

APPENDIX A

Requests	2019 Ongoing	2019 One-Time
Supplemental Requests		
Asset Management		
Asset Management Technician	\$85,500	
Business Analyst	\$102,000	
Work Order Administrator	\$92,500	
Managing Growth and New Development		
Secretary - Planning		\$72,500
Secretary – Legislative Services		\$72,500
Planner – Development Services		\$107,250
Planner - parks		\$107,250
Service Improvement and Corporate Initiatives		
Service Improvement Team (3)	\$380,000	
Managing Public Green Spaces - Sheltering		
Overnight Sheltering – Support & Clean Up *Note 1		\$362,000
Recruitment and Retention		
Disability Coordinator	\$128,500	
Talent Specialist	\$96,500	
Youth Initiatives		
Youth Leaders in Training Program	\$20,000	
Youth Strategy Coordinator		\$30,000
Total Supplemental Requests	\$905,000	\$751,500

Note 1: Council Direction to move funding source from ongoing to one-time

2019 Financial Plan

Supplementary Budget Requests

Asset Management

BACKGROUND:

- Victoria owns and manages over \$2 billion in physical assets (i.e. infrastructure) including water, sewage, drainage, transportation, parks, buildings and vehicles.
- The Community Charter states that one of the four purposes of a municipality is to “provide for stewardship of public assets of its community”.
- Asset Management is an integrated corporate-wide approach for stewarding existing and new assets in order to maximize their value, reduce risks and provide sustainable levels of service to the community.

ISSUE TO SOLVE:

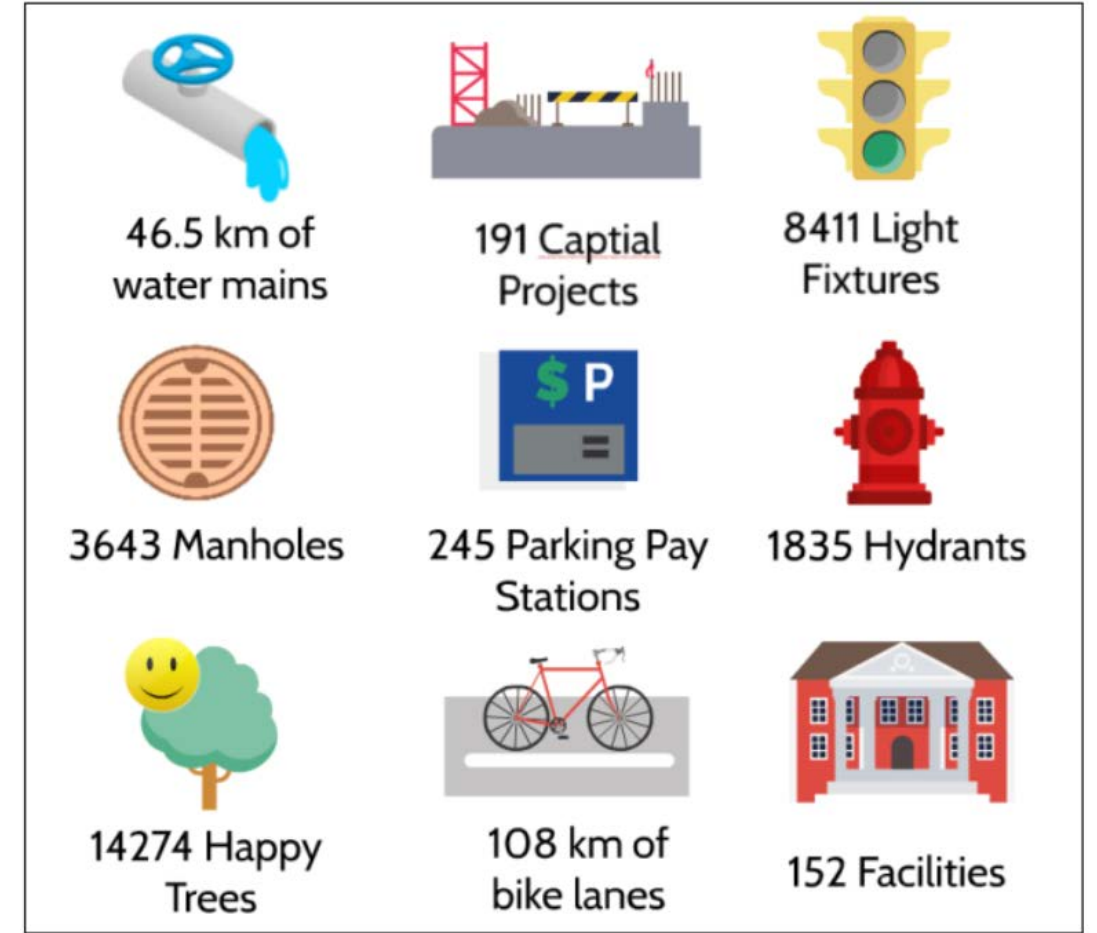
- The City requires additional staff capacity to develop, implement, and support the corporate asset management program.

BENEFITS:

- Staff productivity, streamlined business processes, improved financial reporting and evidence-based decision making are expected to be realized. The ultimate goal of the City’s asset management program is to realize sustainable service delivery.

2019 Supplemental Requests Ongoing:

- | | |
|-------------------------------|-----------|
| • Asset Management Technician | \$ 85,500 |
| • Business Analyst | \$102,000 |
| • Work Order Administrator | \$ 92,500 |



Managing Growth and New Development

BACKGROUND:

- There has been steady growth in development activity over the past few years.
- Since June 2017, there has been a 33% increase in the number of complex/large scale development proposals either currently being processed or that are in the preliminary planning phases.
- The change in City regulations regarding garden suites has resulted in one staff spending approximately 50% of their time on these files, compared to 80 hours/year was spent on this function in previous years.

ISSUE TO BE SOLVED:

- The strong development market and the introduction of new streamlined processes, such as the delegated garden suite approval process has increased the work loads for staff.

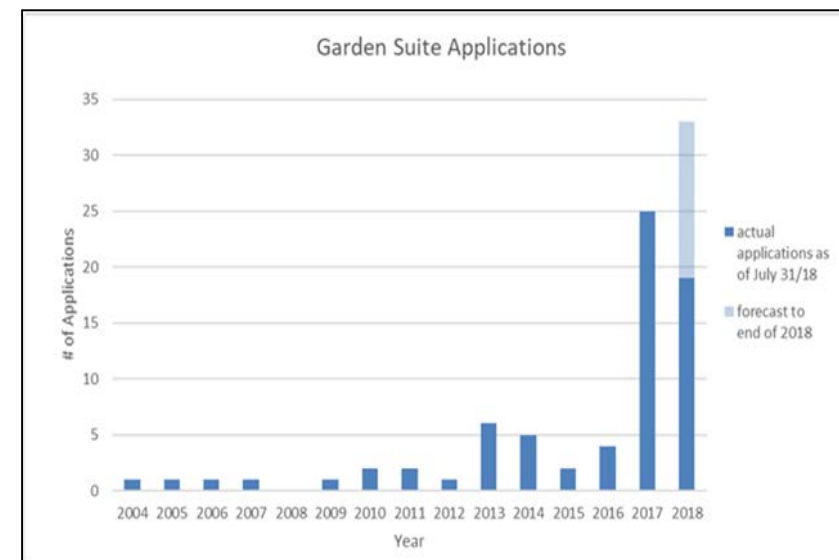
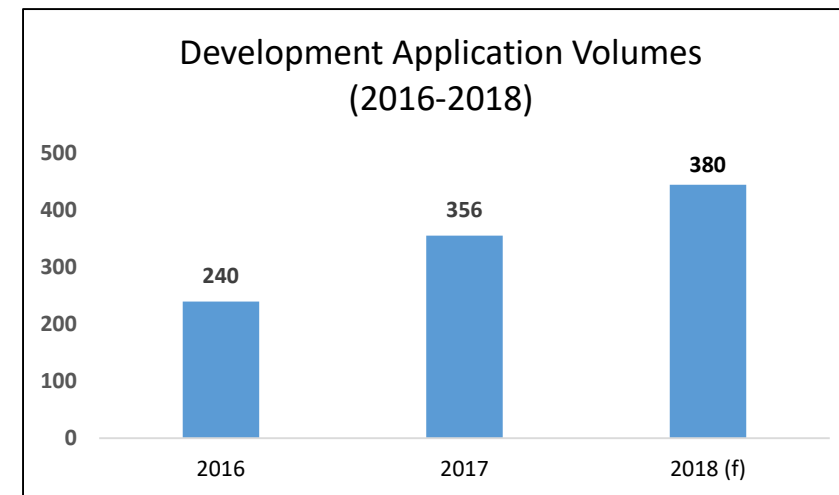
BENEFITS:

- Additional resources will help with maintaining current service levels.

2019 Supplemental Requests

One Time:

• Secretary - Planning	\$ 72,500
• Secretary - Legislative Services	\$ 72,500
• Planner - Development Services	\$107,250
• Planner - Parks	\$107,250



Service Improvement and Corporate Initiatives

BACKGROUND

- The City of Victoria has a Corporate Plan to address a number of organization-wide pinch points as well as establish more modern and efficient process to improve efficiency and increase customer service to citizens.

