



## Committee of the Whole Report For the Special Meeting of November 27, 2023

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**To:** Committee of the Whole **Date:** November 14, 2023  
**From:** Susanne Thompson, Deputy City Manager and Chief Financial Officer  
**Subject:** 2024-2028 Draft Financial Plan

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### RECOMMENDATION

That Council:

1. At the November 27, 2023 Special Committee of the Whole meeting, direct staff to bring forward water, sewer, storm drain and solid waste rate bylaws to the December 7, 2023 daytime Council meeting for consideration.
2. Following all presentations and deliberations, in January 2024:
  - a. Direct staff to bring forward amendments to the Streets and Traffic Bylaw to implement parking fine increases as follows:
    - i. Metered zones \$60 with early payment discount of \$30
    - ii. Time-limited zones \$60 with early payment discount of \$30
    - iii. Residential zones \$80 with early payment discount of \$40
    - iv. No stopping zones \$80 with early payment discount of \$40
    - v. Commercial zones \$80 with early payment discount of \$40
  - b. Approve parking rate increase of \$0.50 in the 90-minute zone (from \$3.50 to \$4 per hour) effective April 2024
  - c. Direct staff to bring forward amendments to the Street and Traffic Bylaw for street occupancy fees as follows:
    - i. Increase Public Works Service fee from \$20 to \$50 per visit
    - ii. Increase Sidewalk Occupancy fee from \$10 per 13m<sup>2</sup> to \$20 per 13 m<sup>2</sup>
    - iii. Clarify the Bylaw by specifying a Boulevard Occupancy fee of \$10 per 13 m<sup>2</sup> per day
    - iv. Increase Lane Closure fee from \$25 per lane to a sliding scale fee structure based on street classification as follows:
      1. Local Roads - \$50/lane/day
      - o Collector Roads - \$75/lane/day
      - o Downtown or Secondary Arterial - \$100/lane/day
      - o Arterial - \$250/lane/day
      - o AAA bike lane - \$100/lane/day
  - d. Direct staff to bring forward loan authorization bylaws with a 20-year repayment term for:
    - i. Transportation improvement program up to \$32 million
    - ii. Parks redevelopment program up to \$18 million
    - iii. Public washroom improvement program up to \$ 3 million

- e. Authorize up to \$11 million to be borrowed, under Section 175 of the *Community Charter*, from the Municipal Finance Authority, for the purpose of vehicle fleet funding, and that the loan be repaid within five years, with no rights of renewal
- f. Approve direct-award grants and other grants as outlined on pages 22-25 of this report.
- g. Approve allocating any remaining 2023 surplus to the Buildings and Infrastructure Reserve.
- h. Approve allocating any remaining new assessed property tax revenue from new development to the Buildings and Infrastructure Reserve.
- i. Direct staff to bring forward the 2024-2028 Financial Plan Bylaw, incorporating any changes directed by Council, to the April 11, 2024 daytime Council meeting for consideration.

## EXECUTIVE SUMMARY

The annual financial planning process provides Council the opportunity to provide strategic direction which inform staff's recommendations for allocation of funding and, as a result, set service levels for the City's numerous programs and services. Through this process, Council makes challenging decisions between competing priorities and needs, while considering the community's ability to pay.

Guided by the City's Financial Sustainability Policy, the Strategic Plan, the recently completed budget polling and engagement, and various master plans and strategies, the 2024-2028 Draft Financial Plan includes resources to continue delivering current services; proposes additional resources in key areas to close identified gaps, phased over the next several years; and proposes increases for capital investment to meet prudent asset management requirements. Additional funding to balance the capital budget is required; for this purpose, a tax increase as well as borrowing is proposed.

The City is not alone in experiencing escalating costs, and many municipalities in the region and across the province are facing similar challenges. Contributing factors for the need for additional funding include:

- Cost escalation due to inflation, supply chain challenges and labour shortages which has increased costs across all programs and service areas.
- Construction cost escalation has totalled almost 55% for the past six years and is estimated to increase by at least 5-10% per year for the next three years.
- Climate events have impacted asset condition, necessitating earlier than planned renewal.
- Legislative and regulatory changes have resulted in increased costs, for example for soil removal.
- Additional asset condition and master plan information is providing a longer-term picture of needs and priorities.
- Several larger capital investments were delivered in recent years with funding from reserves.
- In response to the pandemic, Council decided in 2020 to reduce, on an ongoing basis, the transfers to reserves to achieve a 0% tax increase.

On the other hand, non-tax revenues are improving and are partially offsetting these cost pressures. Parking rates were increased in May 2023 and the full-year revenue impact of those are included in the Draft Financial Plan. In addition, some adjustments are proposed for 2024. Rates charged for parking are used to manage parking behaviour to meet the desired turnover rate of 85%. Within parkades and in outlying areas, the target turnover rate is being achieved which suggests that those rates are at an appropriate level for that purpose. However, there is an opportunity to increase rates in the 90-minute zone to encourage more distribution of parking space utilization and increased usage in the other zones. Therefore, it is recommended that parking fees be increased by \$0.50 per hour in the 90-minute zone. Also, parking fines, which have not changed since 2008, are recommended to

be increased. Furthermore, increases to street occupancy fees are recommended. These fees have not been reviewed since the mid 2000's and the cost for the City to deliver these services has increased substantially. Combined, these proposed increases are estimated to generate additional revenue of approximately \$1.7 million, which would reduce the draft property tax increase by approximately 1%.

As directed by Council, reserve funding that was reduced in 2023 for the parking and debt reduction reserves have been reinstated and additional funding for Canada Day has been included. The operating budget also proposes ongoing funding for the Bike Valet program and the Music Strategy stream of the Cultural Infrastructure Grant program. Staff also recommend that the almost \$1 million in funding for downtown beautification through OUR DWNT program is sufficient and the planned \$350,000 can be used to mitigate the tax increase.

Like most Canadian municipalities, the City's largest revenue source is property taxation, followed by user fees. The level of taxation or utility user fee increases needed to balance the budget is calculated by adding the costs of providing the related services offset by any non-tax/non-utility fee revenues. Options available to cities in managing financial resources include adjusting service levels, deferring initiatives, increasing fees, exploring new revenue sources, or incurring debt for capital purposes.

Due to significant cost escalation in recent years and expected continued cost escalation over several years to come, many municipalities are utilizing external borrowing for capital investment. This option is used to avoid eroding the buying power that likely would result by delaying priority projects while saving up in reserves. In other words, cost escalation is expected to outweigh interest paid on borrowing. The proposed funding strategy includes the necessary resources to address asset management and operational needs as well as support the advancement of Strategic Plan priorities.

The draft operating budget totals \$328.3 million, and the draft capital budget totals \$82.6 million. The combined budgets would require a property tax increase as follows:

	<b>2024 Property Tax Increase</b>	<b>Average Household</b>	<b>Typical Business</b>
Capital budget	0.00%	\$ -	\$ -
Repayment of borrowing	0.00%	-	-
Inflationary, contractual cost and revenue increases	5.86%	174	448
Re-instated reserve funding	0.90%	27	69
Canada Day	0.15%	4	11
Bike Valet	0.18%	5	14
Music Strategy grant	0.09%	3	7
Proposed parking rate, street occupancy fees and parking fine increases	-1.00%	- 30	- 76
Proposed unchanged downtown beautification budget (OUR DWTN)	<u>-0.21%</u>	<u>- 6</u>	<u>- 16</u>
	<b>5.97%</b>	<b>\$ 177</b>	<b>\$ 457</b>
VicPD	<u>2.40%</u>	<u>71</u>	<u>183</u>
	<b>8.37%</b>	<b>\$ 248</b>	<b>\$ 640</b>

Budget sessions with Council are scheduled in November and January. Upon conclusion of the discussions, staff will request direction from Council on the overall budget to inform the development of the Financial Plan Bylaw. To enable utility user fees to come into effect on January 1, 2024, it is recommended that the related bylaws be considered for first three readings at the December 7, 2023 daytime Council meeting and adoption on December 14, 2023.

## **PURPOSE**

The purpose of this report is to introduce the 2024-2028 Draft Financial Plan, provide an overview of available financial resources, and outline funding strategies to balance the budget.

## **BACKGROUND**

### **Legislation**

The City's annual budget covers the City's fiscal year which is the calendar year. Therefore, the City typically aims to have an approved financial plan early each year so that staff can start delivering on the various programs and projects as approved by Council.

Section 165 of the *Community Charter* requires that a financial plan be approved annually following public consultation as required by section 166. The financial plan must be approved before the tax rate bylaw is approved, and before May 15 as required by section 197. The financial plan can be amended during the year, but property taxes can only be levied once.

### **Policies**

Three policies guide the financial planning process: Financial Sustainability Policy; Reserve Fund Policy; and Revenue and Tax Policy. These are attached as Appendix A.

The Financial Sustainability Policy consists of 14 separate policies that guide financial plan development. Several policies are especially relevant to this year's Draft Financial Plan as outlined below.

The policies for tax increases and new services include the following:

#### **Tax increases**

- Policy 2: First cover cost increases for existing services, then other enhancements

#### **New services**

- Policy 3: Funding for new services
  - Reduction in cost of existing service (reallocation of funding)
  - Increased revenue other than taxes
  - Tax increase

These two policies support deliberate decision making to minimize unintended consequences. In other words, choosing to reduce a service by reallocating the funding to another service is encouraged rather than underfunding a service, which would result in a service level reduction due to insufficient funding.

