



NIAGARA REGIONAL POLICE SERVICE

Police Services Board Report

CSD 24 - 2023
Appendix 1
March 23, 2023

PUBLIC AGENDA

Subject: Automated License Plate Reader Grant Program Capital Project
Report To: Chair and Members, Niagara Police Services Board
Report Date: 2022-11-24

Recommendation(s)

1. That the Niagara Regional Police Services Board approves a gross capital budget adjustment in the amount of \$1,391,813 gross, and \$0 net to procure Automated Licence Plate Recognition (ALPR) technology funded solely by the Ministry of Solicitor General ALPR grant program.
2. That the Niagara Regional Police Services Board forwards this proposal to the Regional Council for approval.

Key Facts

- The purpose of this report is to seek the Board's approval for the creation of a 2023 capital project in the amount of \$1,391,813 to support the purchase of Automated Licence Plate Recognition (ALPR) technology.
- At the November 18 Confidential Board Meeting, the Board approved the Ontario Transfer Payment Agreement for the Automated Licence Plate Recognition Grant Program in the amount of \$1,956,419 to fund the capital expenditures as well as operating costs for a five-year period (2023 to 2028).
- The creation of this capital project will allow for proper accounting and tracking of asset purchases.

Financial Considerations

The approval of this recommendation will support the implementation of the ALPR Grant Program. The gross capital expenditure of \$1,391,813 will equip 102 vehicles with the ALPR technology.

Further, the grant will cover the pre-payment of operating costs totalling \$564,606 (\$112,921 per annum) for a 5-year period, 2023 to 2028. Grant revenue will offset these operating costs resulting in a net zero impact on the 2023 thru to 2028 operating budget.

Analysis

The Service applied for the ALPR as part of the Government of Ontario investment in ALPR technology to provide police services with the tools they need to do their jobs, improve public safety, and strengthen roadside law enforcement efforts across the province.

The Service defines a capital asset as durable facilities or equipment and other tangible assets that have a useful life extending beyond one year. In addition, the total cost of the asset must exceed a \$5,000 threshold used by both the Region and the Service in the determination of whether an asset should be included in the capital or operating budget.

As the purchase of the ALPR technology meets both criteria above, the Service has decided that the creation of a capital project will follow the proper accounting treatment. In addition, it will allow for the purchases to be easily identifiable for grant reporting purposes and ensure that funds are not overspent.

In accordance with the Board's Financial Reporting, Control and Procurement By-Law No. 384-2019, section 8.5.1, "*Capital and operating budget amendments and/or adjustments will be made in accordance with Region's Budget Control By-Law*".

The Regional Municipality of Niagara Budget Control By-Law No. 2017-63, section 6.6 b), states that "*In-year receipt of funding for Capital Projects may result in the creation or broadening in scope of a Capital Project in accordance with and when required by the terms of the funding received. If the funding is not included in the Council-approved annual Budget, with the approval of the Commissioner and Treasurer (for amounts not exceeding \$1 million), a Budget Adjustment will be made to reflect the additional revenue and expenses. Amounts exceeding \$1 million will be adjusted with Council's approval*".

As the capital budget adjustment request exceeds the \$1 million threshold, the Service is requesting this proposal be forwarded to Regional Council for approval.

Alternatives Reviewed

The Service has reviewed the alternative of recording the third-party revenue and asset purchases in the operating budget, which would not require a capital budget adjustment. However, to ensure compliance with all By-Laws, to ensure proper accounting treatment and for ease of identifying and reporting on purchases, it was determined that a capital budget adjustment was the preferred option. This option is consistent with the treatment of similar grants received by the Service.

Relationship to Police Service/Board Strategic Priorities

This capital budget adjustment will support the implementation of the previously approved Automated Licence Plate Reader Grant Program.

Relevant Policy Considerations

- Regional Municipality of Niagara Police Services Board By-Law No. 384-2019, A By-Law to Regulate Financial Reporting, Control and Procurement of Goods and Services in the Niagara Regional Police Service.
- The Regional Municipality of Niagara By-Law No. 2017-63, A By-Law to Define Budget Control for the Regional Municipality of Niagara.

Other Pertinent Reports

Confidential Minute No. 8.3, 2022-11-18, Ministry of the Solicitor General – Automated Licence Plate Reader (ALPR) 2022-2023 Grant Approval

This report was prepared by Laura Rullo, Finance Manager in consultation with Paul Divers, Corporate Analyst and Akram Askoul, Director Technology Services, reviewed by Richard Frayne, Superintendent, Corporate Services, and recommended by Bill Fordy, Deputy Chief, Support Services.



Submitted by:

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Appendices

None