ISSUES TO BE SOLVED:

- There are currently multiple avenues for the public to contact the City, which sometimes results in duplicate requests being addressed by different staff or in some cases not at all (dropped calls).
- A lack of internal processes and staff training related to planning, budgeting, and reporting performance best practices is causing internal churn.

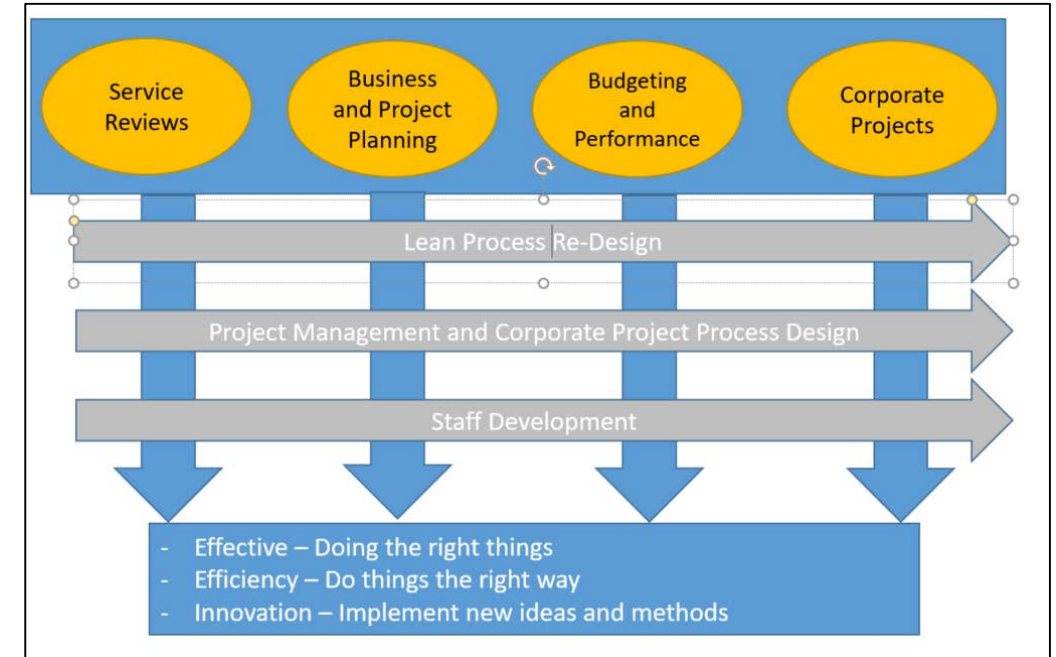
BENEFITS:

- A number of operational inefficiencies can be eliminated through the creation of positions focused on process improvements in internal operations and work flow, as well pro-active improvements as re-design of planning, budgeting and reporting functions.
- Focused resources on service improvements is intended to “free up” staff time to take on priority projects.

2019 Supplemental Requests

Ongoing:

- Service Improvement Team (3) \$380,000



Managing Public Green Spaces - Sheltering

BACKGROUND:

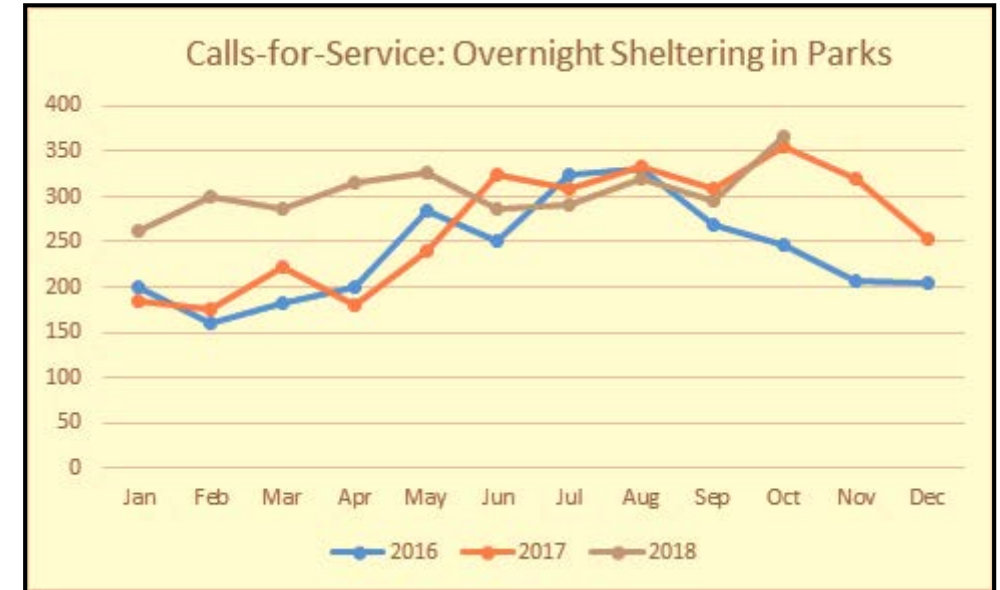
- The Overnight Sheltering Program responds to demands associated with outdoor sheltering in parks.
- Costs include extended hours at select washrooms, security patrols and cleaning support in parks.

ISSUE TO BE SOLVED:

- City staff and police have observed an increased level of sheltering activity in City parks over the past year. As of October 2018, the City is receiving an average of 304 calls-for-service per month, compared to 267 and 238 in 2017 and 2016 respectively.

BENEFITS:

- Funding for continuing the service associated with the will reduce risks to the health and safety of those sheltering, other park users and City staff, as well as reduce damage to vegetation and ecosystems.



2019 Supplemental Requests

On-Going

- Overnight Sheltering – Support & Clean Up \$362,000

Recruitment and Retention

BACKGROUND:

- The number of posted vacancies has steadily increased over the past few years and expected to continue due to retirements and internal movements.
- The City has experienced a 29% increase in sick leave hours since 2014. The number of Worksafe BC (WSBC) claims is declining, but the average duration of time loss claims is increasing.

ISSUE TO BE SOLVED:

- The increasingly tight labour market is resulting in multiple postings to fill vacant positions.
- Return ill and injured workers to work as soon as possible.

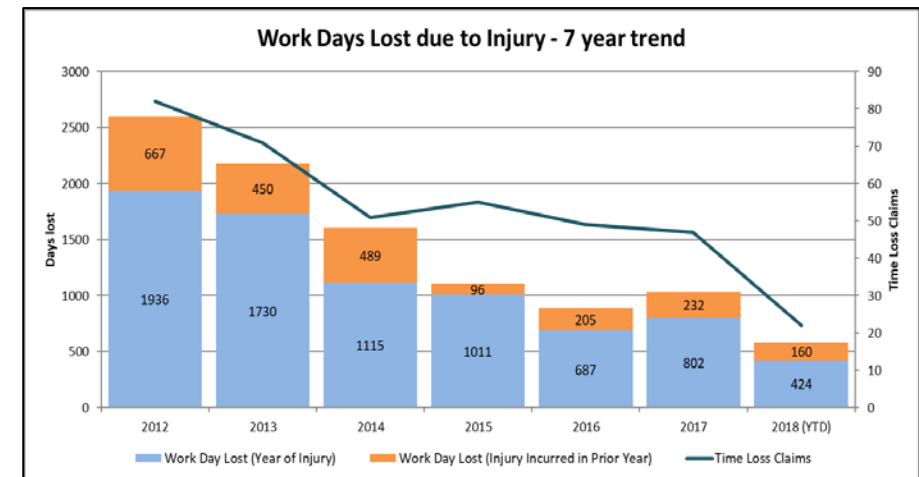
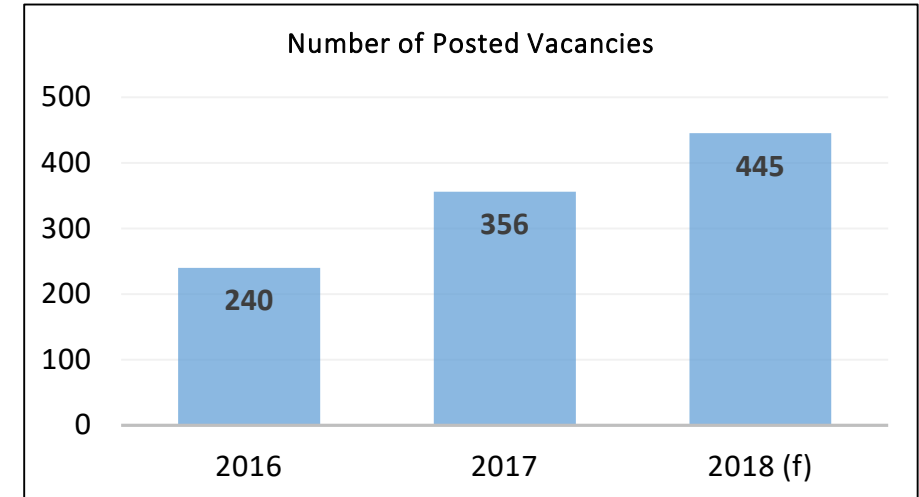
BENEFITS:

- Additional support for recruitment will maintain current service levels.
- The retention of a disability coordinator is expected to achieve significant cost savings both in terms of managing absenteeism and lower WCB premiums.

