



Budget Consultations

July 2022

Objective

The purpose of the meeting is for the Police Board:

1. To obtain input on Councils' priorities in relation to public safety

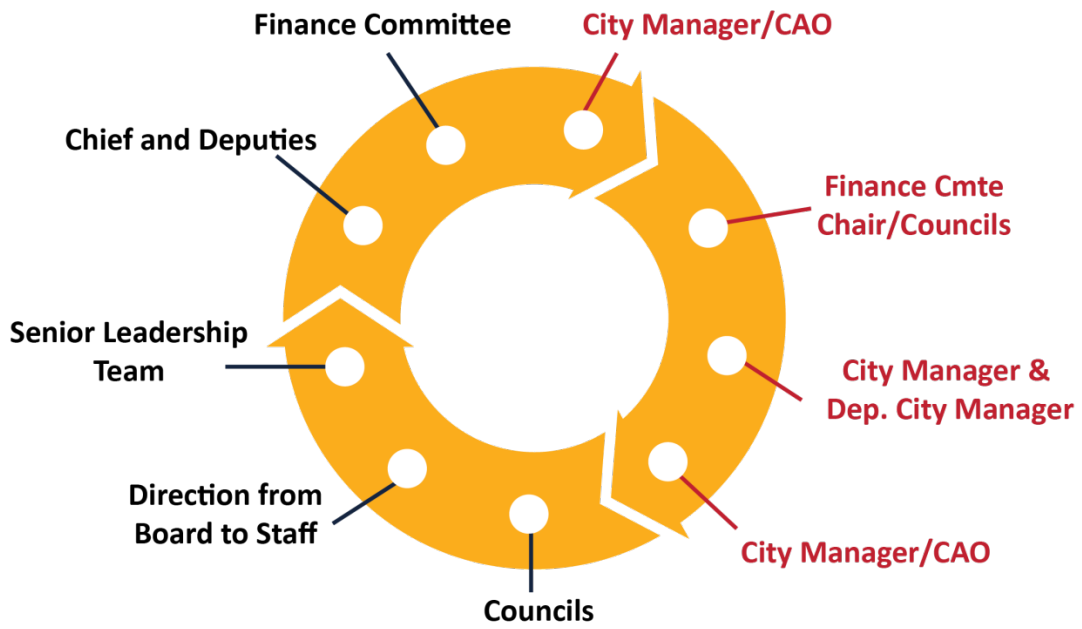
From Councils' perspective:

1. Which strategic priorities would you highlight in relation to public safety?
2. What specific public safety priorities would Councils like the Victoria Police Department to focus on?
3. What public safety activities would Councils consider of lesser priority for the Victoria Police Department?

There is a growing deficit in staffing required to meet current and future service expectations. While we continue to manage current demand for police services, and maximize capacity with existing staffing levels and introduce alternate mental health response models, we expect this deficit to remain for some time.

We recognize external pressures require Councils to scrutinize spending on priorities and projects over a multi-year timeline, however; reductions in funding for policing will only deepen staffing deficits and result in service level reductions. We want to fully understand Councils' priority areas, should the Board need to work with the Chief Constable on service level adjustments.

