service and the community, resulting in healthier employees, improved retention rates, and improved recruitment efforts. With increased officer workload and use of overtime in WRPS, supporting member wellness is essential.

2023 WRPS Operating Budget

Operating Budget

The 2023 Base Operating Budget estimate is \$209,842K, which is an increase of \$14,082K or 7.19% from 2022. Nineteen sworn officers have been added to the proposed 2023 Operating Budget, which will add \$4,218K or 2.15%. As a result, the proposed Operating Budget (Appendix F) is \$214,060K or a 9.35% increase, which represents a tax impact of 7.22% on the police portion of the Regional property tax bill. **Importantly, a delayed intake of April 1, 2023, for the 19 sworn officers, which would align with the next Ontario Police College (OPC) intake, would see a budget reduction of \$1.055M, an increase year-over-year of 8.81%, and with a property tax increase of 6.69%.**

Salaries and Wages account for a 4.9% year-over-year budget increase (Appendix F). This includes items such as:

- The annualization of the 35 sworn staff expansion from 2022 and associated civilian support component;
- The addition of 19 sworn staff expansion in 2023 and associated civilian support component (full year impact);
- The addition of two civilian positions approved by the Police Regionalized Information Data Entry (PRIDE) committee;
- Cost of living adjustment (COLA), negotiated premiums, step/grade progressions; and,
- A reduction of the salary vacancy target.

Additionally, minor adjustments were made to Temporary Full-Time to reallocate money to the Base Operating budget (Appendix E).

Budget Forecast

WRPS continues to strive towards a sustainable, incremental staffing expansion strategy that is aligned with meeting the needs of the community to smooth out staffing additions. The multi-year Operating Budget and staffing forecast is below.

\$K

Year	Operating Budget	Increase	Increase	Change in Property Taxes	Sworn Officer Expansion
2023	\$214,060	\$18,300	9.35%	7.22%	19
***2023	\$213,006	\$17,245	8.81%	6.69%	(April 1, 2023) 19
2024	\$227,587	\$13,527	6.32%	n/a	18
2025	\$238,459	\$10,872	4.78%	n/a	18

***A start date of April 1, 2023 for the requested 19 officer expansion would reduce the proposed budget by \$1,055K or 0.54%, to an increase year-over-year of 8.81% and a property tax increase of 6.69%.

While this proposed budget will begin to address immediate needs, a multi-year sworn officer expansion strategy is being proposed as follows:

- 19 officers in 2023
- 18 officers in 2024
- 18 officers in 2025

This total proposed expansion of 55 officers over several years will address immediate operational and community needs and the realities of the current police officer recruitment challenges that exist locally and province-wide. Further, it would bring the WRPS officer-to-population staffing ratio closer to comparable police services in Ontario, as well as provincial and national average ratios. This proposed staffing expansion is supported by the 2022-2023 KPMG analysis to address rising violent crime, high officer case load and declining clearance rates in Waterloo Region.

The Police Services Board will receive regular updates regarding ongoing forecasting and attrition planning to ensure the success of immediate and long-term uniform recruitment efforts for 2023-2025. A cross-collaborative *WRPS Uniform Recruitment Steering Committee* has been initiated with the following focal areas: (1) Human Resources Processes, Staffing and Scheduling Optimization; (2) Outreach and Mentoring Initiatives; and, (3) Corporate Communications Planning.

Employee Cost Pressures

In addition, there has been significant benefit cost increases that impact the total budget by 2.7% year-over-year. This is due to:

- Annualization of the 35 sworn officer expansion in 2022;
- 19 sworn officer expansion in 2023;
- Enhanced Canada Pension Program;
- Higher Workplace Safety and Insurance Board actuals due to presumptive legislation and post-traumatic stress disorder;
- Phased-in increases to health and dental rates; and,
- Higher salaries and retiree benefits.