2019 Supplemental Requests

Ongoing:

- | | |
|--------------------------|-----------|
| • Disability Coordinator | \$128,500 |
| • Talent Specialist | \$ 96,500 |



Youth Initiatives

BACKGROUND:

- A Youth Strategy has been adopted to better engage and include youth in community and local government initiatives.
- The Youth Leaders in Training (YLIT) is an employment readiness program for youth that helps individuals gain skills in the fields of childcare, recreation and education.

ISSUE TO BE SOLVED:

- Implementation of the Council approved Youth Strategy, including a hiring strategy and recruitment brochure, as well as curriculum development to engage youth on what the City does, how decisions will impact them and how they can affect change in their community.
- External grant funding for the Youth Leaders in Training Program has been eliminated.

BENEFITS:

- Fulfill commitments in the Youth Strategy and continuation of the highly successful YLIT Program.

2019 Supplemental Requests

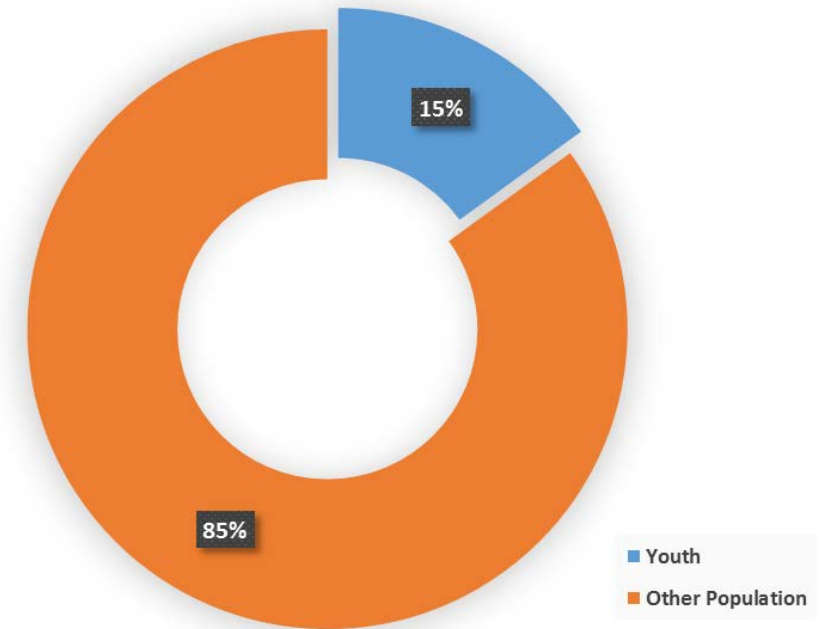
Ongoing:

- Youth Leaders in Training Program \$20,000

One Time:

- Youth Strategy Coordinator \$30,000

Percentage of Youth (Ages 12 - 24) in the City of Victoria



APPENDIX B

Requests	2019 Ongoing	2019 One-Time
Grant Request		
Victoria Civic Heritage Trust – 2%	\$2,250	
Total Grant Request	\$2,250	



Victoria
CIVIC
HERITAGE
TRUST

Mayor and Council
City of Victoria
1 Centennial Square
Victoria BC V8W 1P6

18 December 2018

**Victoria Civic Heritage Trust
2019 Expenditure Budget
2019 Capital and Operating Direct-Award Funding Requests**

Dear Mayor Helps and Council Members:

As requested by the department of Sustainable Planning and Community Development, the Victoria Civic Heritage Trust (VCHT) respectfully submits our **2019 Expenditure Budget**, approved by our Board of Directors on 15 October 2018. The 2019 Capital request is the same as 2018 based on anticipated demand; the 2019 Operating request is the same as 2018 plus a 2% cost of living increase.

The VCHT had strong demand in 2018 for application requests under the Building Incentive Program (BIP), with some applications submitted in 2018 and a number of others expected in 2019. Projects approved in 2018 were located in the downtown, Rock Bay, Fernwood, Hillside, and Jubilee neighbourhoods. Projects expected in 2019 include significant heritage buildings in and outside of the downtown core. We are excited to continue working with several Chinese Associations on heritage conservation projects in Chinatown.

The VCHT continues to emphasize the seismic upgrading of heritage buildings. The Seismic Parapet Incentive Program introduced in 2015 generates sustained interest and a number of projects are in the works for 2019. This pilot initiative operates through BIP using existing resources and is the first of its kind in Canada.

In 2018 the VCHT participated in conference planning and conducting sessions at the *Understanding Risk Conference: UR + BC in the Built Environment* in Victoria on 16-17 April 2018 hosted by the BC Construction Association, which focused on natural risks to the built environment such as earthquakes, fire, and floods.

Members of our Board participated in the City's Old Town Design Guidelines working group May-December 2018. VCHT staff also reviewed with City staff the Market Rental Revitalization program and proposed Inclusive Housing and Density Bonus policy with respect to heritage conservation projects.

A one-time special project funding award of \$4,000.00 was approved for the preparation of *Heritage Conservation Guidelines for Modern Architecture in Greater Victoria*, which also received funding from the Victoria Heritage Foundation, Oak Bay Heritage Foundation, Saanich Heritage Foundation, and UVic.

The VCHT Board of Directors looks forward to welcoming and working with Councillors Jeremy Loveday and Charlayne Thornton-Joe in 2019-2020, and Councillors Marianne Alto and Sharmarke Dubow in 2021-2022.

PROJECTED APPLICATIONS

In 2018 approved applications include **seven Building Incentive Program** and **three Design Assistance Grant** funding awards plus administration of **two extensions**, **one transfer** to a different owner, and **three BIP** site visits and payouts plus **one DAG** payout. **Two PIP-DAG** funding awards under the **Parapet Incentive Program** were approved in 2018; one PIP application was reviewed but declined. The VCHT also reviewed **one Tax Incentive Program** application and conducted final financial reviews for **two TIP buildings**. City and VCHT staff met with a number of TIP applicants, with most looking to submit in 2019.

Potential projects for 2019 based on current applications are listed on page two of the attached 2019 Expenditure Budget. This list includes heritage buildings located in various neighbourhoods in the city.

We anticipate very strong demand in 2019. Based on enquiries, VCHT projects the potential for **fifteen to thirty BIP applications** by 31 December 2019, not including seismic parapet program projects. All potential conservation projects are in keeping with the City's strategic goals to create a vibrant and healthy downtown.

2019 CAPITAL REQUEST

We respectfully submit our **2019 Capital** direct-award funding request of **\$420,000.00** for the purposes of Building Incentive Program funds and assisting with the City of Victoria's Heritage Tax Incentive Program. This is the same amount that was requested in 2018 (no increase since 2008). The list of potential applications in 2019 translates to a possible deficit of **-\$476,777.14** in the BIP fund by 31 December 2019 if all projects are approved, which substantiates the 2019 capital request of \$420,000.00.

2019 OPERATING REQUEST

We respectfully submit our **2019 Operating** direct-award funding request of **\$114,250.00**, which is the amount received in 2018 plus a 2% cost of living adjustment, as per last year. Please note that with the amount requested, the VCHT will continue to operate on a deficit basis as it has for a number of years.

BACKGROUND

The VCHT was established by the City of Victoria in 1989 as a civic vehicle to administer Building Incentive Program funding, and subsequently to assist with the City's Tax Incentive Program, for the conservation and rehabilitation of downtown heritage buildings and to preserve Victoria's community heritage. Modelled on Civic Trusts in Britain that are financially supported by the local municipality, the VCHT is a widely recognized organization that has produced impressive results for the City of Victoria that would not otherwise have been achieved without these programs. To date some of these accomplishments include:

- **\$155.50 million** in private investment in **153 eligible heritage buildings** through **\$6,245,995** in 287 awards of **Building Incentive Program** funds through City Capital funding;
- Average factor of **\$24.90 private investment** for every **\$1** in BIP funds awarded;
- **82 Heritage Designations** directly related to funding applications, resulting in significantly increased protection of heritage buildings and an improved downtown environment;
- Numerous awards including: **Pinnacle Award** to the City of Victoria and VCHT by the International Downtown Association for the Tax Incentive Program; **Gold CARE Award** to the City of Victoria and VCHT by the Canadian Home Builders' Association for the Tax Incentive Program; **Prince of Wales Prize** to the City of Victoria for its heritage conservation programs; **Outstanding Achievement Award** from Heritage BC and **Communication Award** from the Hallmark Society for **Test of Time**; **BCBIA "Best in the West" Award** and \$125,000.00 funding from the Canada – BC Infrastructure Works Program for the Downtown Heritage Building Lighting Program; **Outstanding Achievement Award** and \$300,000 HARP funding from the BC Heritage Trust for the Broad & Yates Street area.

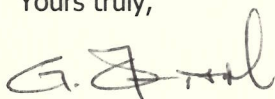
The VCHT is very proud of our strong relationship with the City of Victoria and our long record of distinguished service on behalf of the City and its residents. We look forward to continuing to work with the City of Victoria to further its strategic goals through incentive programs operated by the VCHT which successfully deal with significant community issues on multiple levels using highly cost-effective resources.

On behalf of our Board of Directors, I'd like to thank the City of Victoria for its ongoing financial commitment to Victoria's exceptional heritage programs. It is because of Council's foresight and consistent support that the City of Victoria is widely recognized as a leader in municipal heritage conservation in Canada.

More detailed program information will be available for 2018/2019 following the calendar year end.