Current Budget Process



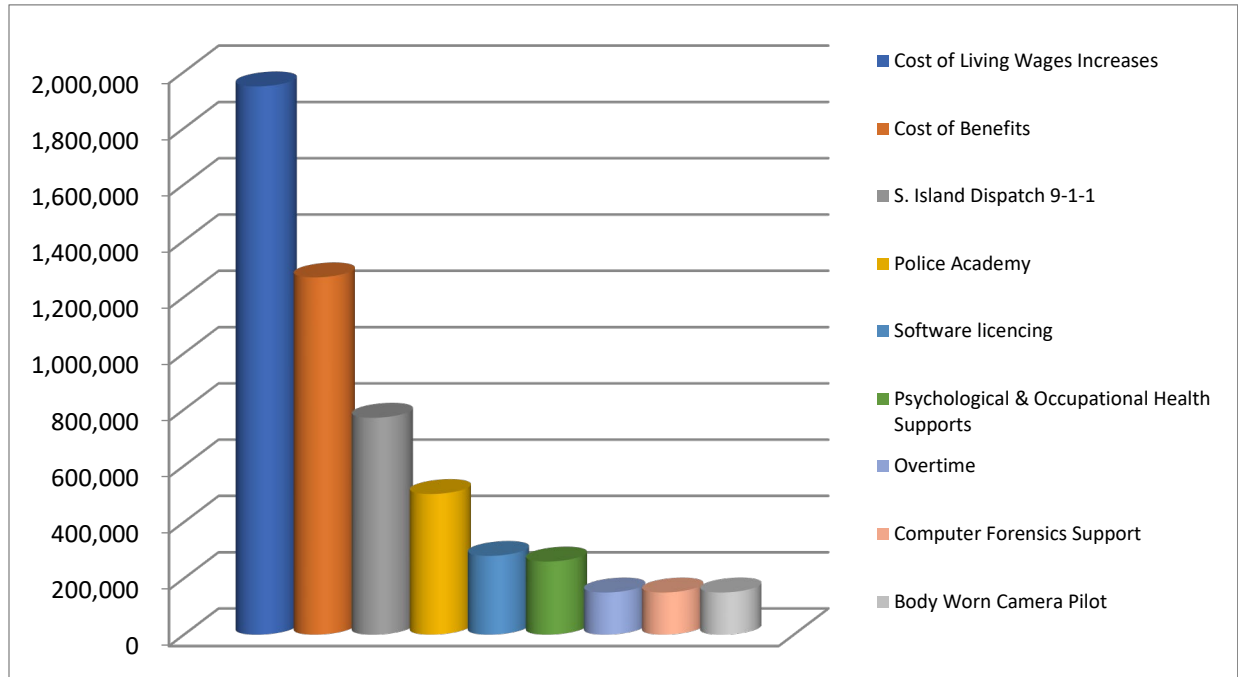
2023 Budget Timeline

Month	Strategy
May 2022	<ul style="list-style-type: none"> Budget package distributed to VicPD managers
June	<ul style="list-style-type: none"> Police Finance Chair & Executive Team meet with City Manager/CAO and Finance Directors to seek input and discuss improvements to the budget process Completion of strategic budgeting and internal review by Chief, Deputy Chiefs and Controller
July	<ul style="list-style-type: none"> Controller to meet with Finance Committee Chair to review proposed budget in detail Presentation of initial core budget and resource requests to Police Board Finance Committee Finance Committee Chair to consult with Victoria Council Finance Committee Chair to consult with Esquimalt Council Finance Committee to provide budget direction to VicPD Executive Special Police Board Meeting to review budget in detail
September	<ul style="list-style-type: none"> Recommendation of Provisional Budget by Finance Committee to Police Board Finance Committee Chair and VicPD Executive to meet with Victoria City Manager, Esquimalt CAO and both Finance Directors to review Provisional Budget in its entirety Police Board approval of Provisional Budget and Joint Board/Councils presentation
November	<ul style="list-style-type: none"> Finance Committee Chair to approve Provisional Budget presentation to Councils
December	<ul style="list-style-type: none"> Presentation of Provisional Budget presentation at Joint Board/Councils meeting
January 2023	<ul style="list-style-type: none"> Presentation of Provisional Budget to Victoria Council Presentation of Provisional Budget to Esquimalt Council City of Victoria Budget Town Hall Meeting
April	<ul style="list-style-type: none"> Final approval of 2023 Provisional Budget by Victoria and Esquimalt Councils

Cost Drivers (and opportunities) for the 2023 Budget

Cost Drivers

- Cost of living wage increases and compensation adjustments to remain competitive with other agencies
- Cost of providing benefits (WorkSafeBC, Extended Health, Dental, etc.)
- South Island Dispatch & 9-1-1 cost increases (staffing and salary increases)
- Police Academy shortfalls no longer covered by Province
- Software licencing cost increases
- Improvements to psychological and occupational health supports to employees
- Increases to overtime for front-line and jail to maintain minimum coverage
- Engagement of computer forensics professional services to improve investigative capacity
- Body Worn Camera Pilot Project



Ongoing Projects to Improve Organizational Effectiveness

- Full year implementation of Digital Evidence Management Software
- Implement Human Resource Information System
- Body Worn Camera Pilot Project

Cost Pressures Beyond 2023

External factors continue to exert pressure on our budget. In the next few years we will face financial pressure from several external sources in particular:

- Increasing costs for 9-1-1 & Dispatch Services
- Increasing costs for recruit training at the Police Academy (JIBC)
- Body Worn Cameras

The levy for the South Island Dispatch Centre will likely increase significantly in both 2023 and 2024. An operational review by PricewaterhouseCoopers recommended significant increases in staffing beyond current levels, which is reflected in the 2023 budget under consideration by the E-Comm Board. Additionally, the costs to implement Next General 9-1-1, which are yet to be identified, will be reflected in the 2024 levy.