The policies on infrastructure funding, debt and reserves aim to provide sustainable funding levels for ongoing capital programs and larger capital projects. They consider intergenerational equity by funding ongoing programs with ongoing revenues, while smoothing out the impact to taxpayers of

larger investment needs in any given year through the use of reserves and debt. They include the following:

#### Infrastructure funding

- Policy 1: New tax revenue from new development, first \$500,000 to infrastructure reserves
- Policy 6: Consider a tax increase for increasing capital infrastructure investment annually
- Policy 11: Strive to develop appropriate reserves to meet future financial obligations
- Policy 12: Once capital projects are completed, ongoing maintenance costs to be included in the operating budget and future upgrade and/or replacement in the capital budget

#### Debt

- Policy 8:
  - One-time capital projects (not ongoing programs)
  - Attempt to take on new debt only in years where other debt issues are retired (avoids tax increases related to new debt)
  - Internal borrowing through the City's Debt Reduction Reserve (lower interest than external borrowing) with maximum 15-year repayment term

Two policies guide revenue review and generation:

#### Fees and Charges/Alternative Revenues and External Funding

- Policy 9: Fees and charges to be reviewed regularly considering the cost of providing the service, consider minimum increase equal to inflation (CPI)
- Policy 5: To diversify revenue base, look for new revenue sources and external funding that are consistent with the Five-year Financial Plan, 20-year Capital Plan and Strategic Plan

One policy guides the use of prior year surplus which is generated by expenditure budgets not been fully expended or revenues exceeding the budgets:

#### Surplus

- Policy 10: Surplus is not ongoing revenue and is to be used for one-time expenditures only or transferred to infrastructure reserves

#### **Guiding Documents**

The Financial Plan is the end result of a larger planning process. The Draft Financial Plan is developed based on direction provided through the Strategic Plan, various master plans, frameworks, condition assessments, action plans and strategies. The priorities identified in each of these plans feed into the Draft Financial Plan. Significant consultation with the public is also part of developing many of these plans. The following lists some of the plans and strategies in place:

- Official Community Plan
- Local Area Plans
- Victoria Housing Strategy
- Climate Leadership Plan
- Victoria 3.0 Economic Action Plan
- Parks & Open Spaces Master Plan
- Urban Forest Master Plan
- Create Victoria
- Victoria Music Strategy
- Public Realm Plan

- Harbour Pathway Plan
- GoVictoria Mobility Strategy
- Accessibility Framework
- Equity Framework
- Greenways Plan
- Pavement Asset Management Plan
- Sewer System, Water System, Stormwater System Master Plans
- Surface Infrastructure Asset Management Plan
- Facilities Condition Assessments

## **Financial Plan Overview**

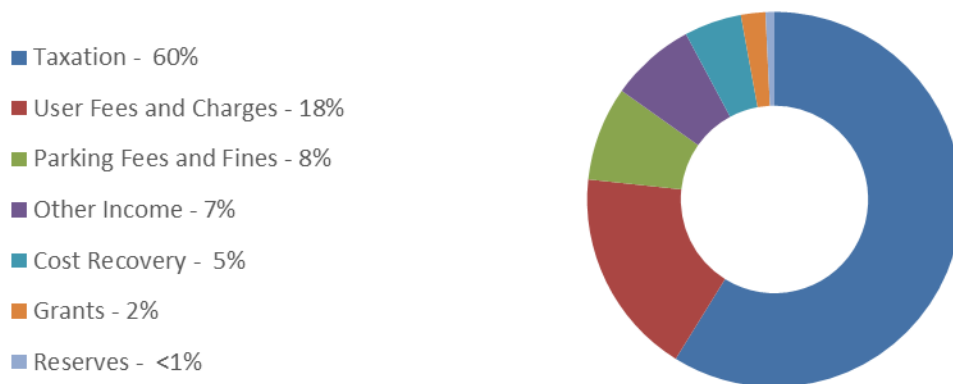
The Financial Plan includes a five-year operating budget and a twenty-year capital plan. The plan outlines high-level overviews of the various services, programs, projects and initiatives and the associated budgets.

### Operating Budget

The operating budget includes resources to deliver approximately 200 services including recreation, road maintenance, the provision of clean water, land-use planning, solid waste collection, arts and culture programs, parks and playground maintenance, and public safety.

The majority of the City's funding comes from property taxes and utility user fees from the water, sewer, solid waste and stormwater programs. The City has some additional revenue sources, including parking, construction permit fees, recreation, Victoria Conference Centre, business licences and property leases.

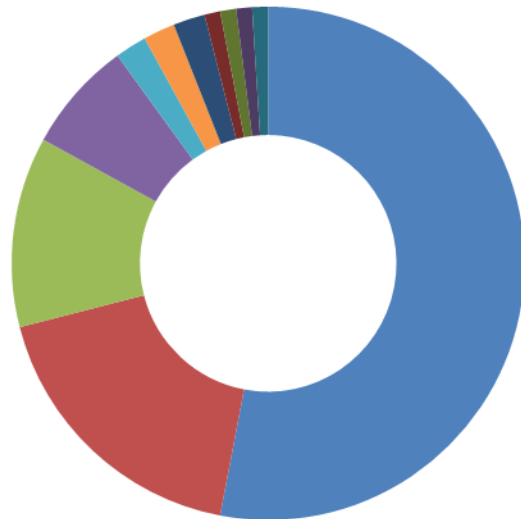
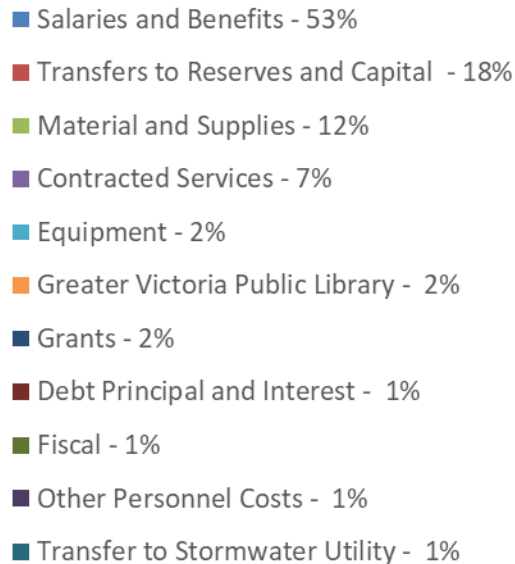
### **Operating Revenues by Type**



How each service is funded ranges from full funding from user fees (water, sewer and solid waste utilities; development approval and permit processes; and parking services), and partial funding from user fees (stormwater utility, Victoria Conference Centre, and recreation) to fully funded by property taxes (police, fire bylaw and most corporate support functions.)

The majority of the City's services are delivered by staff and, therefore, the largest cost type is salaries and benefits, followed by transfers to reserves and capital budget, contracted services, and materials and supplies.

## Operating Expenditures by Type

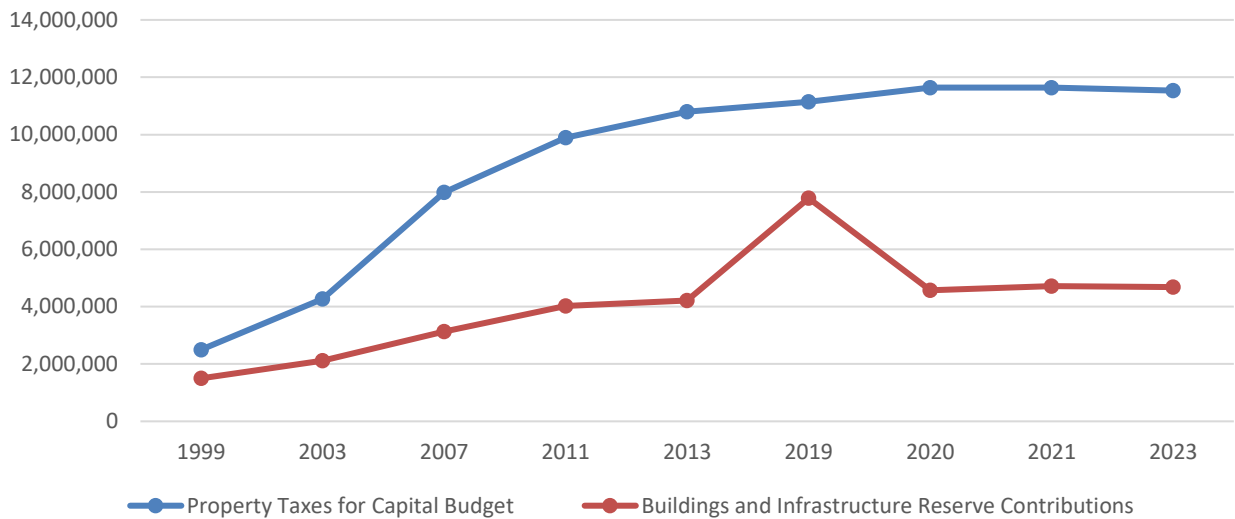


### Capital Budget

The capital budget includes the various programs and projects to upgrade and rehabilitate the City's infrastructure. Funding for the capital budget includes user fees (water, sewer and stormwater infrastructure), grants received for specific projects, property taxes and reserves. Reserve funding is primarily generated through allocations from property taxes and user fees, but also from development cost charges and Federal contributions from the Canada Community-Building Fund. Ongoing programs are typically funded by property taxes/user fees or reserves. Larger projects, such as a bridge replacement or construction of an arena, have primarily been funded through grants and debt, which is consistent with the City's debt policy.