We would be pleased to discuss our request with Council at any time.

Yours truly,



Greg Ovstaas
President

attachment

**2019 EXPENDITURE BUDGET
VICTORIA CIVIC HERITAGE TRUST**

Submitted to City of Victoria
15 October 2018

EXPENDITURES				REVENUE	
BUDGET ITEM	EXPENDITURE BUDGET			CITY OF VICTORIA	
	Priority / Explanatory Notes	APPROVED 2018 BUDGET	2019 BUDGET	OPERATING FUNDS 2% COL Increase	CAPITAL FUNDS
TOTAL BREAKDOWN		734,545.00	735,985.00	114,250.00	420,000.00
CORE OPERATIONS					
Core Management Contract (60%)	Contract	53,725.00	54,800.00	50,050.00	
Office & Equipment Rent	Contract	11,445.00	11,675.00	11,675.00	
Office Expenses	Contract	5,000.00	5,100.00	5,100.00	
Telephone / Internet	Core	145.00	725.00	725.00	
Computer / Communications	Core	1,000.00	1,200.00		
Catering & Meeting Costs	Core	3,300.00	3,400.00	3,400.00	
Travel	Core	500.00	500.00		
Miscellaneous Costs	Core	500.00	500.00		
Insurance	Core	2,200.00	2,050.00	2,050.00	
Audit Fees	Core	5,730.00	5,600.00	5,600.00	
Reserve for Projects	Core	5,000.00	6,000.00		
Bank Charges	Core	180.00	150.00	150.00	
Interest Earned	Core	-17,500.00	-20,000.00		
5% GST Cost Estimated	Core	7,000.00	7,500.00		
50% GST Rebate Estimated	Core	-3,500.00	-3,750.00		
ARCHITECTURAL CONSERVATION					
ACC Committee (40%)	Contract	35,820.00	36,535.00	35,000.00	
PROJECT MANAGEMENT					
INTERPRETATION PROJECTS					
Interpretation Committee	2	0.00	0.00		
Heritage Directory Website	2	500.00	500.00	500.00	
OTHER PROJECTS					
Special Events (as approved by Board)	3	3,500.00	3,500.00		
Total Operating Core & Projects		114,545.00	115,985.00	114,250.00	
CAPITAL INCENTIVE PROGRAMS					
Projected BIP Project Balance 31 Dec 2018	798,629.23				
2019 City Capital Contribution	420,000.00				
2019 Potential BIP Project Applications*	-1,695,406.37				
<i>* See attached list</i>					
Potential BIP DEFICIT for 2019	-476,777.14				
BUILDING INCENTIVE PROGRAM					
2019 Building Incentive Program Funds	Core	400,000.00	400,000.00		400,000.00
BIP Brochure / Banners	Core	4,000.00	4,000.00		4,000.00
Seismic Parapet Incentive Program (PIP)*					
<i>* \$500,000 BIP funds allocated in 2015</i>					
2019 Seismic PIP Budget - \$200,000	Core				
PIP & PIP-DAG Applications	Core	185,000.00	185,000.00		
Program Management / Expenses	Core	15,000.00	15,000.00		
Seismic/Downtn Promotion/Communications	Core	8,047.94	8,047.94		
Donation for Seismic/DT Promotion/Comm		-8,047.94	-8,047.94		
TAX INCENTIVE PROGRAM	Core	12,000.00	12,000.00		12,000.00
BIP/TIP Promotion / Communications	Core	4,000.00	4,000.00		4,000.00
TOTAL Capital Incentive Programs		620,000.00	620,000.00		420,000.00
GRAND TOTALS		734,545.00	735,985.00	114,250.00	420,000.00
CITY DIRECT-AWARD REQUEST				534,250.00	

BIP CASH PROJECTION - 2019

BIP PROJECT BALANCE 31 Oct 2018	1,090,512.80
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840 Fort Street Sawyer Block	-50,000.00
612 1/2 Fisgard Street Shon Yee Benevolent Assoc	-30,000.00
2006-10 Fernwood Rd Rennie & Taylor Apts	-7,883.57
532 Herald St Wilson Bros Warehouse	-50,000.00
536-538 Herald St Wilson Bldg	-50,000.00
2110 Store St National Electric Powerhouse	-52,000.00
502 Pembroke St Victoria Gas Co Bldg	-52,000.00
PROJECTED BIP BALANCE 31 Dec 2018	798,629.23

POTENTIAL BIP PROJECTS IN 2019

Likely:


2621 Douglas St Times Colonist Building	-52,000.00	TIP
1314-1324 Douglas / 645-651 Johnson Morgan Blk	-52,000.00	TIP
1314-1322 Broad St Duck Block	-50,000.00	TIP
727 Yates Street	-50,000.00	TIP
1400 Vancouver / 952 Johnson McCall's Funeral	-52,000.00	
825 Fort Street BC Hardware Building	-31,951.27	
900 Johnson St Victoria Conservatory of Music	-28,500.00	
554-562 Fisgard St Chinese Consolidated Ben Assoc	-25,000.00	
614 Fisgard St Lee's Benevolent Assoc Building	-52,000.00	
3 Fan Tan Alley Lim Ging Bldg	-52,000.00	
546 Pandora Ave Macdonald Bldg	-52,000.00	
554-562 Fisgard Street CCBA Building	-52,000.00	
159 Cook St Hampton Court	-2,000.00	
159 Cook St Hampton Court	-31,562.50	
1005-1009 Broad St Counting House	-35,392.60	
1108 Government St Royal Bank / Munro's	-50,000.00	
Subtotal	-616,406.37	

Possible:

1058 Pandora Avenue Wellburns	-52,000.00	
641 Johnson Street Victoria Building Co	-52,000.00	
1601-1609 Douglas St Fairfield Block	-52,000.00	TIP
251-253 Esquimalt Rd Roundhouse	-52,000.00	TIP-Ext
251-253 Esquimalt Rd Car Shop	-52,000.00	TIP-Ext
251-253 Esquimalt Rd Stores Building	-52,000.00	TIP-Ext
251-253 Esquimalt Rd Backshop Building	-52,000.00	TIP-Ext
251-253 Esquimalt Rd Turntable	-52,000.00	
816 Government St Customs House	-50,000.00	
819-823 Fort St	-50,000.00	
626 Blanshard St Church of Our Lord	-30,000.00	
1618-1628 Govt / 565 Fisgard St Lee Block	-52,000.00	
557-561 Fisgard St Lee Woy & Co / CCBA	-52,000.00	
1316-28 Government / 589 Johnson	-52,000.00	TIP
1314 Wharf St Northern Junk Building	-50,000.00	TIP
1316-18 Wharf St Northern Junk Building	-50,000.00	TIP
603 Pandora Ave Hotel Westholme	-52,000.00	TIP
1218 Wharf St	-25,000.00	
1713 Government St Yen Wo Society Building	-52,000.00	
923 Burdett St Mt St Angela	-50,000.00	
Unknown Applicants	-150,000.00	
Subtotal	-1,079,000.00	

Total Potential BIP Projects in 2019	-1,695,406.37
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PROJECTED BIP BALANCE 31 Dec 2019	-896,777.14
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		Page 1 of 1
SUBJECT: Obtaining Legal Advice on Conflict of Interest Matters by Council		
PREPARED BY: Tom Zworski, City Solicitor		
AUTHORIZED BY: Council		
EFFECTIVE DATE:		REVISION DATE:
REVIEW FREQUENCY: N/A		

A. PURPOSE

The purpose of this policy is to establish equitable rules for partial reimbursement of legal costs incurred by Council members in obtaining legal advice on questions of potential conflict of interest in relation to matters arising at Council.

B. OBJECTIVES

Recognizing the evolving and complex nature of rules regarding conflict of interest and the importance to the City of ensuring that, whenever possible, all Council members should participate in Council deliberations and decisions, the City shall contribute to the cost of obtaining independent legal advice on conflict issues by members of Council.

C. PROCEDURE

1. A Council member who is concerned that a matter before Council may give rise to a conflict of interest shall contact the City Clerk or the City Solicitor to determine whether the City has previously obtained legal advice that applies to the situation.
2. If a Council member feels that he or she needs to obtain independent legal advice regarding a potential conflict of interest, the Council member will contact a lawyer of his or her choice and seek the advice.
3. The City shall reimburse the Council member for the cost of obtaining independent legal advice up to a maximum of \$500.00 for each instance when conflict advice is sought. The City will treat this payment according to Canada Revenue Agency taxable benefit rules.
4. To obtain the reimbursement, the Council member must provide a copy of the legal bill or invoice to the City.
5. A Council member receiving reimbursement is under no obligation to disclose the content of the legal opinion to the City.
6. There is not limit on the number of times a Council member may seek legal advice during the term of Council.
7. This policy applies solely to conflict of interest issues arising at Council and does not apply to potential issues arising in other roles of Council members such as their role at the CRD Board.



2019 POLICE PROVISIONAL BUDGET

BACKGROUND:

The 2019 Provisional Budget was approved by the Police Board September 18th, 2018. In accordance with the provisions of the *Police Act* and Framework Agreement the provisional budget will be presented to the councils for the City of Victoria and Township of Esquimalt. Both councils must approve the budget before final adoption by the Police Board.

Any additional resource requirements, approved by the Police Board, outside of existing core operations have been identified for presentation purposes as separate line items in the 2019 Provisional Budget.