The Province previously notified the Police Board of their intent to increase the costs for municipalities for recruit training at the Justice Institute of BC, commencing 2024. We have recently been notified that the timeline has been moved forward to 2022. This decision by the Province will have an unplanned impact on both 2022 and the 2023 budget.

In 2023, we will be implementing a pilot project to assess the viability of Body Worn Cameras. An amount has been included in the 2023 budget for this pilot project. If viable, full implementation would be in the 2024 year and the financial impacts of moving forward on a permanent basis would be presented as part of the 2024 budget.

Other Significant Challenges

- Reform of the *Police Act*
- Framework Agreement arbitration over the allocation of resources to the Dedicated Municipal Divisions
- Uncertainty over the outcome of the provincial review of the 2022 budget
- Uncertainty over the impact the municipal elections will have on Councils' public safety priorities

This spring, the Special Committee on Reforming the *Police Act* released their recommendations. The Province is currently reviewing those recommendations and is yet to lay out an action plan, the impact of which will need to be assessed when available.

An arbitration is underway with regards to proposed changes for the allocation of resources to the Dedicated Municipal Divisions under the Framework Agreement. The final arbitration decision may have a significant impact on the cost of policing for both Councils.

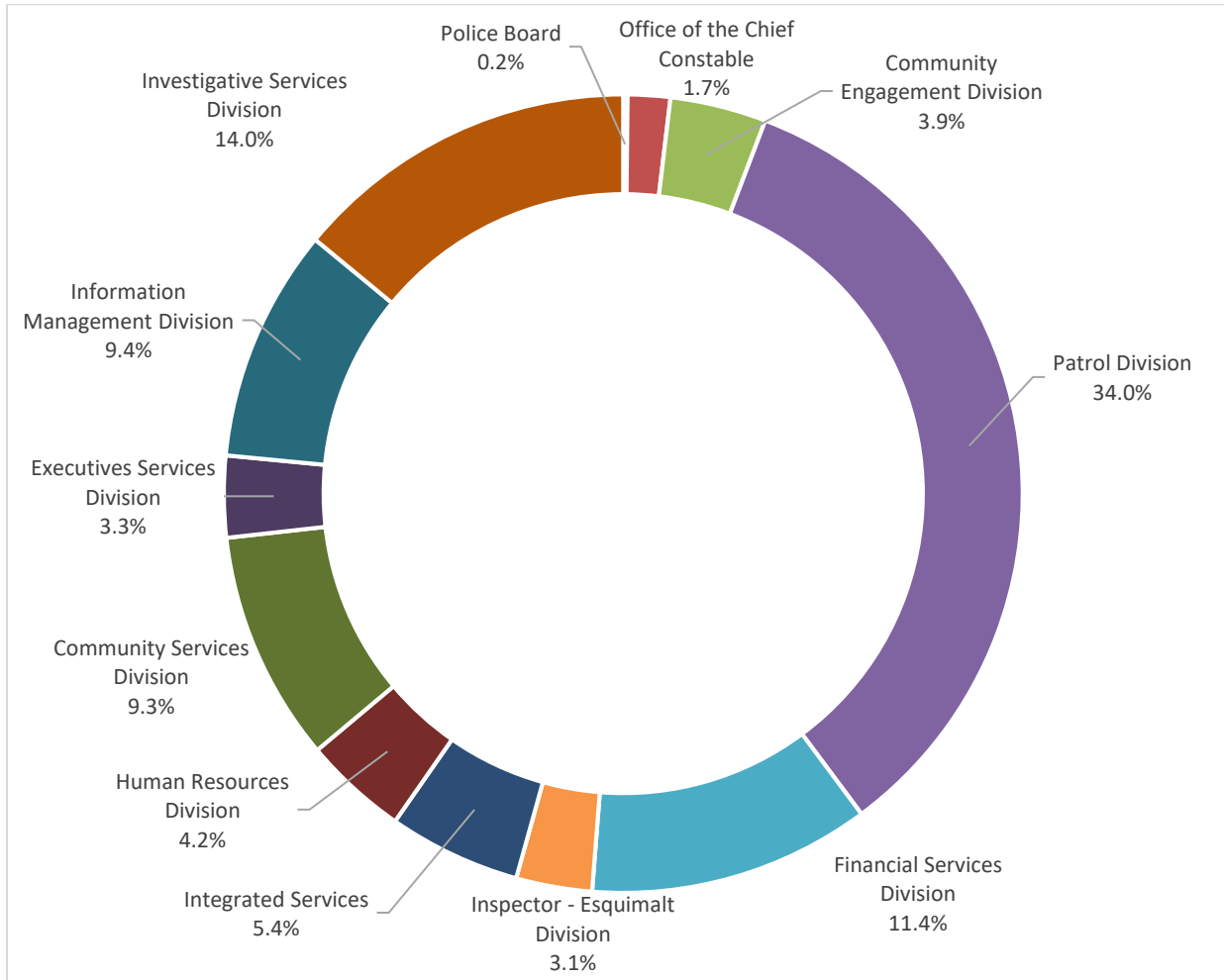
The 2022 Provisional Police Budget was approved in its entirety by Victoria Council but not by Esquimalt Council, who did not approve \$254,000 in overtime expenditure or the addition of six police and four civilian positions for an additional amount of approximately \$1.09 million. These matters are currently under review by the Province per 27(3) of the *Police Act*. The outcome of this decision will impact the police budget.