Capital plan funding levels are determined through policy decisions, taking into account the City's risk tolerance. Historically, Council has increased property taxes for capital projects that address deferred maintenance for roads, facilities and storm drains. Since 1999, Council has increased annual capital budget funding through property taxes from \$2.5 million to \$11.5 million. As per the Financial Sustainability Policy, additional funding decisions through an increase in property taxes, will be considered by Council based on proposed projects identified by staff. In addition, savings in reserves were increased from \$1.5 million in 1999 to almost \$11.3 million in 2019. However, in 2020, due to the pandemic, Council implemented a 0% tax increase by reducing the annual contribution to reserves by approximately \$4.6 million as shown in the graph below.

## Capital Funding Changes 1999-2023



The majority of the City's infrastructure investment is guided by asset master plans and condition assessments which use a range of criteria to determine priorities.

Underground utilities (sewer, storm drains and water) have 20-year asset master plans in place. Asset management planning, and lifecycle costing and analysis include:

- Risk assessment and service delivery
- Condition assessment and remaining design life
- Capacity requirements including future population growth
- Enhance resiliency to meet climate change, tsunami and seismic hazards
- Reduce rain inflow and infiltration to sewers
- Optimizing energy use

Additional factors taken into account are:

- Coordination with transportation or other right-of-way improvements (bundling of projects)
- Consideration of social impacts (network traffic flows) in a neighbourhood due to the number and location of other scheduled projects

For transportation projects, there are many and varied programs and services provided including crosswalks, sidewalks, road paving and traffic calming. Each program considers a number of criteria, but the overall principles for all transportation projects are:

- Road safety
- Use of standards, established criteria and best practice
- Consistency of implementation to maintain system integrity
- Promoting projects fairly and equitably with the most impact and greatest benefits
- Fiscal responsibility and prudence
- Coordination opportunities

The Parks and Open Spaces Master Plan was developed through city-wide consultation with residents and other stakeholders, to assess community needs and examine investment priorities. The goals of the Plan include a focus on serving the needs of all community members (*Foster Engaging Experiences for Everyone*). The ongoing maintenance work relating to "grey" and "green" assets in



parks and open spaces is primarily driven by condition assessment data, which provides an objective measure of the state of assets in these public spaces. In 2023, Council directed staff to prioritize capital investments relating to parks and recreation through the approval of a detailed list of initiatives. These investments have been incorporated into the Draft Financial Plan.

The City's investments in buildings are typically based on a few key factors, including data relating to the physical condition of these assets and systems, as well as the service priorities of occupants of these buildings. In recent years, increased focus has been directed to quantifying and addressing physical accessibility needs, as well as energy performance, in line with the City's overall strategic plans.

Attached as Appendix C are examples of asset highlights for three of the City's asset groups showing their varying levels of risk and financial health.

## **ISSUES & ANALYSIS**

Each year, service levels are assessed to determine resource requirements and delivery options. Improvements are continually explored and implemented by staff as a matter of course. The majority of the City's services are delivered by City staff, augmented by contracted support for specialized expertise or work volumes beyond existing capacity. To achieve results, cross-departmental teams collaborate and provide support to the many initiatives and projects undertaken. For the capital budget, some funding is allocated to all asset groups and, as asset management information is updated, proposed budget increases are typically implemented incrementally over time recognizing taxpayers' ability to pay balanced with the responsibility to appropriately steward the City's assets.

### **Financial Policy Alignment**

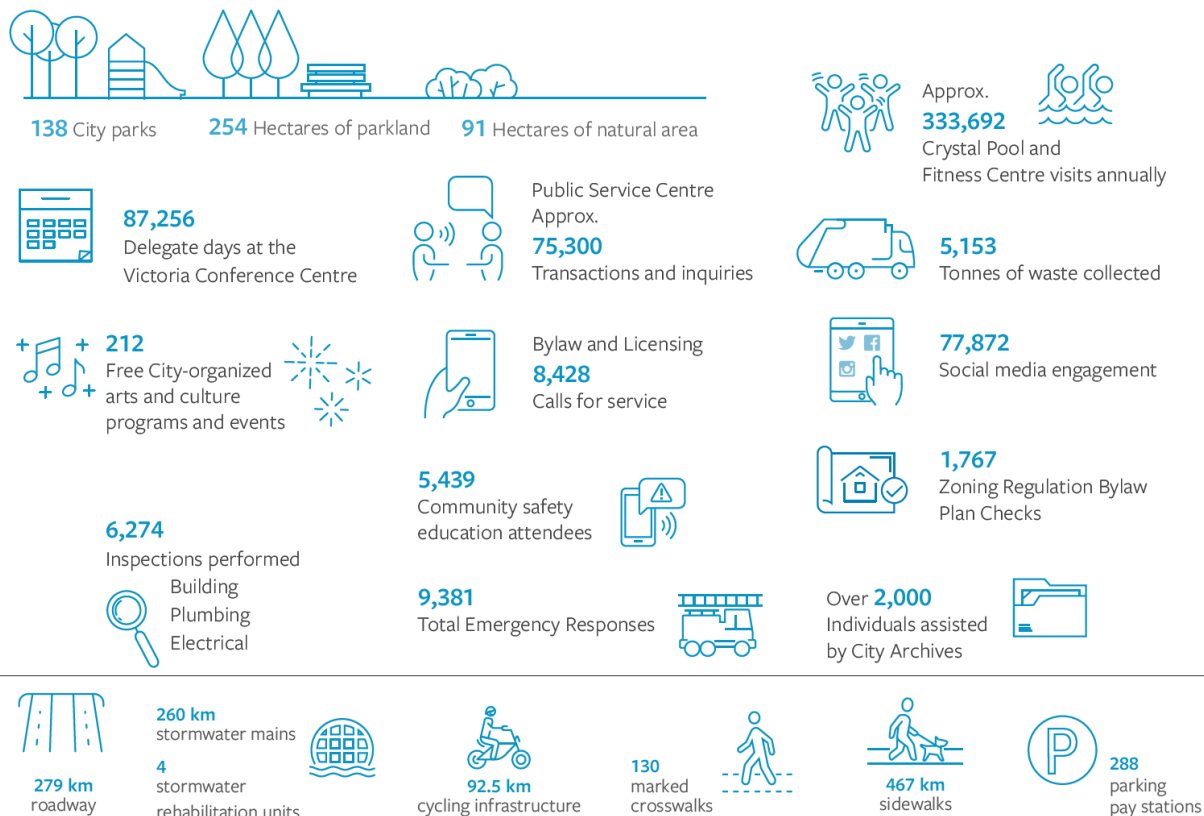
The recent budget engagement results suggest that the City's Financial Sustainability Policy aligns well with what was heard in relation to financial tools and balancing the City's budget. Seeking out new revenues is identified as the preferred financial tool ahead of increasing property taxes or fees. Also, reduction in service levels was preferred over tax increases. This supports the current policies on alternative revenue and external funding, and new services or enhancements to existing services.

### **Operating Budget**

#### **Overview**

As outlined in the Draft Financial Plan, the City delivers approximately 200 programs and services.

## Highlights of City Services



The Draft Financial Plan assumes that services will generally continue to be delivered at existing levels. Inflationary increases included in the budget are based on either Council direction or input from department heads with data to support such adjustments. Several ongoing challenges, common to many organizations, are reflected in the Draft Financial Plan, including market cost pressures relating to compensation, utilities, insurance, construction, and the supply of materials, services and equipment. In addition, extreme weather events (heat, cold, wind, flooding) continue to impact the City's asset planning and management activities. Finally, new legislative requirements and standards coming into effect are anticipated to result in additional costs for the City.

An essential focus for the 2024-2028 operating budget is proposed staffing increases for our Fire Department to meet the increasing service demands and complex needs of a growing city. A community's risk profile is influenced by several factors including population growth, increased densification, building design and complexity, call volume, and residents with specialized needs and requiring specialized support. Increased staffing is required to meet the immediate and future needs of Victoria, to reduce our community risk, to increase our resilience, to empower and prepare our residents, and to meet our legislated responsibilities.

The operating budget proposes ongoing funding for the Bike Valet program and the Music Strategy stream of the Cultural Infrastructure Grant program, which previously had been funded through one-time funding sources. As directed by Council, grant programs have been increased by inflation, an additional \$250,000 has been included to support Canada Day celebrations, and reserve funding that was reduced in 2023 for the parking and debt reduction reserves has been reinstated. The draft budget also incorporates some key positions to bridge identified gaps and support overall operations

of the City. It is expected that employee turnover due to retirements and resignations will continue, and as a mitigation strategy, it is proposed to use the expected salary savings to reduce the property tax increase; a practice that has been in place for the last several years.

As part of the 2023 financial planning process, Council directed that a portion of the May 2023 parking rate increase be used to fund downtown beautification. The 2023 OUR DWTN program was a cross-departmental effort including recreational and cultural programming, events, murals and beautification projects, placemaking initiatives at Ship Point, Centennial Square and Broad Street, dedicated public works downtown staff, a Scrub Up Day, Feet on the Street safety initiative, and a strong promotional and branding campaign. Due to staff capacity to manage this program within existing staff resources, it is recommended that the budget and service levels remain unchanged for 2024 and the additional \$350,000 funding be used to mitigate the property tax increase.