Budget Targets

The City of Victoria's council provides direction that their core budget increase must be no more than inflation plus 1%. The Township of Esquimalt does not provide specific guidance to the Police Board, but follows similar budgetary restrictions. Additionally Esquimalt relies on the amounts receivable for payments in lieu of taxes in making budget decisions. As of September 2018 Consumer Price Inflation (CPI) in Victoria is 2.48% versus the same time last year. Inflation plus 1% would therefore be 3.48%. The Police Board, in determining the provisional budget has given this input due consideration. The impact of the provincially mandated Employers' Health Tax has been treated as a separate item.

Employers' Health Tax

2019 will see the implementation of the 1.95% Employers' Health Tax. This represents a significant cost for most municipalities in the Province. For the purposes of budget presentation this is presented as a separate item in the 2019 provisional budget. These amounts may already be included in costs identified within the City of Victoria's budget for the implementation of the Employers' Health Tax.

2019 Proposed Budget

The 2019 Budget has been developed using the principles of Zero Based Budgeting, an approach to planning and decision-making where every budget request must be approved. Budget items that were approved in the previous fiscal year are not therefore carried forward, and expenditures must be justified in the budget process. The budget for salaries and benefits are based on current staffing levels but for all other operating expenditures managers need to build a budget from the ground up, building a case for their spending as if no baseline existed to start with. Annual work plans are prepared for each unit and submitted to the Chief and Deputies.

Operating Budget:

The Core budget can be defined as the budget that is required to maintain existing operations without any additional staffing resources. This does not necessarily mean operations can be maintained without additional staffing in the medium term, but treats additional resource requests as a separate line item in the budget. Similarly any requests to increase service levels or implement improvements with resource requirements attached are identified separately. Any additional resources approved by the Board to be included in the Provisional Budget are, although identified separately, subsequently considered part of the provisional budget for presentation to councils.

Extraordinary Items:

The Core budget includes expenditures that are either significant, one-time, contractually obligated, or as a result of external legislation or processes. The most significant cost drivers have been disclosed below to demonstrate the impact of these costs on the provisional budget.

Transition to Regional Communications Centre

In 2019 the Communications Centre will transition over to a Regional Communications Centre, under the administration of E-Comm. The transition is expected to occur towards the end of January 2019. The budget has been amended to reflect the fact that Communications Centre staff will be managed through VicPD for the first month of the year, then transition over to a contract for service with E-Comm thereafter.

The transition to a Regional Communications Centre will provide operational efficiencies, greater levels of support and a greater safety net for peak times and seasons. It will also better prepare us for Next Generation 9-1-1 services. Additionally we expect to see some savings on an annual basis through pooling of services. For 2019, however, there will be some one-time transitional costs, including the costs associated with transitioning staff over to the new service model for both VicPD and E-Comm. The budget has been prepared on the basis of VicPD's costs being absorbed in the 2019 Budget, and E-Comm's being spread out over three years.

The five year forecast below is based on current assumptions, recognizing that the final costs may vary slightly between now and the transition date. Additional costs for the implementation of Next-generation-911 are not yet estimated. The financial impact of this significant change will be reduced through pooling of those costs through the Regional Communications Centre.

Regional Communications Centre Costs - Five Year Forecast

	2019	2020	2021	2022	2023	Accum.
Expected Costs - Regional Communications Centre						
E-Comm Contract ¹	2,720,000	2,970,617	3,030,030	3,090,630	3,152,443	14,963,720
One-Time Transition Costs	55,000	55,000	55,000	-	-	165,000
VicPD Costs ²	259,667	100,000	102,000	104,040	106,121	671,828
Total Costs	3,034,667	3,125,617	3,187,030	3,194,670	3,258,564	15,800,548
		3.00%	1.96%	0.24%	2.00%	
Current Delivery Model³	3,260,090	3,325,292	3,391,798	3,459,634	3,528,827	16,965,641
Expected Net Savings	225,423	199,675	204,768	264,964	270,263	1,165,093

1. Assumes inflation rate of 2% per year. Based on estimates from E-Comm. Actuals could vary.

2. 2019 costs adjusted based on Jan 22, 2019 transition date to Regional Communications Centre.

2020 onwards is based on assumption that certain functions will not transition, requiring VicPD staffing

3. Forecast costs if there had been no transition to the Regional Communications Centre

Significant Cost Drivers for 2019

Extraordinary Expenditures:

1. *Employers' Health Tax - \$690,000 (1.28%)*

The Employers' Health Tax (EHT) will be implemented in 2019 in addition, for that year to 50% of MSP premiums still being in place. In the longer term, benefits costs will increase with the EHT in comparison to MSP premiums. For 2019 the reassessed impact on the operating budget will be an increase of \$690,000, representing a 1.28% increase in the overall budget. This amount is slightly lower than original estimates, due to the expected reduction of civilian staffing levels at the end of January as the Communications Centre staff transition to E-Comm.

Employers' Health Tax - Five Year Forecast

	2019	2020	2021	2022	2023
Employers' Health Tax ¹	650,000	666,250	682,906	699,979	717,478
MSP Premiums	40,000				
Total	690,000	666,250	682,906	699,979	717,478
		-3.44%	2.50%	2.50%	2.50%

1. Adjusted for expected wage inflation

2. *Increases to recruitment and equipment costs - \$154,000 (0.29%)*

The budget request for these line items will allow us to provide sufficient training in anticipation of the retirements we expect in January 2019. Additionally, due to the demographics of our employees, we expect a significant number of police officer retirements consistently over the next ten years. Historically we have been successful in attracting "exempt" (fully qualified) officers, for a third of our vacant positions. This comes with a higher salary cost, but lower training costs and a significantly faster deployment timeline.

Costs for recruitment in either case are expensive. Based on an assessment by Mercer (Canada) Ltd. we can expect our attrition rate to remain high for the next 10 years. The current operating budget is insufficient to hire, train and equip the number of new officers we will need to maintain our authorized strength. The exact number of retirements may vary from the forecast, but we should be prepared for an average of 10-11 retirements each and every year for the next 10 years.

New recruits incur the following costs to the organization:

- Advertising
- Background checks
- Training
- Equipment
- Uniforms

3. *Retirement Obligations - \$300,000 (0.56%)*

The 2018 budget for retirement obligations was \$400,000. Historically this budget line item has been as high as \$800,000/annum, but had been reduced in previous budget years. These costs are related to contractually obligated payouts under union collective agreements. In 2018 we expect the actual costs to be closer to \$875,000. An actuarial 10 year forecast of the retirement payout amounts under our collective agreements indicates the average annual payout will be in the \$800-900,000 range. We therefore need to significantly increase our annual budget line item to previous amounts and properly fund expected retirements. As a result the provisional budget for retirement payouts has been increased from \$400,000 to \$700,000. Without these additional funds, reserves would be depleted in the next 8-10 years.

Based on an analysis from Mercer (Canada) Ltd. it is not recommended to draw down on the reserve and that \$800,000, adjusted annually for inflation, would provide sufficient funds to meet our obligations and sufficiently fund the EBO Reserve within a twenty year span. In future years the retirement payout line item will need to be increased again to meet this target. The amounts budgeted for 2019 are sufficient to meet projected current year obligations only.

4. *One-time transition costs to Regional Communications Centre - \$55,000 (0.10%)*

We expect the Communications Centre to transition over to the Regional Communications Centre at the end of January, 2019. The budget has been prepared based on this timeline. The long term impact will be positive for the Department. In 2019, however there will be some one-time transitional costs that represent a net cost for the Department. This includes costs for E-Comm to transition and implement resources, of which Victoria and Esquimalt's portion will be approximately \$170,000. It also includes an estimate for our expenditures in relation to an adjustment plan that would be required under Section 54 of the Labour Relations Code. To mitigate the financial impact of these costs on the Department, we have requested from E-Comm these costs be spread out over a three year period. The budget has been amended to reflect this.

5. *Changes to Bail Hearing Process - \$25,000 (0.05%)*

An estimate has been included for increases for salaries and benefits of Records staff for statutory holidays to adequately staff for the changes in the bail hearing process. These

changes will require greater availability of staff on weekends and statutory holidays. In the short term the impact on operations is likely to be minimal. We may, however, need to reassess the impact on operations for the 2020 budget process.

Ordinary (on-going) Expenditures

1. *Estimated Pay Increments - \$842,724 (1.56%)*

The Collective Agreement with the Victoria City Police Union will expire at the end of 2018. A new contract with CUPE is expected shortly that will run to the end of 2020. The budget has been prepared based on management estimates for pay increments.

There is an overall decrease in salaries and benefits, representing the transition of the Communications Centre staff to the Regional Communications Centre at the end of January 2019. There is also a corresponding increase in the professional services line item, representing the contractual obligations for the Regional Communications Centre from that point on.

2. *Capital Funding - \$100,000 (0.19%)*

Over the last few years we have deferred significant replacements of IT and Fleet capital pending a review of the capital needs. Our current contribution levels to the capital reserves are insufficient to meet the replacement needs of our existing infrastructure. A review of IT capital has been made by the Manager of IT, prioritizing the needs of the organization and pooling of the fleet will soon be implemented. The increase of \$100,000 represents the amount required to meet our minimum replacement requirements. Future years will require further increases to ensure the capital reserves are adequately funded. The impact on the 2019 budget has been offset by the reduction of the automotive repairs and maintenance budget, after careful consideration of average maintenance costs over the last five years.