Further Budgetary Pressures

- Removal of one-time funding from the 2022 Budget, including \$1.6M from the 2021 Operating Budget surplus and \$0.5M from the benefit stabilization reserve, impacted the 2023 Operating Budget by 1.1%;
- Increased capital reserve contributions (reduce debt financing);
- Strategic Business Plan investments (DEMS, communication tools, technology);
- Partial annualization of the new Central facility;
- Overall inflation; and,
- Debt financing offset by reduced sick leave payments to eligible members.

Capital Budget

A minor adjustment was made to the 10-year Capital forecast to reflect the revised timing of the Human Resource Information System (HRIS) project #50017. However, the total 10-year Capital forecast remains at \$188,716K (Appendix G).

Regionalized Emergency Services and Programs

The WRPS also provides leadership, coordination and support to a variety of Regionalized services and programs including:

- Public Safety Answering Point (PSAP);
- 911 Communications Centre;
- Dispatch services for municipal by-law services;
- Grand River Conservation Area (GRCA) and Region of Waterloo Flood Alert;
- Support of ALERT Waterloo Region; and,
- Support of Regional and Municipal Emergency Management exercises.

Background

On November 9, 2022 (report #2022-197), four draft 2023 Operating Budget scenarios and a 10-year Capital forecast position were presented to the Police Services Board. The four draft Operating Budget scenarios ranged from a 7.19% to a 13.43% increase year-over-year based upon various sworn staffing addition scenarios.

The proposed 2023 Capital Budget was \$24,693K. On December 14, 2022 (report #2022-202), six scenarios were presented to Police Services Board that provided varying levels of sworn officer additions across a three-year horizon ranging from adding 8 to 55 sworn officers in 2023. Information was also provided around the level of resources required to deliver the *Police Services Act* (PSA) mandate and the areas of WRPS where those resources would be placed.

The proposed 2023 Capital Budget was \$31,356K. The Police Services Board requested additional information on scenario #3, the addition of 19 sworn officers in 2023, including a three-year financial forecast, recruitment information and the benefits to the community.

The presentation to Regional Council is February 1, 2023 and final Region of Waterloo approval is scheduled for February 22, 2023. Assessment growth has been finalized at 1.99%. The police portion of the property tax bill represents approximately 32% of the total tax levy for Regional services, consistent since at least 2012.

Strategic Business Plan

This report supports the Strategic Business Plan goal to proactively plan for long-term organizational growth and its financial requirements, aligned with the objective of responsible spending and accountability.

Financial and/or Risk Implications

The budget report as presented proposes 2023 budget information.