### Revenues

The City's main sources of revenue through fees and charges are updated regularly and, in most cases, annually. Examples include:

- Victoria Conference Centre – updated annually based on bookings
- Water, sewer, storm drain, and solid waste user fees – updated annually
- Real estate leases – budgets updated to market as new leases or renewals are entered into
- Recreation fees – updated annually typically
- Development and construction permit fees – charged as a percentage (approved around 2017) of construction value and revenues increase as construction costs increase
- Parking revenues – updated annually typically

The City also has a small revenue stream from bus shelter advertising (approximately \$150,000.) The recent budget survey indicated support for exploring sponsorship and advertising opportunities. While likely a longer-term measure, staff intend to explore options and will report back to Council as soon as possible.

Parking revenues were increased in May and the 2024 budget reflects the full-year revenues of that increase. The Victoria Conference Centre revenues budgets have been increased as has the revenue from property leases. Permit revenues related to development and construction are held at the 2023 level to align with the expected activity level and are augmented through a transfer from a reserve specific for this purpose to cover associated costs for that service.

To reduce the property tax increase required to support ongoing service delivery, staff propose increasing some fees related parking and street occupancy.

Parking fees are used as a lever to influence parking behaviour to meet the desired turnover rate of 85%. To shift usage patterns, rate increases would be implemented for areas that require higher turnover, while rates would be maintained or reduced in areas with excess capacity. Within parkades and in outlying areas, the target turnover rate is being achieved and/or there is capacity, which suggests that those rates are at an appropriate level. However, there is an opportunity to increase rates in the 90-minute zone to encourage more distribution of parking space utilization and increased usage in the other zones. Therefore, it is recommended that parking fees be increased by \$0.50 per hour in the 90-minute zone.

Also, parking fines, which have not changed since 2008, are recommended to be increased. While fine rates vary between municipalities, many operate parking violation schemes by offering a discount for early payment. The following table is provided for context of what some others have in place:

	Hamilton	Winnipeg	Calgary	Vancouver	Kelowna*	Oak Bay	Saanich	Esquimalt
<b>Metered zones</b>	\$65 / 25	\$60 / 45	\$50 / 40	\$77 / 46.20	\$30	\$15 / 10	NA	NA
<b>Time limit zones</b>	\$70 / 30	\$70 / 52.50	\$50 / 40	\$77 / 46.20	\$35	\$15 / 10	\$65 / 50	\$50 / 25
<b>Residential zones</b>	\$75 / 35	\$70 / 52.50	\$50 / 40	\$100 / 60	\$35	\$15 / 10	\$65 / 50	\$50 / 25
<b>No stopping zones</b>	\$120 / 80	\$70 / 52.50	\$50 / 40	\$100 / 60	\$35	\$15 / 10	\$65 / 50	\$50 / 25
<b>Commercial zones</b>	\$120 / 80	\$70 / 52.50	\$50 / 40	\$100 / 60	\$35	\$20 / 15	\$65 / 50	\$50 / 25

\*Note: Kelowna offers a discount, but the amount is not clear

The following table outlines the proposed parking violation increases:

	Current Bylaw Amount	Current Discount Amount	Proposed Bylaw Amount	Proposed Discount Amount
<b>Metered zones</b>	\$ 40.00	\$ 20.00	\$ 60.00	\$ 30.00
<b>Time limit zones</b>	40.00	20.00	60.00	30.00
<b>Residential zones</b>	60.00	30.00	80.00	40.00
<b>No stopping zones</b>	60.00	30.00	80.00	40.00
<b>Commercial zones</b>	60.00	30.00	80.00	40.00

In addition, street occupancy fees have not been increased since the mid 2000's. To better align with City priorities and to prioritize safety of vulnerable road users, the proposed fee changes are as follows:

- Increase Public Works Service fee from \$20 to \$50 per visit. The current fees do not cover the cost of providing the service.
- Increase Sidewalk Occupancy fee from \$10 to \$20 per 13 m2. This increase supports pedestrian prioritization.
- Clarify the bylaw by specifying a Boulevard Occupancy fee of \$10 per 13 m2 per day. This fee would support current practices.
- Increase Lane Closure fee from \$25 per lane to a sliding scale fee structure based on street classification as follows:
  - Local Roads - \$50/lane/day
  - Collector Roads - \$75/lane/day
  - Downtown or Secondary Arterial - \$100/lane/day
  - Arterial - \$250/lane/day
  - AAA bike lane - \$100/lane/day

The proposed rate increase in the 90-minute zone, the parking violation increases, and the street occupancy fee changes are estimated to generate additional revenue of approximately \$1.7 million for 2024. Combined, these changes would reduce the draft property tax increase by approximately 1%.

### Utilities

The major cost drivers for the City's utilities are salaries, materials and equipment, CRD tipping fee and bulk water rate increases, and increased funding for the capital budget. For the average household there would be an annual increase of \$13 for water, \$7 for sewer, \$15 for stormwater, and \$16 for solid waste.

<b><u>Water Cost Drivers</u></b>	<b>Dollars \$</b>	<b>Percentage %</b>
Salaries & Benefits	\$ 189,460	0.76%
CRD Water Purchase	851,770	3.42%
Materials & Equipment	149,180	0.60%
Soil Testing	60,000	0.24%
Transfer to Capital	187,000	0.75%
<b>Total</b>	<b>\$ 1,437,410</b>	<b>5.77%</b>

<b><u>Sewer Cost Drivers</u></b>	<b>Dollars \$</b>	<b>Percentage %</b>
Salaries & Benefits	\$ 253,100	2.71%
Materials & Equipment	143,180	1.53%
Soil Testing	142,500	1.53%
Transfer to Capital	34,000	0.36%
<b>Total</b>	<b>\$ 572,780</b>	<b>6.13%</b>

<b><u>Stormwater Cost Drivers</u></b>	<b>Dollars \$</b>	<b>Percentage %</b>
Salaries & Benefits	\$ 344,220	4.35%
Materials & Equipment	246,860	3.12%
Soil testing	122,500	1.55%
Transfer to Capital	(85,000)	(1.07%)
<b>Total</b>	<b>\$ 628,580</b>	<b>7.94%</b>

<b><u>Solid Waste &amp; Recycling Cost Drivers</u></b>	<b>Dollars \$</b>	<b>Percentage %</b>
Salaries & Benefits	\$ 91,910	2.55%
Materials & Equipment	(26,180)	(0.73%)
Transfer Station	200,000	5.54%
<b>Total</b>	<b>\$ 265,730</b>	<b>7.36%</b>

Staff are proposing to bring forward bylaws for rate increases to the December 7 daytime Council meeting for consideration of first, second and third readings followed by adoption at the December 14 daytime Council meeting. Bringing the bylaws forward in this manner will authorize the increases to come into effect on January 1, 2024.

### Greater Victoria Public Library (GVPL)

The City's share of the GVPL's operating and facility maintenance budget request, and the City's lease and building costs for its branches is estimated at \$5.99 million, which is an increase of

approximately \$230,000 (4%) and equates to a tax increase of 0.14%. The Library Board and staff are scheduled to present their budget request to the City on November 23.

Victoria and Esquimalt Police Board

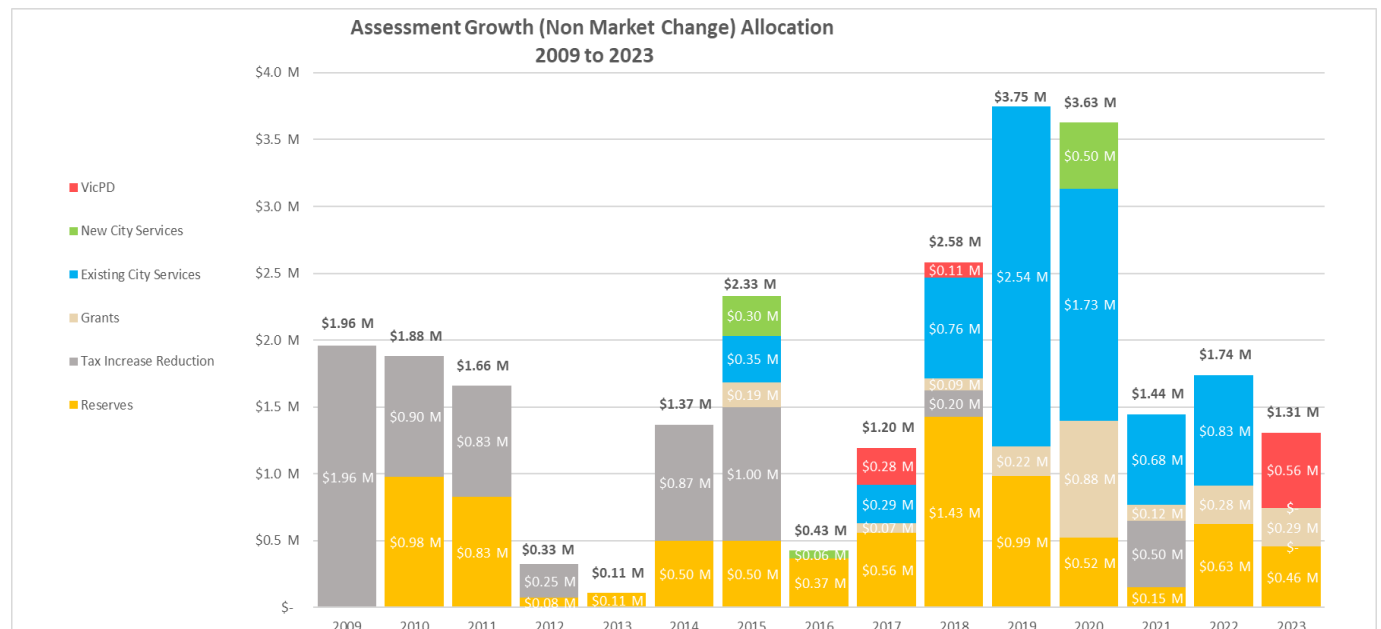
The Police Board approved VicPD’s provisional budget on November 3, 2023, and it was presented at the joint Police Board, Esquimalt Council and Victoria Council budget meeting on November 7, 2023. Their request totals approximately \$72.1 million which is an increase of 6.86% compared to 2023. Victoria’s share (86.33%) would result in a tax increase of 2.4%. This has been factored into the Draft Financial Plan.