Due to the timing of the budget process, the Police Board will approve the 2023 Provisional Police Budget prior to the municipal elections. We are seeking input from current Councils on their public safety priorities in order to inform our Police Board whilst making their budget decisions. We also, however, recognize that the new Councils may have different priorities for public safety.

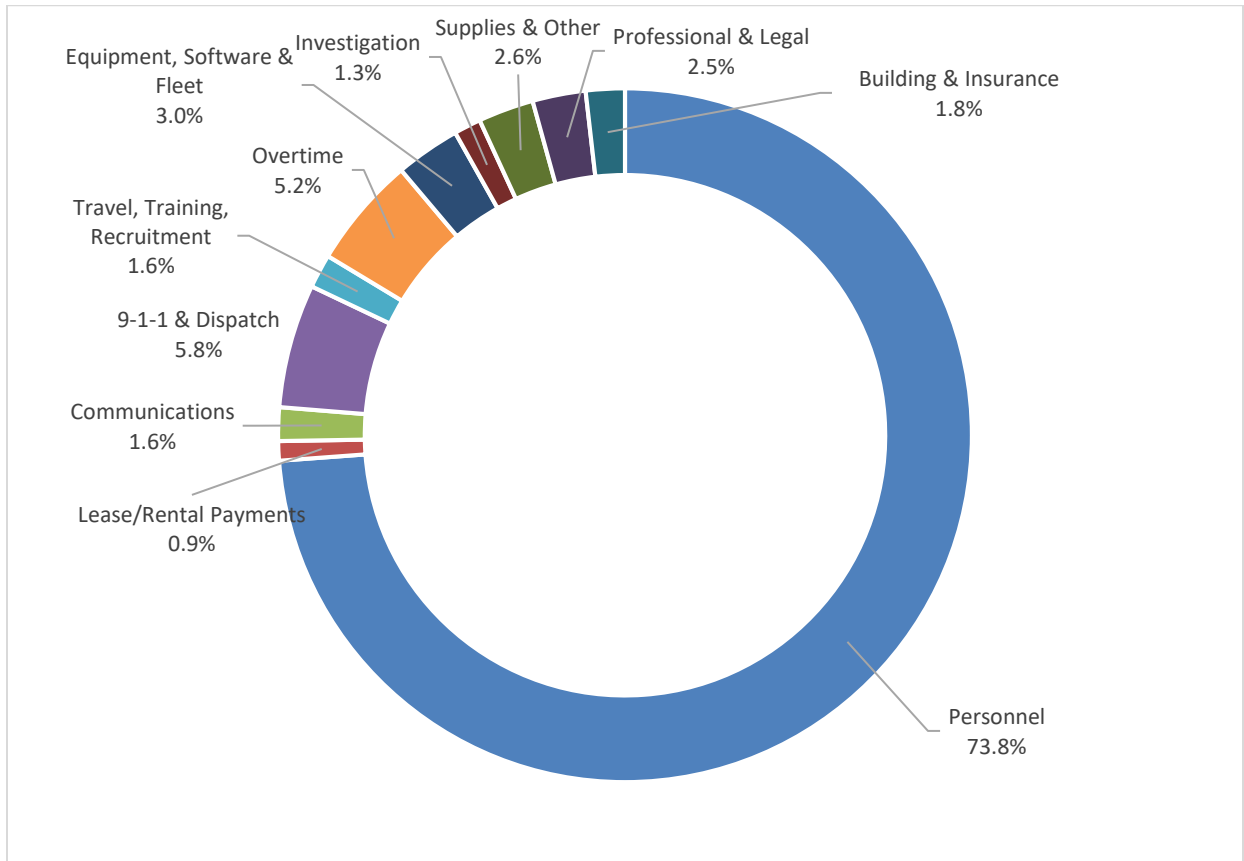
2022 Budget Overview