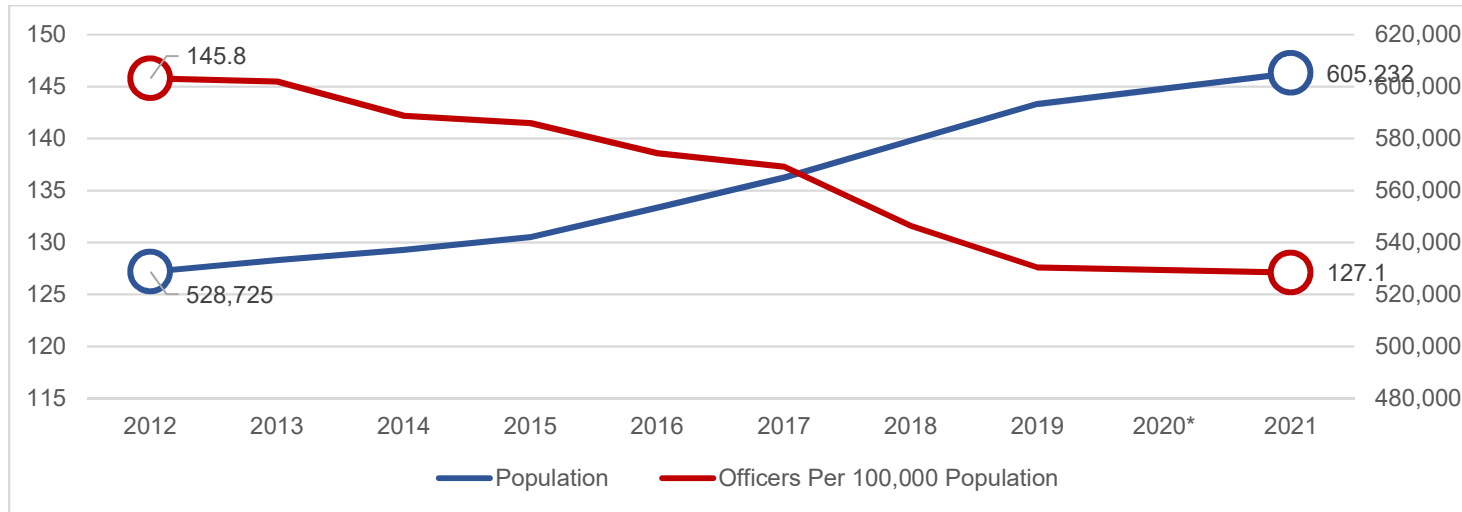
Attachments

- Appendix A: Officers Per 100,000 Population and Waterloo Region, 2012-2021
- Appendix B: Crime Severity Indexes for Waterloo Region, 2012-2021
- Appendix C: Crime Trends in Waterloo Region from 2021-2022
- Appendix D: Major Factors Impacting the Operating Budget Increase
- Appendix E: Revised FTE Complement Information
- Appendix F: 2023 Proposed Operating Budget
- Appendix G: 2023-2032 Capital Forecast

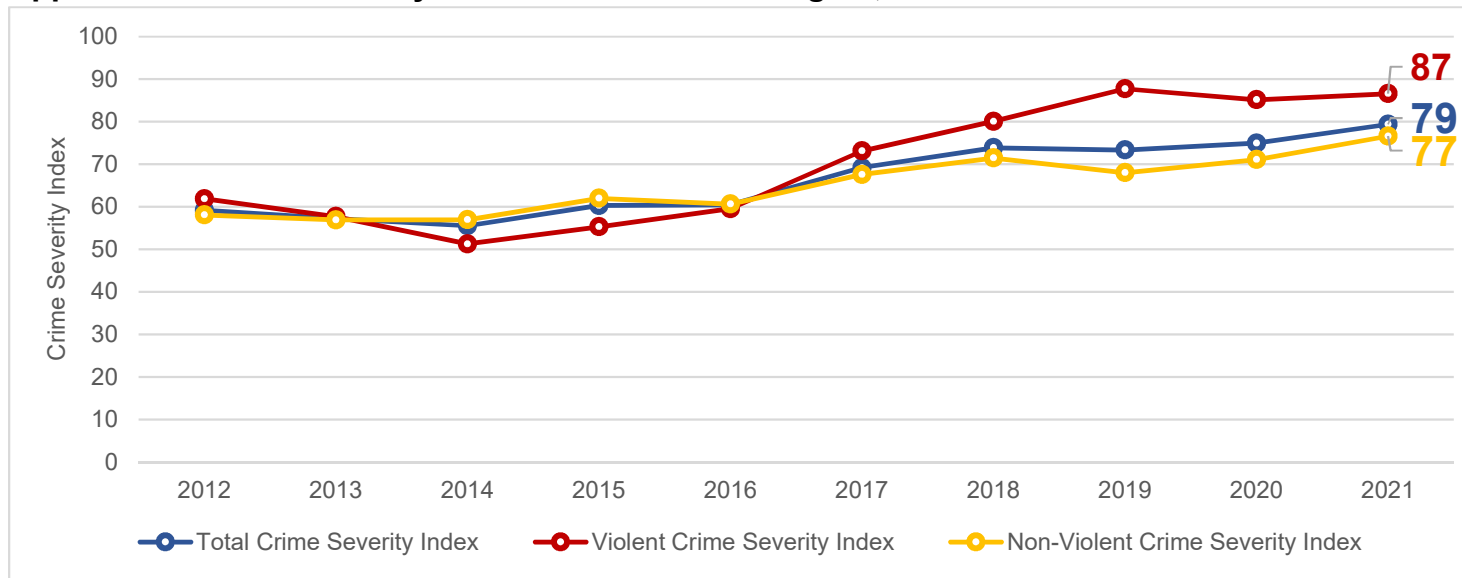
Prepared By: Kirsten Hand, Director, Finance and Assets Branch
Brennan Reniers, Manager, Finance Unit

