

## Attachment 1: 2024-2026 Operating Budget Highlights

### 1. OVERVIEW OF 2024-2026 OPERATING BUDGET

#### 2024-2026 Budget Highlights – Operating Budget Summary

(in \$000s)	2023 Budget	2024 Proposed	2025 Outlook	2026 Outlook
Operating Expenditures	428,842	448,647	465,127	481,632
Revenues	(38,474)	(40,364)	(40,940)	(41,278)
Allocations and Recoveries	1,518	1,773	1,954	2,057
<b>Net Budget</b>	<b>391,886</b>	<b>410,057</b>	<b>426,141</b>	<b>442,411</b>
<b>% Change</b>		<b>4.64%</b>	<b>3.92%</b>	<b>3.82%</b>
<b>Proposed New FTE's</b>		<b>46</b>	<b>31</b>	<b>36</b>

#### Key Points:

- The FTE request in the outlook years takes into account factors of population growth and crime trends.
- In the outlook years there is budget pressure resulting from the treatment of SaaS projects, which shift from capital budget to operating once projects are fully implemented. In 2025, this transition represents a cost \$1.6M, to be entirely offset by a reduction in contributions to YRP Infrastructure Reserve, resulting in no net impact on the tax levy. In 2026, an additional \$0.7M was transferred to operating budget from capital. These amounts are based on the current SaaS projects in implementation phase, and may increase as more capital projects transition to a subscription model.
- The 2025 and 2026 operating pressures are partially mitigated by other factors, including an increase in risk tolerance related to revenues and grant funding. Revenue budget has been increased for paid duty requests to reflect current volumes. There is risk that volumes may not continue at the current pace. Additionally, while grant revenues are historically included in budget based on signed agreements with the province, York Regional Police has taken on increased risk by incorporating funding from pending grant applications.
- The proposed 2024 and outlook years but requests assume zero budgetary pressures from the COVID-19 pandemic, operating and revenue impacts have been removed from the current submission.

## 2. 2024-2026 Efficiencies and Savings

Efficiencies: 2024 and outlook years proposed budget includes fuel efficiencies from replacing frontline police vehicles with Hybrid Technology.

	2024	2025	2026
Fuel Savings (Ltr)	472,606	505,785	505,785
Fuel Savings (Cost)	\$ 652,196	\$ 697,983	\$ 697,983

Savings from Increased Risk Tolerance in Grant Revenue

	2024	2025	2026
Grant Revenue Increase	\$528,000	\$500,000	\$250,000

## 3. SUMMARY OF ADDITIONAL STAFF

- Safer Communities (21 positions) - York Regional Police is committed to support the safety and well-being of our members and our community by continuing to develop member capabilities in order to provide access and resources to our community that go beyond the incidence of crime or crisis.
- Inclusion & Belonging (10 positions) - York Regional Police will strengthen inclusion and belonging by putting in place resources and supports to develop strategies and implement action plans that will continue to build trust within the organization and community.
- Innovation & Continuous Improvement (11 positions) - York Regional Police continues to be a leader in policing and is steadfast in efforts to enhance services and processes that improve the experiences of our members and the community we serve.
- Recruitment & Retention (4 positions) - York Regional Police is dedicated to promoting a people-first approach to recruit, retain, and enhance talent in order to best serve our community.

## 4. PRESSURES AND RISKS

- The accounting treatment of SaaS projects in implementation phase may result in further increase in operating budget as more capital projects move to subscription-based solutions. Although these incremental costs from capital to operating budget could be partially offset by reducing contributions to capital reserves, the shift may lead to pressures in the operating budget request.
- Grant revenues are historically included in budget based on signed agreements with the province. YRP has increased risk tolerance by adding grant funding to the outlook for pending grant applications.

- Inflationary increases in the outlook years are budgeted based on current economic assumptions. There is a risk associated with these projections, as changes in inflation assumptions could impact the budget.

## **5. SUMMARY OF COVID-19 OPERATING IMPACTS**

- There are no COVID-19 operating impacts identified in the submission.