A recent review of the Fleet and IT capital requirements indicates that vehicle replacement costs will remain high for the next three years, but will decline in the fourth year as we see the benefits of vehicle pooling and a more efficient use of our fleet. IT costs will remain significant as our storage and processing requirements increase, and an overall increase in capital funding will be required to maintain the sustainability of our capital reserves.

An increase in the capital expenditure budget line to \$1.256 million, increasing annually for inflation, will allow us to sustain a capital reserve fund balance of approximately \$750,000.

3. *Increases to Medical/Dental Benefits - \$126,525 (0.23%)*

In 2018 we saw an increase of 7% to medical benefit premiums, and 10% to dental premiums. In 2019 we can expect a further 10% increase in dental premiums and yet to be determined increases in medical premiums. This is a result of increases in the costs for insurance providers to provide this coverage and does not represent a significant change to

the benefits plan itself. Increases in medical costs continue to outstrip consumer price inflation and this trend is likely to continue in the short term.

4. Integrated Units - \$138,895 (0.26%)

Most Integrated Unit Budgets reflect adjustments for inflation or personnel movements. The exception is the Greater Victoria Emergency Response Team, where an increase has been deemed necessary to increase the number of monthly training hours from twenty to forty.

Other Items or Adjustments of Note:

In 2018 six officers were reassigned from School Resources, Reserves, Community Services Division and Analysis & Intel to increase the numbers at the front line. The 2019 budget reflects these staff movements. The request for the additional six Patrol officers is under review by the Province. At this time the six additional officers, requested for the 2018 budget, have not been included in the proposed 2019 core budget. The costs, should they be approved, have been disclosed below.

It is difficult to determine with any level of certainty the level of special duties revenues and expenditures in any given year. Traditionally we have budgeted for net amounts. This causes exceptions for financial reporting. For 2019 an estimated has been made for special duties revenues and expenditures based on historical averages in order to reduce the effect this has on financial analysis throughout the year.

Additional Resources

A Business case for each of the additional resources identified in the 2019 Provisional Budget has been prepared.

Mental Health Integration:

In 2017 a pilot project was approved for 2 additional officers for an expansion of Mental Health Integration program. The cost for these officers has been included in both the 2018 and 2019 budget numbers as a separate item for comparative purposes. In 2017 and 2018 the City of Victoria funded the positions from surplus. The Department is working with academia to perform an evaluation of the project with the intent that, if deemed successful, permanent funding for the positions would be requested in the 2020 Budget process. Funds are requested to continue the pilot project in 2019 subject to the results of this evaluation.

Additional Items to Improve Service Levels:

Whereas the Core budget represents the cost to maintain existing staffing levels, additional resource requests represent increases to resources that would either enhance service levels or

maintain service levels in consideration of long term growth within the communities. Although it is the practice of the municipalities to present any increases as 'supplemental requests' the Board, on recommendation from the Chief, has included these amounts in the provisional budget to ensure an adequate and effective level of policing and to generally maintain law and order within the jurisdiction. They have been itemized in the provisional budget for disclosure and presentation purposes.

Information Management Strategy:

In 2017 an Information Management (IM) Strategy was developed with the assistance of an outside consultant. The Department is now implementing this strategy. An additional resource request has been included in the 2019 budget for an analyst position in line with the Information Management Strategy. A business case has been developed in support of this position.

Operational Support (Service Desk):

2019 will see the first phase of a Service Desk function, building on the existing IT service desk model to expand services to front line officers. This will both improve access to administrative services and reduce the amount of time engaged by officers in administration, freeing up front line resources for policing. The first phase will be funded through savings realized through the pooling of radios, with no additional net cost. A business case has been developed in support of this function. Future expansions of this function will depend on an evaluation of the first phase.

Integrated Team Approach to Records:

A review of the Records Section was performed by CGI Canada in 2018, resulting in recommendations to implement a team based approach for the Records Section. This will result in greater symmetry between front line officers and the Records Section, as well as eliminate some of the time spent by front line officers on administrative work. This initiative will be implemented in early 2019.

Provisional Core Budget:

The following is an overview of Police Department's provisional 2019 budget:

Victoria Police Department 2019 Proposed Budget Allocation of Provisional Budget

	2018	2019	\$	Increase %
Operating Budget Based on Funding Formula				
Operating Budget Before Adjustments	53,631,388	55,623,760	1,992,372	3.70%
Pilot - Mental Health Integration	253,898	262,210	8,312	0.02%
	53,885,286	55,885,970	2,000,684	3.71%
Additional Officers ¹	-	307,660	307,660	0.57%
Research Analyst	-	102,125	102,125	0.19%
Total Operating Budget Based on Funding Formula	53,885,286	56,295,755	2,410,469	4.47%
Optional Resources Under Framework Agreement				
Special Duties Funding (Esquimalt)	23,520	24,108	588	0.00%
Special Duties Funding (Victoria)	-	139,892	139,892	0.26%
	53,908,806	56,459,755	2,550,949	4.73%
Changes to Provincially Mandated Expenditures				
Employers' Health Tax	-	690,000	690,000	1.28%
Total 2019 Provisional Budget	53,908,806	57,149,755	3,240,949	6.01%

Cost Allocation Formula

Esquimalt (14.7%)

Victoria (85.3%)

1. Request for 12 positions, 6 Patrol Officers under Provincial Review (2018 Budget), 4 Community Response Team Members, 1 Esquimalt Traffic Officer, 1 Cybercrime Coordinator. Phased in over 3 years.

POLICE OPERATING BUDGET – COST DRIVERS

Victoria Police Department 2019 Provisional Core Budget (Excluding Additional Resources) Significant Cost Drivers

		Amount	%	Accum.
2018 Net Budget		53,908,806		
Ordinary (On-Going) Increases				
Estimated Pay Increments - Collective Agreements	842,724		1.56%	1.56%
Body armour program for jailers	5,000		0.01%	1.57%
CEWs - increase to number, testing and replacement	20,000		0.04%	1.61%
Two Factor Authentication	29,000		0.05%	1.66%
Increases to legal services budget	26,000		0.05%	1.71%
Integrated Units	138,895		0.26%	1.97%
Reductions in fleet maintenance	(110,000)		-0.20%	1.51%
Fuel and oil	30,000			
Other net expenditures ¹	<u>259,128</u>	1,240,747	0.48%	2.30%
Extraordinary (On-Going) Increases				
Statutory Holiday Pay - Changes to bail hearing process	25,000		0.05%	2.35%
Recruitment costs (professional, training, travel, advertising)	117,000		0.22%	2.56%
Supplies and uniforms (expected recruitments)	37,000		0.07%	2.63%
Increases to Medical/Dental Benefits	<u>126,525</u>	305,525	0.23%	2.87%
Extraordinary (One-Time) Increases				
Transition Costs - Regional Communications Centre	<u>55,000</u>	55,000	0.10%	2.97%
Increases for Expenditures with Dedicated Reserves				
Capital Funding	100,000		0.19%	3.16%
Retirement Payouts	<u>300,000</u>	400,000	0.56%	3.71%
Total Excluding Employers' Health Tax		<u>55,910,078</u>		3.71%
Externally Legislated Increases				
Employers' Health Tax		690,000	1.28%	4.99%
2019 Core Budget (Excluding Additional Resources)		<u>56,600,078</u>		4.99%

1. **SALARIES AND BENEFITS:**

Police

Budgets are prepared based on authorized strength and the staff allocated to each unit or division at the time the budget is prepared. Movements of personnel occur throughout the year to meet operational requirements, causing variations from year to year between units. The current collective agreement expires December 31, 2018. Budgets were estimated based on projected outcomes.

CUPE:

The collective agreement with CUPE expired December 31, 2016 and a tentative agreement has been reached, extending to December 31, 2020. Budgets were estimated based on the tentative settlement.

Exempt:

The Police Board's Terms of Employment govern compensation for exempt staff. Budgets were prepared based on estimates.

Benefits:

Benefits include CPP, EI, Pension, Extended Health, Dental, Group Life Insurance and WCB premiums. The benefits as a percentage of salaries, has been increased to 25%. The Employers' Health Tax of 1.95% is shown as a separate line item.