However, the section 27 appeal under the *Police Act* to the Director of Police Services from 2023 is still pending and, if approved, would be an additional \$1.99 million or 2.95% resulting in an additional tax increase of 1.03% for Victoria’s share.

New Property Tax Revenue from New Development (Non-Market Change/NMC)

As per the Financial Sustainability Policy, the first \$500,000 of new property tax revenue resulting from new construction is transferred to reserve and this has been incorporated into the draft.

Over the last decade, Council has allocated the majority of the new tax revenue for capital investment (savings in reserves) and reducing the annual tax increase (essentially offsetting inflationary increases for existing services) and, more recently, to fund new services as illustrated in the graph below:

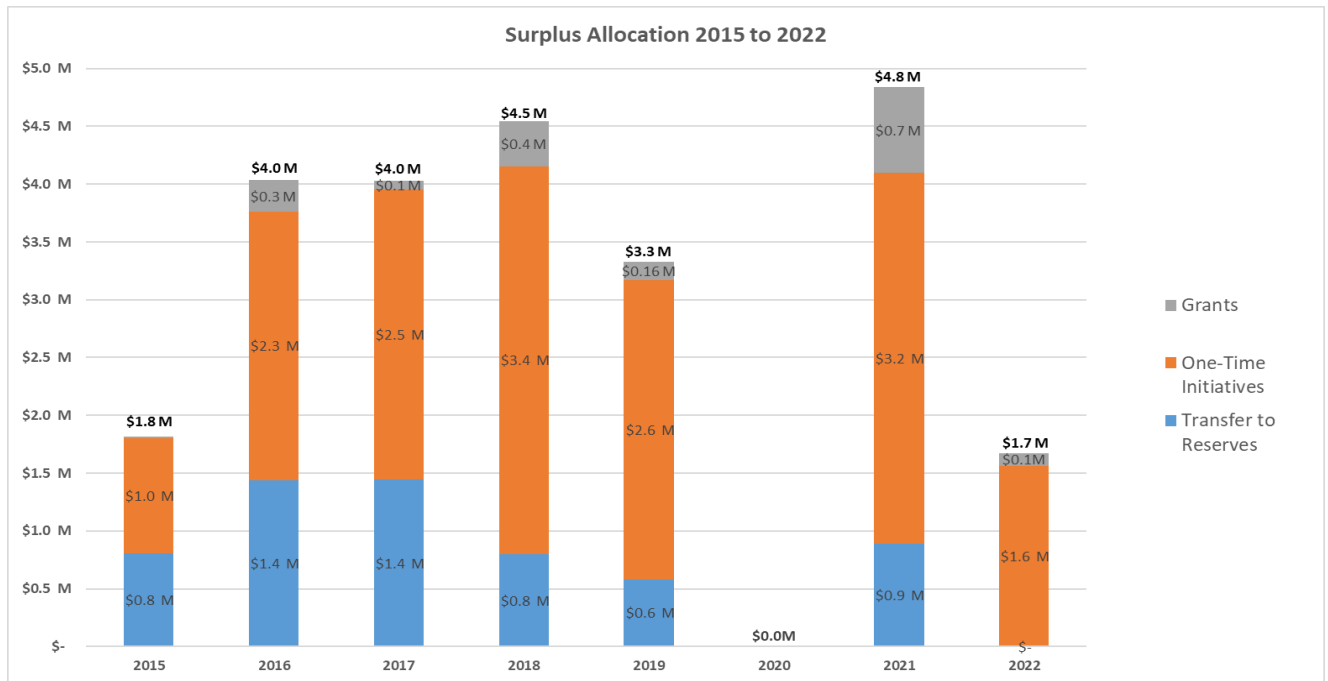


The current estimate for this new revenue, based on information provided by BC Assessment, is approximately \$600,000. However, this is based on incomplete information and the final amount will not be known until the end of March when BC Assessment has finalized the assessment roll for the year, but it will be different than the current estimate. As outlined in the Capital Budget section below, significant additional funding is required to support the proposed capital investment for buildings and other infrastructure. Therefore, it is recommended that all new property tax revenue from new development be transferred to the Buildings and Infrastructure Reserve.

### 2023 Surplus

A surplus is created when revenues exceed budget expectations and/or actual expenditures are lower than expected. Per the Financial Sustainability Policy, since surplus is not ongoing, it should only be used for one-time items or be transferred to infrastructure reserves. The actual amount of surplus will not be known until year-end activities have concluded and the City’s financial statements produced. At this point, it is estimated that the surplus will be approximately \$1.5 million. This amount has been built into the draft plan and is proposed to fund the program that is focused on mitigating the impacts of overnight sheltering in public space (\$1.485 million) and the continuation of the parks relocation coordinator (\$94,000.) It is recommended that any remaining amount in addition to what has already been allocated be transferred to the Buildings and Infrastructure Reserve.

For historical reference, the following graph outlines the surplus allocation for the past several years:



### Five-Year Operating Budget

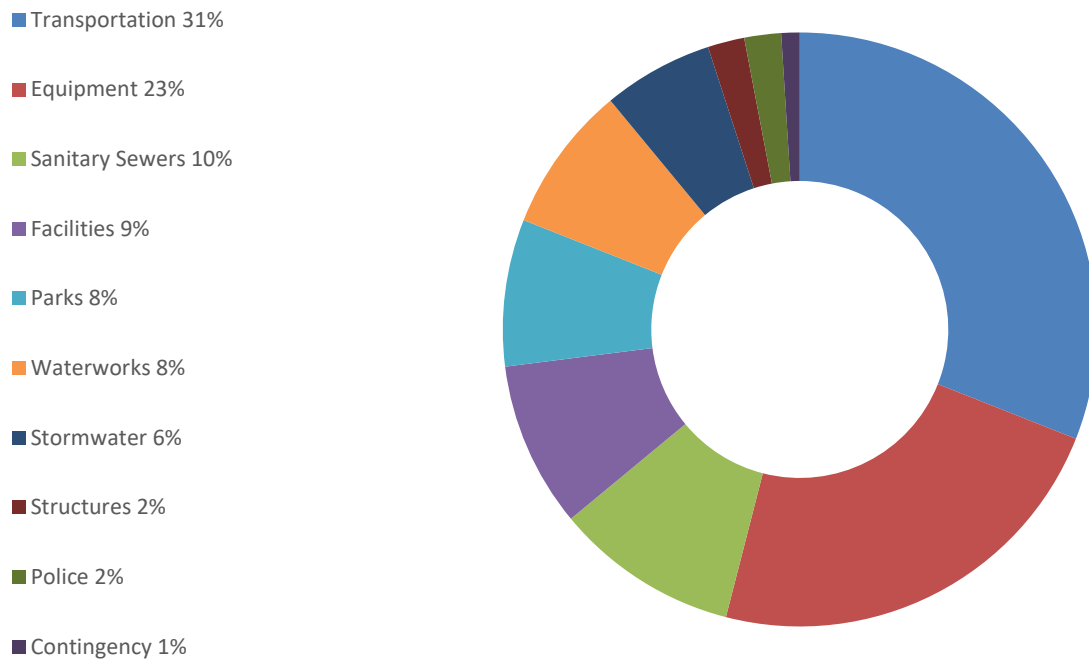
To develop the future years of the five-year operating budget several assumptions have been incorporated including: no changes to services or service levels; collective agreement increases (if in place); known cost increases, such as hydro, at already announced rates; and unknown cost increases (the majority) at an inflationary factor of 2%. It is likely that new information will emerge, and any cost implications would be factored into future financial plans.

## **Capital Budget**

### Overview

The draft capital budget for 2024 totals \$82.6 million. The following chart outlines the proposed capital investment:

### **Capital Expenditures by Category**



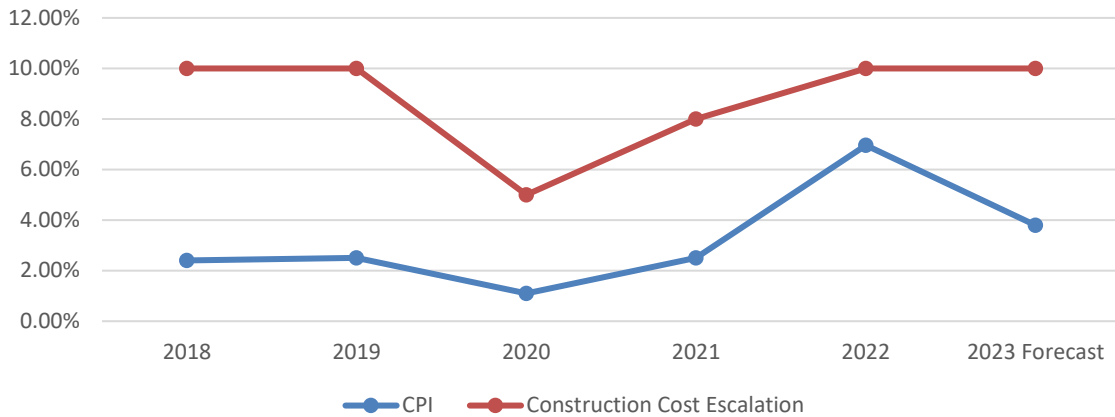
The capital budget was developed based on the principle that all asset groups are allocated some funding. In addition, as outlined in the background section of this report, the annual capital investment needs are determined through asset master plans, condition assessments and Council direction. Asset master plans outline the level of funding that is considered sustainable to maintain or improve service levels, and the priorities for infrastructure investment.