Approved By: Mark Crowell, Chief of Police

Appendix A: Officers Per 100,000 Population and Waterloo Region, 2012-2021



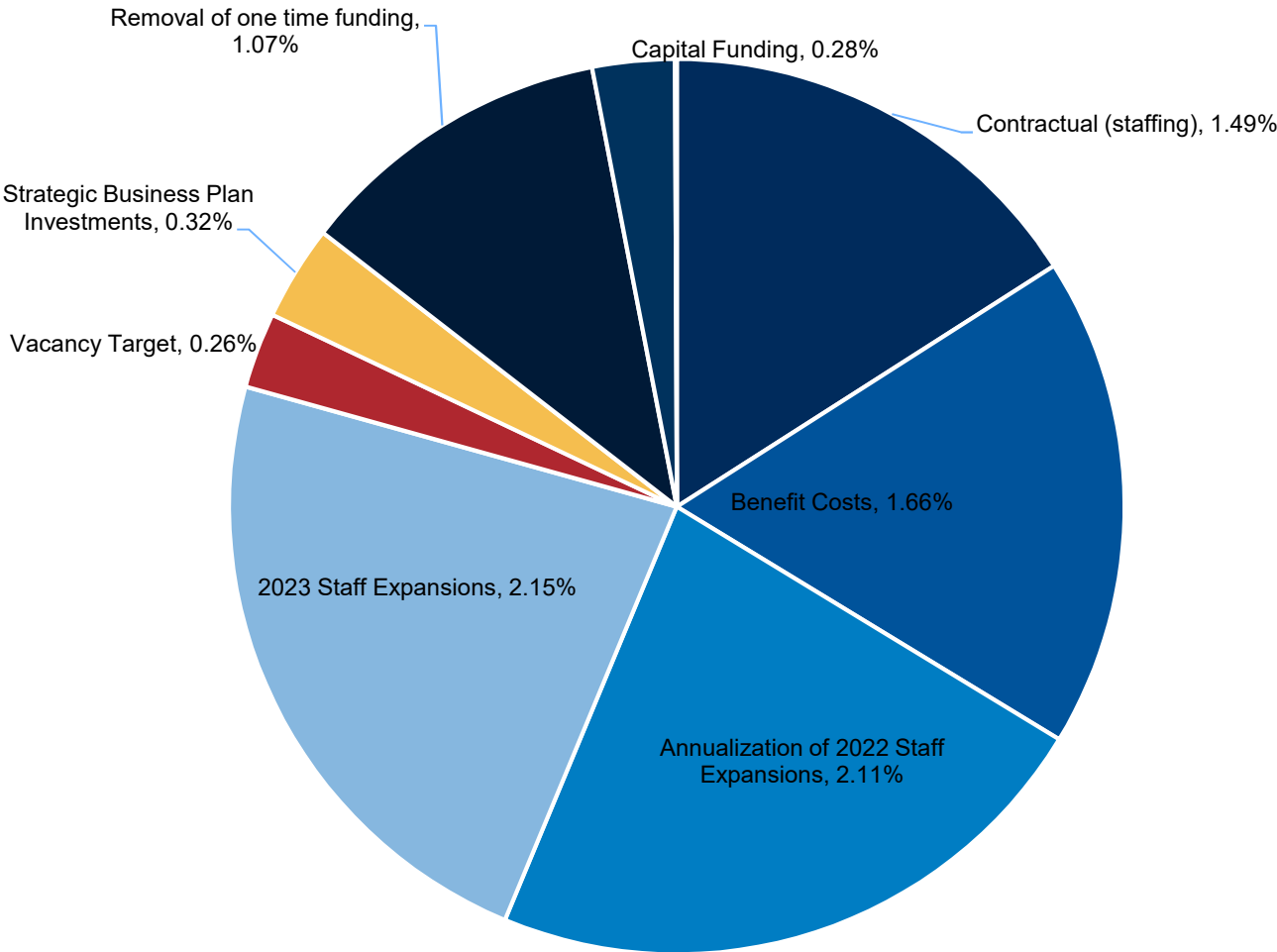
Appendix B: Crime Severity Indexes for Waterloo Region, 2012-2021