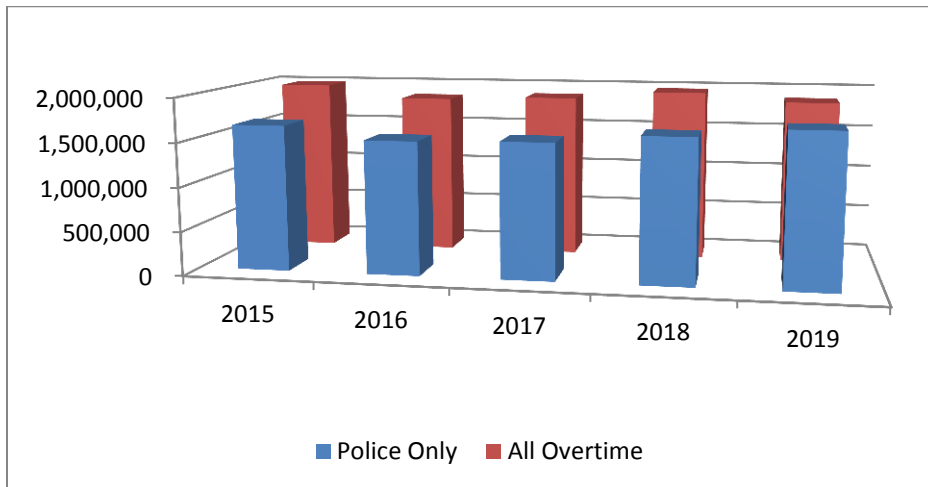
2. **OVERTIME:**

The increase in overtime is a result of the changes to the presentation of the Special Duties budget for revenues and expenditures. Once adjusted for this change in presentation, total overtime budget has decreased by approximately \$94,500. The most significant changes in overtime are:

- Communications Centre – reduction of \$224,600 (Regional Comm. Centre)
- Records Section – increase of \$25,000 for changes to bail hearing processes
- VIIMCU – increase of \$50,000 to ensure adequate resourcing of major case files

The remainder of the increase is related to ordinary increases for Patrol and other operational divisions.

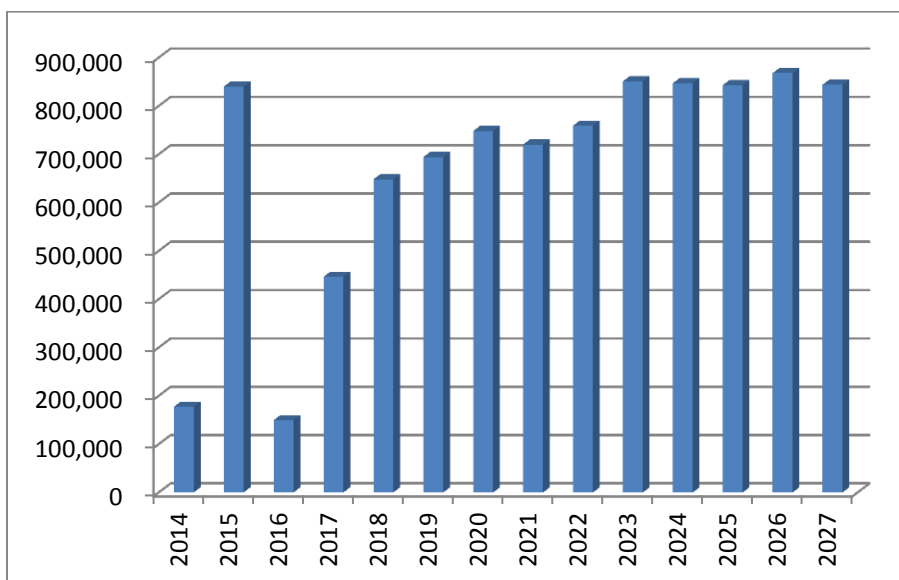
5 Year Analysis of Overtime Budget



	2015	2016	2017	2018	2019
Police Only	1,662,000	1,519,000	1,540,250	1,635,025	1,734,467
All Overtime	1,987,000	1,844,000	1,876,900	1,963,700	1,869,792

3. RETIREMENT OBLIGATIONS

Retirement obligations are tied to the collective agreements, the majority relating to obligations under the police union collective agreement. In 2019 we will have a significant amount of police officers eligible for retirement and, based on the Mercer (Canada)Ltd. report, we can expect high retirement payouts for the next few years.



4. CAPITAL PROJECTS

An analysis has been performed on the capital requests for 2019. IT requests have been prioritized based on criticality to the organization, and a 10 year fleet replacement program has been updated. The fleet replacement program will likely be refined once we start to collect and analyze data from the key tracer system, which is being implemented shortly.

Significant capital projects for 2019 include:

- Vehicles replacements of \$854,250 are based on an assessment of the kilometers, intended purpose, pooling options and general condition assessment. For 2019 this includes the replacement of;
 - 9 Patrol vehicles
 - 2 Motorcycles
 - 6 vehicles dedicated to specialty units
- Renovations to re-purpose the Communications Centre. These costs are limited to the costs for furniture, equipment and some cost sharing of the wall installations. The remainder of the costs for this project will be borne by the City of Victoria, if approved as part of their capital budgets process
- IT capital submissions include:
 - \$887,000 for critical issues
 - \$298,000 for issues that will become critical if not addressed
 - \$340,000 for issues that are important but not critical

The capital reserves balance at the end of 2018 is forecasted to be approximately \$1.644 million. The increase of annual contributions would allow us to maintain an average balance of \$750,000 over the long term. Without an increase to capital contributions of \$200,000, with annual increases to keep in line with inflation, the capital reserve will not be sustainable.

VICTORIA POLICE DEPARTMENT
Revenue Budget

Description	2018
Special Duties	
	675,200
Protective Services	
Taxi Permits	15,000
Special Occasion Permits	0
Police Reports	28,000
Records Permits and Searches (Criminal Information Checks)	<u>130,000</u>
Total Protective Services	848,200
Jail Operations	
Province	35,000
Immigration	<u>2,900</u>
Total Jail Operations	37,900
TOTAL REVENUE	886,100

For 2019, the budget presentation of Special Duties revenues and expenditures has changed slightly. Previously the budget provided for net expenditures for the majority of special duties. For 2019 onwards, the budget includes a full estimated of both revenues and expenditures for recoverable special duties.

Allocation of Operating Budget by Municipality

Victoria Police Department 2019 Provisional Budget Allocation of Operating Budget by Municipality

CITY OF VICTORIA	2018	2019	Increase	
			\$	%
Operating Budget Based on Funding Formula				
Operating Budget Before Adjustments	45,747,574	47,447,067	1,699,493	3.70%
Pilot - Mental Health Integration	216,575	223,665	7,090	0.02%
	45,964,149	47,670,732	1,706,583	3.71%
Additional Officers	-	262,434	262,434	0.57%
Research Analyst	-	87,113	87,113	0.19%
Total Operating Budget Based on Funding Formula	45,964,149	48,020,279	2,056,130	4.47%
Optional Resources Requested Under Framework agreement				
Special Duties Funding	-	139,892	139,892	0.31%
	45,964,149	48,160,171	2,196,022	4.78%
Employers' Health Tax	-	588,570	588,570	1.28%
Total 2019 Provisional Budget	45,964,149	48,748,741	2,784,592	6.06%

TOWNSHIP OF ESQUIMALT	2018	2019	\$	%
Operating Budget Based on Funding Formula				
Operating Budget Before Adjustments	7,883,814	8,176,693	292,879	3.69%
Pilot - Mental Health Integration	37,323	38,545	1,222	0.02%
	7,921,137	8,215,238	294,101	3.70%
Additional Officers	-	45,226	45,226	0.57%
Research Analyst	-	15,012	15,012	0.19%
Total Operating Budget Based on Funding Formula	7,921,137	8,275,476	354,339	4.46%
Optional Resources Requested Under Framework agreement				
Special Duties Funding	23,520	24,108	588	0.01%
	7,944,657	8,299,584	354,927	4.47%
Employers' Health Tax	-	101,430	101,430	1.28%
Total 2019 Provisional Budget	7,944,657	8,401,014	456,357	5.74%

Victoria Police Department 2019 Provisional Core Budget (Excluding Additional Resources)

Summary by Section

Section	2018	2019	Increase/(Decrease)	
	Budget	Provisional	\$	%
Expenditures				
Executive Services	3,621,350	3,877,086	255,736	7.1%
Integrated Units	2,305,142	2,444,037	138,895	6.0%
Crime Prevention Services	1,392,474	921,064	(471,410)	-33.9%
Crime Reduction Division	3,404,480	3,833,584	429,104	12.6%
Patrol Division	17,020,817	17,211,531	190,714	1.1%
K9	803,198	999,623	196,425	24.5%
Community Services Division	2,596,141	2,318,804	(277,337)	-10.7%
Investigative Services Division	5,995,413	6,594,409	598,996	10.0%
Traffic Enforcement and Crash Investigations	1,417,543	1,413,553	(3,990)	-0.3%
Communications center - 911	3,196,107	3,034,667	(161,440)	-5.1%
Centralized Corporate Costs	1,919,700	2,255,100	335,400	17.5%
Support Services	8,662,187	10,525,864	1,863,677	21.5%
Jail Operations	943,254	960,856	17,602	1.9%
TOTAL EXPENDITURES	53,277,806	56,390,178	3,112,372	5.84%
TOTAL REVENUE¹	(425,000)	(1,636,100)	(1,211,100)	285.0%
CAPTIAL TRANSFER	1,056,000	1,156,000	100,000	9.5%
EMPLOYERS' HEALTH TAX	-	690,000	690,000	N/A
Net Budget	53,908,806	56,600,078	2,691,272	4.99%

1. Includes transfer from reserve and change in presentation of special duties from net expenditure to gross revenues and expenditures

Victoria Police Department 2019 Provisional Core Budget (Excluding Additional Resources)
2019 BUDGET - Overview by Section