This year, new condition assessment and master plan information is available which provides a longer-term picture of needs. In addition, and as previously noted, the City is experiencing significant cost escalation due to market conditions, supply chain challenges, and new regulations. Furthermore, climate events have negatively impacted asset condition; in some instances, this is necessitating earlier than planned renewal. Also, Council has provided specific direction on sequencing of major investments in parks and recreation, and this direction has been incorporated. When taking all into account, the scale of proposed capital investments anticipated over the next five years is significantly higher than in recent years.

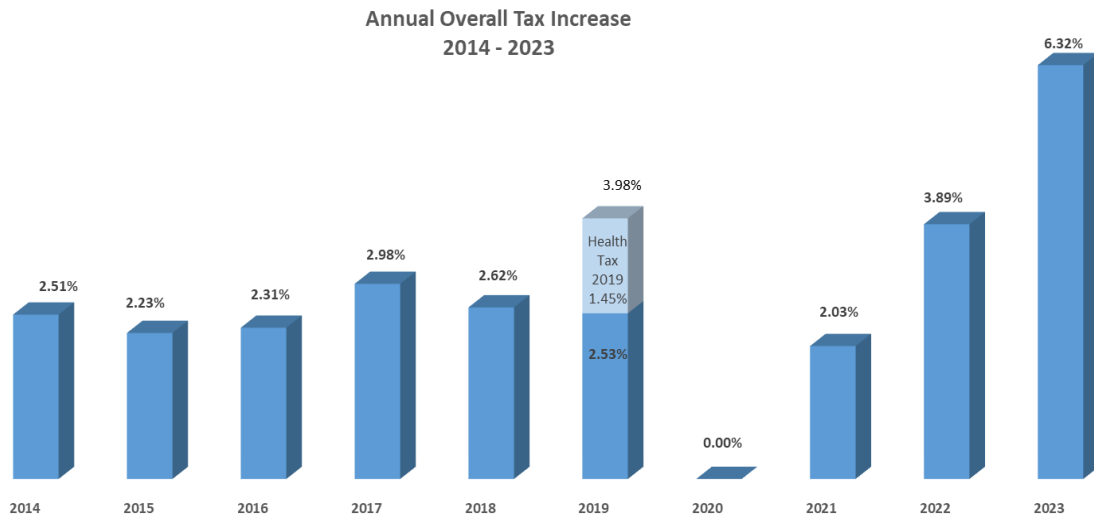
In addition, cost escalation is expected to continue for several years to come, especially related to construction which is estimated to increase by at least 5-10 % per year for the next three years. This is following construction cost escalation totalling almost 55% for the past six years. This has significantly impacted budgets for materials, supplies and contracted services. Construction costs have far exceeded CPI over the last several years:



### CPI vs Construction Cost Escalation



For additional context, the City’s historical tax increases have been relatively low, especially compared to the construction cost increases over the last six years:



In light of this, the available funding is insufficient to balance the capital budget and new funding is required. Contributing factors include:

- the use of reserves in excess of additions to them over the last several years for several larger projects such as:
  - Multi-modal Corridor implementation
  - Topaz Park improvements
  - Point Ellice Bridge life extension project
  - Dallas Road Seawall Ballustrade
  - Purchase of 926-930 Pandor Avenue
- Council’s decision in 2020, in response to the pandemic, to achieve a 0% tax increase through an ongoing reduction in the contributions to reserves.

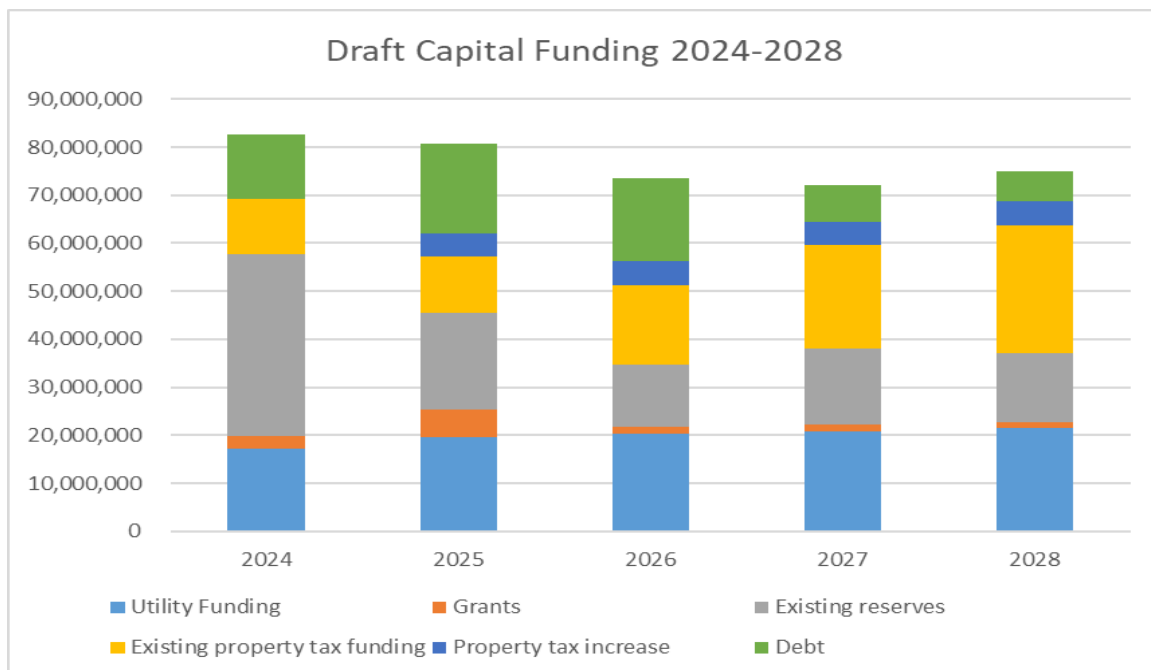
The annual reserve contribution reduction was \$4.6 million and had it not been implemented, reserve levels would be almost \$20 million higher today than they currently are and the City would have continued to collect almost \$5 million more in capital funding each year.

To bridge the capital budget funding gap, staff recommend that an annual tax increase of 3% specific for the capital budget be implemented starting in 2025 for six years, and that external borrowing be used for several larger projects, consistent with the Financial Sustainability Policy. The proposed projects are:

- Vehicle and Heavy Equipment Replacements (equipment loan) \$10.71 million
- Government Street Refresh \$4.7 million
- Multi-modal Corridor Improvements \$26.96 million
- Public Washroom Improvements \$2.96 million
- Park Redevelopment Program \$17.69 million

The *Community Charter* contains provisions for external borrowing, including limits, voter assent requirements and approval by the Inspector of Municipalities. Currently, the City’s existing borrowing levels are below the threshold that would require voter assent through an alternative approval process or referendum. The “assent free zone” changes as revenue levels and interest rates change and as existing debt issues are repaid, but currently it is estimated at approximately \$65 million. This means that the City has the ability to borrow externally up to that amount without voter assent. The process to do so requires a loan authorization bylaw which requires approval by the Inspector of Municipalities. This gives the City the authority to borrow, but the actual borrowing would not take place until the funding is needed for the identified projects. While borrowing would assist in bridging the current gap in funding for the capital budget, it is important to note that the repayment of any new debt would require a debt principal and interest repayment budget and tax increase in future years.

The following graph shows how the current gap in funding could be closed with the use of increased property tax funding (dark blue) as well as external borrowing (green). It is estimated, based on current information, that this funding strategy would result in sufficient annual funding for the City’s ongoing life-cycle replacement/upgrade capital programs for existing assets in approximately seven years.



Additional funding would be needed for larger stand-alone projects such as central library replacement and Ship Point. Also, as previously directed, and consistent with the debt policies in the Financial Sustainability Policy, the replacement of Crystal Pool would be funded by borrowing and would be added to the Financial Plan once the scope and costs have been determined. Depending on the timing, the debt repayment may be able to be partially offset by other debt issues falling off but will likely require a property tax increase as well.

### 20-Year Capital Plan

For many capital investments, such as underground infrastructure and complete streets projects, longer-term asset master plans identify the priority order of renewals for coming years and decades. Those plans also indicate the estimated funding for those renewals. For these investments, ongoing budgets have been included in the 20-year capital plan.

Where future year budgets are yet to be determined due to scoping work underway, the capital plan indicates “TBD” (to be determined).

It can be difficult to determine the exact funding needs far into the future, therefore all future year amounts are best estimates only.