Appendix C: Crime Trends in Waterloo Region from 2021-2022 (WRPS)

Service Type	Percentage Change	2022 Data	2021 Data
Shootings	56% Increase	25	16
Weapons Violations	27% Increase	625	492
Intimate Partner Violence Calls for Service	0.7% Increase	6190	6145
Intimate Partner Violence Unit Cases	0.2% Increase	1860	1856
Child Pornography Cases	5% Increase	338	321
Luring Cases	36% Increase	19	14
Extortion Cases	43% Increase	254	178
Sextortion Cases	39% Increase	216	156
Impaired Driving Charges	19% Increase	911	769

Appendix D: Major Factors Impacting the Operating Budget Increase



Appendix E: Revised FTE Complement Information

	Sworn	Civilian	Total
2022 Authorized	818	379	1,197
Sworn Expansion	19		19
PRIDE Civilian Expansion	0	2	2
Reallocations	(4)	5	1
2023 Authorized	833	386	1,219
PSB Executive Assistant		1	1
Secondments	9		9
2023 Budgeted Resources	842	387	1,229
Part-Time (FTE)		26.1	26.1
Temporary Full-Time (FTE)		13.7	13.7

Appendix F: 2023 Proposed Operating Budget

	2022 Approved Budget	Base Budget Adj	2023 Expansion Requests	Proposed Budget	\$ Change	% Change
EXPENDITURES						
Salaries & Wages	137,080,155	6,525,075	3,026,023	146,631,253	9,551,098	6.97%
Benefits	41,380,027	4,272,478	921,138	46,573,643	5,193,616	12.55%
Total Staffing Costs	178,460,182	10,797,553	3,947,161	193,204,896	14,744,714	8.26%
Other Allowances & Benefits	4,184,194	(828,867)	0	3,355,327	(828,867)	(19.81%)
Office Supplies	188,244	(27,249)	0	160,995	(27,249)	(14.48%)
Materials & Supplies	3,026,856	360,844	270,839	3,658,539	631,683	20.87%
Maintenance & Repairs	1,219,631	(23,427)	0	1,196,204	(23,427)	(1.92%)
Minor Vehicle Equipment	14,571	592	0	15,163	592	4.06%
Small Equipment (PRIDE/Grants)	671,433	(3,441)	0	667,992	(3,441)	(0.51%)
Services	3,242,786	1,035,624	0	4,278,410	1,035,624	31.94%
Fees	7,289,572	368,534	0	7,658,106	368,534	5.06%
Rents	921,503	(4,304)	0	917,199	(4,304)	(0.47%)
Financial Expenses	5,551,677	1,037,686	0	6,589,363	1,037,686	18.69%
Communication Costs	1,711,018	(32,693)	0	1,678,325	(32,693)	(1.91%)
Meetings & Travel	574,686	3,214	0	577,900	3,214	0.56%
Interdept'l Charges From	5,909,551	326,243	0	6,235,794	326,243	5.52%
Interfund Transfers (Vehicle Reserve)	1,968,000	195,000	0	2,163,000	195,000	9.91%
Interfund Transfers (Capital Reserve)	3,384,000	100,000	0	3,484,000	100,000	2.96%
Interfund Transfers (General Reserve)	0	0	0	0	0	#DIV/0!
Interfund Transfers (Insurance)	910,491	(8,887)	0	901,604	(8,887)	(0.98%)
Interfund Transfers (RDC)	0	0	0	0	0	#DIV/0!
Other Operating	40,768,213	2,498,869	270,839	43,537,921	2,769,708	6.79%

