



Committee of the Whole Report For the Meeting of April 8, 2021

To: Committee of the Whole **Date:** April 1, 2021
From: Susanne Thompson, Deputy City Manager and Chief Financial Officer
Subject: 2021 Financial Plan Update - Police Budget Allocation Formula and Request for Additional Officers to Support Bylaw Services

RECOMMENDATION

That Council:

1. Approve an increase of \$296,122 or 0.21% in property taxes to fund the shift of policing costs due to the phase-in of the new budget allocation formula
2. Approve \$25,000 for additional policing support for bylaw services staff for the month of April 2021 from the 2021 contingency budget
3. Forward this motion to the daytime Council meeting of April 8, 2021

EXECUTIVE SUMMARY

Council concluded budget discussions and provided final direction on the 2021 Financial Plan in January, resulting in an overall property tax increase of 1.82%. Since that time, two additional items related to policing have been identified for Council's consideration.

The Victoria Police Department, under the oversight of the amalgamated Victoria-Esquimalt Police Board, provides policing to the City of Victoria and the Township of Esquimalt. In 2020, the Province completed a review of the budget allocation formula for policing. The new formula results in shifting of approximately \$600,000 to Victoria. The attached letter from the Director of Police Services clarifies that this change would be phased-in with 50% of the cost impact in 2021 and the remainder in 2022. Therefore, the impact to the City's budget for 2021 would be \$296,122. Since this is an ongoing cost, it is recommended that it be funded through property taxes resulting in an overall increase of 2.03%, which is lower than Council's target of inflation plus 1% (2.1%).

The Framework Agreement still requires amendments to effect this change; however, to allow sufficient time to complete the 2021 budget and tax rates before legislated deadlines, Council's decision is requested today.

Earlier this year, Council approved funding for additional police officers for four hour per day/seven days per week for January 1 to March 31, 2021 to support City of Victoria Bylaw Services in carrying out their duties at the various encampments within the city. The Police Department has submitted a request for \$25,000 to continue this arrangement for the month of April. Should Council wish to approve this request, the recommended funding source is the 2021 contingency budget.

Respectfully submitted,

Susanne Thompson
Deputy City Manager and Chief Financial Officer

Report accepted and recommended by the City Manager

List of Attachments

Appendix A – Letter from Director of Police Services