### Reserves

Reserves are set up to save up funding for future investment with the intent of smoothing out the impact on taxpayers, especially in years where larger than typical investments are needed. The Reserve Fund Bylaw outlines the purposes and authorized uses for each reserve and the Reserve Fund Policy further details each reserve.

Minimum balances have been established for each reserve and the methodology for determining overall target balances vary depending on the type of reserve, and those balances are in some cases based on supporting asset master plans or acquisition strategies, if available. However, the minimum balances are only one part of the equation and recommended capital budget spend levels also need to be taken into account.

Some reserves, such as the Canada Community-Building (formerly Gas Tax) Reserve and the Local Amenities Reserve, receive funding from external sources. Other reserves, such as the Financial Stability reserves, have target balances aligned with operating costs and are funded each year to ensure adherence to those targets. Several reserves, such as the Victoria Housing Reserve, the Climate Action Reserve and the Art in Public Places Reserve have guiding strategies/plans in place that set relevant targets and in turn guide investment levels. The methodology for determining the target balances for the City’s two land acquisition reserves - Tax Sale Lands Reserve and Parks and Greenways Acquisition Reserve – is to base funding levels on acquisition strategies. Both these strategies are under development and will include funding options. Currently these two reserves receive funding through land sales.

While minimum target balances are established based on asset replacement costs, desired reserve levels also take into account asset renewal needs identified through asset master plans and condition assessments. The City continues to build up reserve levels to meet asset renewal needs and the Financial Sustainability Policy provides direction for increasing funding to reserves, specifically using the first \$500,000 of new assessed revenue to increase transfers to infrastructure reserves. This policy recognizes that additional funding is required to provide the necessary funding for infrastructure renewal going forward.

Some reserves are restricted under the *Community Charter* (for example capital reserves, Tax Sale Lands reserve and Development Cost Charges reserves), others under agreement (for example all Police reserves and the Arena reserve), and others due to the funding source (for example utility reserves, Artificial Turf Field reserve and Recreation Facilities Reserve.)

Appendix B outlines the methodology for reserve target balances and any restrictions in place regarding Council’s ability to reallocate funding.

While the City has many reserves, most are for a specific purpose. There are four general capital reserves that can be used for most infrastructure improvements or equipment purchases: Buildings and Infrastructure, Equipment, Vehicles and Heavy Equipment, and Canada Community-Building (formerly Gas Tax). The proposed funding strategy uses the majority of funding in these reserves over the next five years, but avoids depleting them completely in 2024. The Buildings and Infrastructure Reserve balance would be reduced below the minimum target balance (minimum target of approximately \$8-10 million) until 2029 when it may be possible to start building it up again. The Canada Community-Building Fund Agreement expires this year, although it is expected to continue. The table below assumes that the contributions from the Federal Government will remain at the same level (\$4 million per year.)

	<b>Projected Balance Dec 31, 2024</b>	<b>Projected Balance Dec 31, 2025</b>	<b>Projected Balance Dec 31, 2026</b>	<b>Projected Balance Dec 31, 2027</b>	<b>Projected Balance Dec 31, 2028</b>
<b>General Purpose Capital Reserves</b>					
Equipment	1,726,574	905,574	143,574	364,574	571,574
Vehicles & Heavy Equipment	1,538,557	1,138,557	1,138,557	701,557	1,348,557
Buildings & Infrastructure	5,395,905	2,513,965	6,371,025	5,167,355	4,753,275
Canada Community-Building (Gas Tax)	<u>1,940,088</u>	<u>1,499,088</u>	<u>1,264,088</u>	<u>3,657,088</u>	<u>7,472,088</u>
	<u>10,601,124</u>	<u>6,057,184</u>	<u>8,917,244</u>	<u>9,890,574</u>	<u>14,145,494</u>

The following table outlines the estimated uncommitted year-end reserve fund balances if all planned work for 2023 will be completed. These estimates assume that Council will approve an annual tax increase starting in 2025 for the capital budget and external borrowing. Without those, the capital budget would require reductions because the general-purpose reserve balances (Buildings and Infrastructure, Equipment, Vehicles and Heavy Equipment and Gas Tax) would be insufficient.

	Projected Balance Dec 31, 2023	2024 Budget Transfers In	2024 Budget Transfers Out & Committed	Projected Balance Dec 31, 2024
<b>General Purpose Capital Reserves</b>				
Equipment	6,466,574	1,000,000	5,740,000	1,726,574
Vehicles & Heavy Equipment	1,538,557	1,500,000	1,500,000	1,538,557
Buildings & Infrastructure	16,894,445	5,876,460	17,375,000	5,395,905
Canada Community-Building (Gas Tax)*	2,958,088	3,998,000	5,016,000	1,940,088
	27,857,664	12,374,460	29,631,000	10,601,124
<b>Special Purpose Capital Reserves</b>				
<b>Equipment &amp; Infrastructure</b>				
<b>Police</b>				
Police Vehicles, Equipment & Infrastructure	1,171,133	1,225,000	1,500,000	896,133
Police Emergency Response Team	745,573	26,000	-	745,573
<b>City</b>				
Accessibility Capital	1,233,880	250,000	-	1,483,880
Parking Services Equipment and Infrastructure	22,955,237	3,550,000	4,234,000	22,271,237
Multipurpose Equipment and Infrastructure	1,062,235	177,280	950,000	289,515
Recreation Facilities Equipment and Infrastructure	1,391,714	62,300	-	1,454,014
Archives Equipment	34,454	-	-	34,454
Artificial Turf Field	379,075	157,500	-	536,575
Water Utility Equipment and Infrastructure	37,362,975	1,770,000	-	39,132,975
Sewer Utility Equipment and Infrastructure	27,049,697	400,000	1,500,000	25,949,697
Stormwater Utility Equipment and Infrastructure	3,965,419	100,000	1,000,000	3,065,419
Tax Sale Lands Fund	6,765,007	50,000	6,800,000	15,007
Parks and Greenways Acquisition Fund	2,238,797	-	2,200,000	38,797
Tree Conservation	1,286,215	-	45,290	1,240,925
Local Amenities Reserve	642,044	200,000	-	842,044
Development Cost Charges	12,035,275	-	7,625,000	4,410,275
Downtown Core Area Public Realm Improvements	301,225	-	-	301,225
	120,619,955	7,968,080	25,854,290	102,707,745
<b>Operating Reserves</b>				
<b>Financial Stability Reserves</b>				
City	17,957,970	484,310	-	18,442,280
Police	1,533,848	-	-	1,533,848
Debt Reduction	25,268,176	2,895,250	-	28,163,426
Insurance Claims	4,328,631	-	-	4,328,631
Water Utility	966,786	-	-	966,786
Sewer Utility	880,424	-	-	880,424
Stormwater Utility	964,389	-	-	964,389
Victoria Housing Reserve	5,638,365	465,720	2,853,925	3,250,160
Climate Action Reserve	3,016,578	389,940	349,850	3,056,668
Art in Public Places	1,027,481	150,000	150,000	1,027,481
Development Stabilization Reserve	17,374,828	-	989,220	16,385,608
Parks Furnishing Dedication Program	62,136	65,000	52,000	75,136
Total Operating Reserves	79,019,612	4,450,220	4,394,995	79,074,837
<b>Total City Reserves</b>	<b>227,497,231</b>	<b>24,792,760</b>	<b>59,880,285</b>	<b>192,383,706</b>

\* based on assumption that the Federal Government will continue contributions at current level

## **Debt**

The City currently has approximately \$51.7 million in outstanding debt. According to the Financial Sustainability Policy, debt servicing charges should be kept at a maximum of 7% of the prior year's property tax levy. The replacement of Fire Department Headquarters was funded through internal borrowing from the City's Debt Reduction Reserve and the loan is repaid to that reserve over time. Assuming Council reinstates the \$1 million in funding that was reduced in 2023, the repayment

amount for 2024 would be approximately \$3 million, which would repay that loan over approximately 18 years. This exceeds the maximum repayment term of 15 years in the Financial Sustainability Policy, however, as inflation eases, the expectation is that interest rates will go down. If Council chooses not to reinstate the funding that was reduced in 2023, the annual loan repayment would be \$2 million, and the loan would be repaid in approximately 45 years at current interest rates. The next significant debt issue to retire is in 2031. The following table outlines the current debt issues, year of retirement and the annual debt servicing costs.

Final Year	Issue	Purpose	Principal & Interest
2024	105	Crystal Garden	\$210,498
2031	115	Johnson Street Bridge Replacement (CMHC)	743,242
2033	79	Multipurpose Arena	540,514
2033	80	Multipurpose Arena	649,303
2034	81	Multipurpose Arena	435,514
2034	130	Johnson Street Bridge Replacement	1,475,097
2036	139	Johnson Street Bridge Replacement	320,186
2037	142	Johnson Street Bridge Replacement	<u>659,671</u>
			\$5,034,025
<b><u>Self Financing Areas</u></b>			
2024	105	Parkades	110,144
	110	Parkades	<u>345,704</u>
			\$455,848

## **Grants**

As directed by Council, grants have been grouped into five categories: direct-award grants, festival investment grants, community garden volunteer coordinator grants, My Great Neighbourhood grants, and Strategic Plan grants, which include micro-grants. Over the last number of years, Council has directed a few grants to be allocated outside of the established programs and these have been grouped under “other grants”. Per Council direction, the majority of grants have been increased by inflation.