	2022		2023		\$	%
	Approved	Base	Expansion	Proposed		
	Budget	Budget Adj	Requests	Budget	Change	Change
Total Expenditures	219,228,395	13,296,422	4,218,000	236,742,817	17,514,422	7.99%
REVENUES						
General Police Revenue	3,269,781	(114,824)	0	3,154,957	(114,824)	(3.51%)
Ministry Grants	8,044,361	279,065	0	8,323,426	279,065	3.47%
PRIDE Revenue	2,657,659	77,262	0	2,734,921	77,262	2.91%
Fire Services Revenue	586,418	43,379	0	629,797	43,379	7.40%
Miscellaneous Revenue	5,137,736	194,247	0	5,331,983	194,247	3.78%
Interfund Contributions (RDC)	1,671,784	835,683	0	2,507,467	835,683	49.99%
Interfund Contributions (Reserves)	2,100,000	(2,100,000)	0	0	(2,100,000)	(100.00%)
Total Revenue	23,467,739	(785,188)	0	22,682,551	(785,188)	(3.35%)
NET LEVY	195,760,656	14,081,610	4,218,000	214,060,266	18,299,610	9.35%

Appendix G: 2023-2032 Capital Forecast

	2022	2023	2023										2023
	CF	Req	Total	2024	2025	2026	2027	2028	2029	2030	2031	2032	- 2032
													Total
EXPENDITURE													
Program Area Capital													
50000 Police Vehicles and Equipment	215	4,114	4,329	3,549	4,677	1,701	2,438	3,147	2,253	4,002	1,712	2,888	30,696
50001 Automated Asset and Evidence Solution	197	463	660	452	391								1,503
50004 Police Vehicles - Growth	240		240	71	71	71	71	71	71	71	71	71	879
50005 Information Technology		60	60										60
50011 Voice Radio HW and SW Upgrades		323	323		150	14,105			1,396	13			15,987
50012 Training Facilities Expansion						767	8,945	8,945					18,657
50016 Business Intelligence Tool	157		157										157
50017 HRIS	619	2,314	2,932	1,681	202								4,815
50018 Body Worn and In Car Video	318	96	413	142	178								733
50024 Administrative Phone System	14	6	20							800			820
50025 Next Generation 911	501	1,063	1,564	442					800				2,805
50027 IT Security		221	221										221
50028 AFPIS/Livescan Software				700	700								1,400
50029 Automated Transcription Software					250								250
50030 Video Conference	54	20	74		300								374
50035 Information Management				680									680
50045 WRPS Voice Radio Infrastructure	350		350										350
50046 New Central Division (200 Frederick St)	5,760		5,760	359									6,119
50047 Facilities Refresh and Furniture		408	408	416	425	433	442	451	460	469	478	488	4,470
50048 Police Equipment	614	2,209	2,822	1,887	2,073	4,070	2,401	2,588	2,234	2,845	3,816	2,357	27,092
50051 Central Division Renovation/Expansion									2,492				2,492
50052 Headquarters Parking Upgrades	552	94	647										647