Section	2018	2019	Increase/(Decrease)	
	Budget	Provisional	\$	%
Expenditures				
EXECUTIVE SERVICES				
Office of The Chief Constable ²	886,342	994,789	108,447	
Executive Services, Policy and Professional Standards ¹	1,515,042	1,653,411	138,369	
Esquimalt Administration	550,832	552,610	1,778	
Police Board ²	208,670	119,900	(88,770)	
Public Affairs ³	460,464	556,376	95,912	
	3,621,350	3,877,086	255,736	7.1%
INTEGRATED SERVICES⁴				
Vancouver Island Integrated Major Crime Unit	1,029,259	1,047,172	17,913	
Diversity Unit	3,500	2,918	(582)	
Integrated Mobile Crisis Response Team	95,609	114,783	19,174	
Regional Domestic Violence Unit	188,399	184,734	(3,665)	
Crowd Management Unit	30,500	33,882	3,382	
Tactical Liaison Officer	2,758	2,836	78	
Critical Incident Scribes	493	493	-	
Explosive Ordinance Disposal	7,708	12,327	4,619	
Victoria Integrated Community Outreach Team	397,875	408,263	10,388	
Crime stoppers	57,681	61,120	3,439	
Mobile Youth Service Team	49,061	61,528	12,467	
Emergency Response Team	268,415	338,508	70,093	
Municipal Undercover Program	66,229	67,554	1,325	
Restorative Justice	40,000	40,000	-	
Crisis Negotiating	13,238	23,998	10,760	
PRIME tables	1,560	1,592	31	
Youth Camp	15,500	15,810	310	
Saanich Police Camp	11,357	-	(11,357)	
Canadian Intelligence Services British Columbia	26,000	26,520	520	
	2,305,142	2,444,037	138,895	6.0%
CRIME PREVENTION				
Community Resource Officers	598,295	655,297	57,002	
School Resource Officers ⁵	396,375	-	(396,375)	
Community Programs	99,108	101,791	2,683	
Volunteer Program ⁵	272,196	137,476	(134,720)	
Reserve Program	26,500	26,500	-	
	1,392,474	921,064	(471,410)	-33.9%
CRIME REDUCTION DIVISION				
Strike Force	1,186,503	1,314,136	127,633	
Crime Reduction Unit	1,136,662	1,019,218	(117,444)	
Analysis and Intel	653,257	512,049	(141,208)	
Operational Planning	264,538	248,181	(16,357)	
Special Duties ⁶	163,520	740,000	576,480	
	3,404,480	3,833,584	429,104	12.6%

VICTORIA POLICE DEPARTMENT		2018	2019	Increase/(Decrease)	
2019 BUDGET - Overview by Section - Continued	Budget	Provisional	\$	%	
K9	803,198	999,623	196,425	24.5%	
PATROL - PRIMARY RESPONSE DIVISION ⁵	17,020,817	17,211,531	190,714	1.1%	
FOCUSED ENFORCEMENT TEAM	2,596,141	2,318,804	(277,337)	-10.7%	
INVESTIGATIVE SERVICES DIVISION					
Detective Division - Support	1,096,835	1,082,753	(14,082)		
Special Investigations	-	750,000	750,000		
Financial Crimes	452,696	293,616	(159,080)		
Integrated Tech Crime Unit	386,357	379,456	(6,901)		
Special Victims Unit	883,676	881,222	(2,454)		
Major Crimes	1,437,515	1,507,280	69,765		
Historical Case Review Unit	175,899	154,178	(21,721)		
Behavioural Assessment and Management Unit	570,379	571,926	1,547		
Forensic Identification	992,056	973,978	(18,078)		
	5,995,413	6,594,409	598,996	10.0%	
TRAFFIC SECTION					
Traffic Enforcement and Crash Investigation	1,404,043	1,403,553	(490)		
Motorcycle Escort Team	13,500	10,000	(3,500)		
	1,417,543	1,413,553	(3,990)	-0.3%	
COMMUNICATIONS CENTER - 911 ⁷	3,196,107	3,034,667	(161,440)	-5.1%	
CENTRALIZED CORPORATE COSTS⁸	1,919,700	2,255,100.00	335,400	17.5%	
SUPPORT SERVICES					
Automotive	908,000	844,000	(64,000)		
Marine Response Unit	-	-	-		
Critical Incident Stress Management	16,200	16,600	400		
Legal Services and Freedom of Information	297,823	377,395	79,572		
Finance, Exhibit Control and Purchasing ⁹	2,753,781	3,347,470	593,689		
Human Resources, firearms and use of force training ¹⁰	1,885,296	2,529,561	644,265		
Records Management ¹¹	1,700,398	2,320,802	620,404		
Information Systems	1,100,689	1,090,036	(10,653)		
	8,662,187	10,525,864	1,863,677	21.5%	
Jail Operations¹²	943,254	960,856	17,602	1.9%	
TOTAL EXPENDITURES	53,277,806	56,390,178	3,112,372	5.84%	
Revenue					
Protective Services ⁶	(325,000)	(886,100)	(561,100)	172.6%	
Transfer from Reserves ¹³	(100,000)	(750,000)	(650,000)	650.0%	
TOTAL REVENUE	(425,000)	(1,636,100)	(1,211,100)	285.0%	
Capital Transfer¹⁴	1,056,000	1,156,000	100,000	9.5%	
Employers' Health Tax¹⁵		690,000	690,000	N/A	
NET BUDGET	53,908,806	56,600,078	2,691,272	4.99%	

VICTORIA POLICE DEPARTMENT
2019 BUDGET - Overview by Section - Continued

Notes:

1. Includes requested increase for legal and movement of police positions
2. Elimination of Board EA position, creation of Deputy Chief EA position
3. Elimination of Records Supervisor position to fund Business Analyst position
4. Subject to amendment based on Area Chief's budget meetings. Includes increase from 20 to 40 hours/month GVERT training model
5. Adjusted for reallocation of police resources to Patrol in 2018. Actual staffing levels fluctuate throughout the year as required.
6. Special Duties revenue and expenditures have been estimated based on average to reduce the number of exceptions for financial reporting
Previous to 2019 the budget consisted of the non-recoverable amount of special duties only.
7. Includes salaries and benefits for January 2019, 2019 expected contract costs for E-Comm and one-time transitional costs for 9-1-1
8. Includes \$300,000 increase to retirement payouts, necessary to meet actuarial forecast of payouts
9. Includes contingency for expected cost of living increases of \$842,724 and increases for supplies budget to meet hiring targets
10. Includes requested increases for recruitment increases and funding for average of 4 worksafe/ltd claimants based on actual experience
11. Includes proposed transfer of Exhibit Control to Records Section as part of IM re-organization (Business Case to follow)
12. Includes requested increase to auxiliary budget
13. Amounts requested by Investigative Services for potential major crimes investigation in 2019 (VIIMCU)
14. Requested increase to ensure financial viability of capital reserves
15. Employers' Health Tax initiated by the Provincial government

APPENDIX E

Future Years Motions

The following motions will be reported back on as part of future year financial planning processes.

2020 Budget Process

1. Dallas Road Dog Conflicts - That Council direct staff to report back as part of the 2020 budget process on a plan to address friction between dog owners and walkers on Dallas Rd. with the consideration of protecting migratory birds and other wildlife.
2. Leash Optional Dog Park - That Council direct staff to report back as part of the 2020 budget process on options to add another enclosed leash optional park.
3. Bamfield Park to Selkirk Bike Route - That Council direct staff to report back on the potential to incorporate into the 2020 capital budget the paving of the bike route through Bamfield Park to link with Selkirk.
4. Fleet - That Council direct staff to report back to Council as part of the 2020 budget process for options to expedite the transition of the City's fleet to renewables.
5. Inflow and Infiltration on Private Property - That Council direct staff to report back as part of the 2020 budget process on beginning a plan for mitigating the Inflow and Infiltration issue on private property.
6. Sidewalk Upgrades - That Council direct staff to report back as part of the 2020 budget process on the cost and other implications of joining the triangle at Mile Zero to Beacon Hill Park and creating an additional safe crossing of Dallas to the park South of Beacon St.

2021 Budget Process

1. Beacon Hill Apiary - That Council direct staff to report back as part of the 2021 budget on options to add an apiary in Beacon Hill Park or on other public lands.
2. Galloping Goose Lighting - That Council direct staff to report back as part of the 2021 budget process on the cost and potential cost-sharing opportunities with the CRD for lighting up the Galloping Goose for safer evening travel.
3. Beacon Field Upgrades - That Council direct staff to report back as part of the 2022 (2021) budget process on the budget implications of replacing the two all-weather fields in the South West corner of Beacon Hill Park with a lighted field and opportunities to re-naturalize the area and alternately improving the field to the northeast corner of the park.
4. That the executive support position for the Mayor's Office be instituted after approval of salary has been give by Council, and to be reviewed as part of the 2021 budget process.

2021 Budget Process

1. Tennis Court Lighting - That Council direct staff to report back as part of the 2022 budget on options for a lighted tennis courts in the City.

2020, 2021 and 2022 Budget Process

1. Daylighting Streams - That Council direct staff to report back as part of the 2020, 2021 and 2022 budget process with opportunities for daylighting streams.
2. Sidewalk Upgrades - That Council direct staff to identify missing sidewalks and opportunities for sidewalks to be widened and bring these forward on a priority basis in the 2020, 2021 and 2022 budgets.
3. Undeveloped Pedestrian Routes - That Council direct staff to identify opportunities for opening undeveloped pedestrian routes and bring these forward on a priority basis in the 2020, 2021 and 2022 budgets.