2022 Operating Expenditures Budget

Operating Expenditures by Services

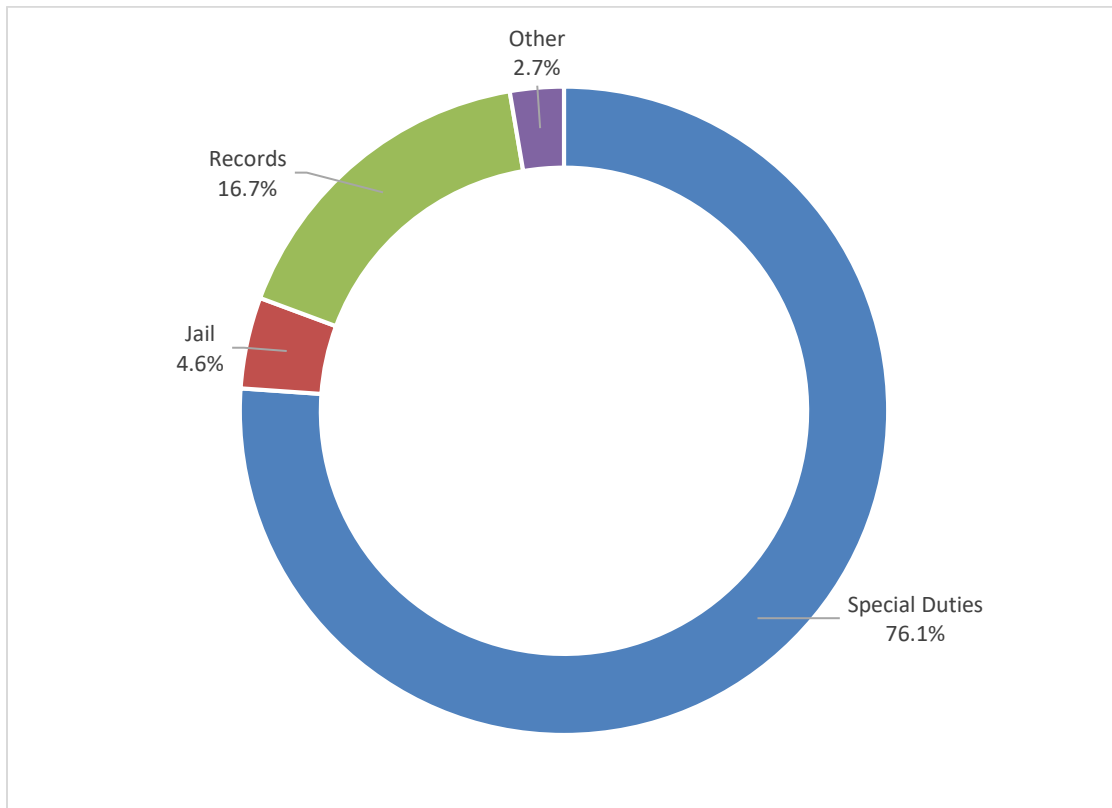


Operating Expenditures by Type



2022 Operating Revenue Budget

- 98% of funding derived from taxation
- Remaining revenues sources broken down as follows, with most being derived from Special Duties



2022 Capital Expenditures Budget

- 2022 transfers to reserves \$1.34 million
- 2022 capital expenditures \$1.34 million