	2022	2023	2023										2023
	CF	Req	Total	2024	2025	2026	2027	2028	2029	2030	2031	2032	- 2032
													Total
50053 Headquarters Renovations								575	11,500	14,055			26,130
50055 Reporting Centre Expansion												1,533	1,533
50056 North Division Renovation						185							185
50057 North Division Parking Upgrades											4,889		4,889
50060 Police Furniture - Growth				13	13	13	13	13	13	13	13	13	113
50061 Police Equipment - Growth	280		280	81	81	81	81	81	81	81	81	81	1,010
50063 Electric Vehicle Charging Stations	20	80	100	40									140
50064 Magazine Explosive Storage	65		65										65
50068 Facility Security Upgrades	216	300	516	300	300	300	300	300	300	300	300	300	3,216
50069 Evidence Management Facilities Upgrades	300		300										300
50070 Technical Investigations System				200									200
50071 Body Scanner				214									214
50072 Disaster Recovery	90	76	166	600		200		600					1,566
50073 DEMS Storage							1,200						1,200
50074 UPS replacement		725	725	250									975
50075 WRPS Facilities Master Plan		140	140										140
50076 Public Safety Communications Center		3,000	3,000										3,000
Total Program Area Capital	10,562	15,712	26,274	12,077	9,810	21,925	15,890	16,770	21,599	22,648	11,360	7,731	166,084

Facilities Managed Capital Renewal

75012 Firearms Training Facility Renewal	10		10	24	626			12				124	795
75013 Police South Division Renewal	790	483	1,273	223	224	578	222	164	71	114	297	579	3,744
75014 Police North Division Renewal	215	12	227	678	125	12	265	253	12	169	266	306	2,312
75016 Police Headquarters Renewal	681	1,736	2,417	909	918	524	241	890	1,130	1,435	2,195	636	11,295
75017 Police Investigative Services Renewal	384	12	396	49	12	165	114	181	124	24	18	188	1,270
75018 Police Reporting Centre Renewal	109	430	539	211	114	272	118	35	295	13	11	16	1,624

	2022	2023	2023										2023
	CF	Req	Total	2024	2025	2026	2027	2028	2029	2030	2031	2032	- 2032
													Total
75021 Police New Central Division Renewal				50	75	100	125	150	175	200	225	250	1,350
75022 Police Voice Radio Building Renewal		19	19		12	43		11	69	86	4		242
Total Facilities Managed Capital Renewal	2,190	2,690	4,880	2,144	2,107	1,693	1,084	1,696	1,875	2,040	3,015	2,099	22,632
TOTAL EXPENDITURE	12,752	18,403	31,154	14,221	11,916	23,618	16,974	18,466	23,474	24,688	14,376	9,829	188,716
FUNDING & FINANCING													
Grants / Subsidies / Recoveries													
Grants & Subsidies													
Recoveries													
Development Charges	(3,623)	(1,509)	(5,132)	(340)	(165)	(933)	(6,963)	(7,026)	(2,651)	(1,711)	(165)	(824)	(25,908)
Reserve Funds	801	39	839	165	165	350	165	228	2,651	1,711	165	824	7,260
Debentures	2,822	1,470	4,292	176		583	6,798	6,798					18,647
	(3,623)	(1,509)	(5,132)	(340)	(165)	(933)	(6,963)	(7,026)	(2,651)	(1,711)	(165)	(824)	(25,908)
Property Taxes / User Rates													
Reserves and Reserve Funds	(4,526)	(13,087)	(17,613)	(11,125)	(10,838)	(8,354)	(6,664)	(8,770)	(7,053)	(10,383)	(9,318)	(8,132)	(98,251)
3980066 Lifecycle Reserve Police	1,399	1,922	3,321	1,644	2,095	1,651	1,084	1,685	1,806	1,954	3,011	2,099	20,350
3981300 Police Capital Reserve	2,989	6,772	9,760	5,933	4,268	5,003	3,142	3,938	2,994	4,427	4,594	3,145	47,205
3982340 Police Vehicles & Equipment Reserve	215	4,114	4,329	3,549	4,677	1,701	2,438	3,147	2,253	4,002	1,712	2,888	30,696
General Tax Supported Capital Reserve													
Other Reserve Funds													
Contributions from Operating		19	19		12	43		11	69	86	4		242
Debentures	4,525	4,068	8,593	2,755	700	14,289	3,347	2,659	13,702	12,509	4,889	874	64,315
TOTAL FUNDING & FINANCING	12,752	18,403	31,154	14,221	11,916	23,618	16,974	18,466	23,474	24,688	14,376	9,829	188,716