The proposed funding for the direct-award grants and one-time grants is as follows:

Organization	2023 Budget	2024 Draft Budget	Change
Aboriginal Coalition to End Homelessness	\$ 100,000	\$ 100,000	\$ -
Alliance to End Homelessness in the Capital Region	100,000	100,000	-
Capital Bike	10,500	10,500	-
Community Social Planning Council (rent bank)	110,000	110,000	-
Pro Art Alliance of Greater Victoria	10,000	10,000	-

Restorative Justice Victoria	34,540	34,540	-
Songhees and Esquimalt Nations	200,000	200,000	-
South Island Prosperity Partnership	230,050	235,800	5,750
Theatre SKAM	20,000	20,000	-
Vancouver Island South Film & Media Commission	45,000	45,000	-
Victoria Urban Food Table	6,000	6,000	-
Victoria School District #61 (crossing guards)	90,240	107,000	16,760
<b>Total</b>	<b>\$ 956,330</b>	<b>\$ 978,840</b>	<b>\$ 22,510</b>

Council directed that a one-time grant of \$390,000 to Vancouver Island Visual Arts Society be included in the 2024 Financial Plan. It is recommended that this grant be funded through a reallocation of unused funding in the 2023 Strategic Plan Grant Program budget (\$543,000).

<b>Organization</b>	<b>2023 Final Budget</b>	<b>2024 Draft Budget</b>	<b>Change</b>
<b>Victoria Civic Heritage Trust</b>			
Building Incentive	\$ 950,000	\$ 950,000	\$ -
Operating	123,650	123,650	-
<b>Victoria Heritage Foundation</b>			
Operating	264,240	271,970	7,730
<b>Victoria Youth Council</b>			
Operating	26,000	26,000	-
<b>Quadra Village Community Centre</b>			
Operating	82,700	85,180	2,480
Youth Programming	9,780	10,070	290
Lease Grant	44,060	44,060	-
<b>Fernwood Community Centre</b>			
Operating	82,700	85,180	2,480
Youth Programming	9,780	10,070	290
<b>Vic West Community Association</b>			
Operating	82,700	85,180	2,480
Youth Programming	9,780	10,070	290
Facility (janitorial)	39,610	40,790	1,180
<b>Fairfield Community Place</b>			
Operating	82,700	85,180	2,480
Youth Programming	9,780	10,070	290
Facility (janitorial, recycling)	52,610	54,180	1,570
Youth Outreach	15,000	15,000	-
<b>Cook Street Village Activity Centre</b>			
Operating	82,700	85,180	2,480
Facility (strata fees)	25,770	34,490	8,720

<b>Victoria Silver Threads</b>			
Operating	82,700	85,180	2,480
Facility (lease)	122,390	122,390	-
<b>Burnside Gorge Community Centre</b>			
Operating	82,700	85,180	2,480
Youth Programming	9,780	10,070	290
Youth Outreach	10,000	10,000	-
<b>James Bay Community School Centre</b>			
Operating	82,700	85,180	2,480
Youth Programming	9,780	10,070	290
Facility (janitorial, recycling)	56,050	57,730	1,680
<b>James Bay New Horizons</b>			
Operating	82,700	85,180	2,480
Facility (janitorial)	31,140	32,070	930
<b>Oaklands Community Centre</b>			
Operating	82,700	85,180	2,480
Youth Programming	9,780	10,070	290
Facility (janitorial)	19,230	19,800	570
<b>Cool Aid Downtown Community Centre</b>			
Operating	82,700	85,180	2,480
<b>Seniors Outreach</b>			
Operating	30,000	30,000	-
<b>Victoria Community Association Network</b>			
Operating	1,010	1,040	30
<b>Neighbourhood Associations</b>			
Liability Insurance	6,000	6,000	-
Volunteer Insurance	7,500	7,500	-
<b>Blanshard (Hillside Quadra)</b>			
Per capita base (1.20 times population)	10,620	10,940	320
<b>Burnside/Gorge</b>			
Per capita base (1.20 times population)	9,060	9,330	270
<b>Downtown (incl Harris Green)</b>			
Per capita base (1.60 times population)	10,640	10,960	320
Neighbourhood Association Coordinator Grant	20,000	20,000	-
<b>Fairfield Gonzales</b>			
Per capita base (1.20 times population)	23,270	23,960	690
<b>Fernwood</b>			
Per capita base (1.20 times population)	13,770	14,180	410
<b>James Bay</b>			
Per capita base (1.20 times population)	16,890	17,400	510
Neighbourhood Association Coordinator Grant	20,000	20,000	-
<b>North Jubilee</b>			
Per capita base (1.60 times population)	5,970	6,150	180
Neighbourhood Association Coordinator Grant	10,000	10,000	-
<b>North Park</b>			
Per capita base (1.60 times population)	6,680	6,880	200
Neighbourhood Association Coordinator Grant	20,000	20,000	-



<b>Oaklands</b>			
Per capita base (1.20 times population)	9,990	10,290	300
<b>Rockland</b>			
Per capita base (1.60 times population)	6,850	7,060	210
Neighbourhood Association Coordinator Grant	20,000	20,000	-
<b>South Jubilee</b>			
Per capita base (1.60 times population)	4,270	4,400	130
Neighbourhood Association Coordinator Grant	10,000	10,000	-
<b>Vic West</b>			
Per capita base (1.20 times population)	10,770	11,090	320
<b>Total</b>	<b>\$ 3,031,200</b>	<b>\$ 3,086,780</b>	<b>\$ 55,580</b>

Note: The City provides janitorial services to Quadra Village Community Centre, Fernwood Community Centre and Cook Street Village Activity Centre.

## Timeline

The following table outlines the proposed timeline for this year's process.

<b>Dates</b>	<b>Purpose</b>
<b>November 2023/January 2024</b>	Budget discussions and direction
<b>April 2024 Committee of the Whole</b>	Report on tax rates options
<b>April 2024 Council</b>	Final report on Financial Plan including incorporated changes and BCA non-market change data; first, second and third readings of Financial Plan bylaw; first, second and third readings of tax bylaw
<b>April 2024 Council</b>	Adoption of Financial Plan bylaw and tax bylaw

## **OPTIONS & IMPACTS**

### **Option 1 – Approve Proposed Funding Strategy (Recommended)**

Based on current information, the proposed funding strategy aims to build up sufficient funding over seven years to cover the estimated cost of identified life-cycle replacement needs. This strategy includes a 3% annual increase in property taxes for six years starting in 2025. In addition, to minimize the impact of continued expected cost escalation, external borrowing is recommended for the following projects:

- Green Fleet Plan Implementation \$10.71 million
- Multi-modal Corridor Implementation \$26.96 million
- Government Street Refresh \$4.7 million
- Park Redevelopment Program \$17.69 million
- Public Washroom Improvements \$2.96 million

This is in alignment with the Financial Sustainability Policy which supports borrowing for stand-alone projects and not ongoing renewal programs. External borrowing is an emerging trend with municipalities because the expected cost escalation is anticipated to far exceed interest paid on loans

and savings in reserves would erode. Therefore, delaying projects to save up sufficient funds in reserves would likely be much more costly than initiating them sooner and using debt.

The resulting tax increases are as follows:

	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Capital	0.00%	3.00%	2.96%	2.95%	2.94%
Repayment of Borrowing	0.00%	0.99%	1.27%	0.91%	0.49%
Remaining	5.97%	3.70%	2.92%	2.64%	2.35%
	5.97%	7.69%	7.15%	6.50%	5.78%
VicPD*	2.40%	2.40%	2.40%	2.40%	2.40%
	8.37%	10.09%	9.55%	8.90%	8.18%

\* VicPD 2025-2028 held at same level as 2024; no projections provided

Without the proposed additional tax increase and the external borrowing, significant reductions to the capital budget would be required since the City is not allowed to budget a deficit.

### **Option 2 – Provide Alternative Direction to Staff**

Alternatively, Council could direct staff to adjust service levels, defer or add initiatives/capital investments.

Staff would report back on the implications of any adjustments directed.

#### *Accessibility Impact Statement*

Initiatives and projects within the Financial Plan support accessibility improvements.

#### *Strategic Plan*

The Financial Plan includes resources to advance the Strategic Plan.

#### *Impacts to Financial Plan*

The 2024-2028 Financial Plan will replace last year’s plan.

#### *Official Community Plan Consistency Statement*

Initiatives included within the financial plan are consistent with many policies within the Official Community Plan including support for infrastructure asset management objectives, in particular, policy 11.4 to maintain and enhance the allocation of resources for civic infrastructure repairs, upgrades and replacement.

### **CONCLUSIONS**

The 2024-2028 Draft Financial Plan continues the provision of the City’s numerous services and incorporates resources to support resilience, mitigation and response related to climate and emergency management. In addition, the Plan proposes new funding to address asset management and infrastructure investment needs.

Respectfully submitted,

Susanne Thompson  
Deputy City Manager and Chief Financial Officer

**Report accepted and recommended by the City Manager**

**List of Attachments**

Appendix A - Financial Sustainability Policy; Reserve Fund Policy; and Revenue and Tax Policy

Appendix B - Summary of Reserve Fund Restrictions

Appendix C - Asset Highlights

<b>Department of Finance</b> <b>Policies and Procedures</b>	
<b>Financial Sustainability Policy</b>	
<b>Authorized by: Council</b>	<b>Date of issue: January 20, 2009</b> <b>Date of amendment: October 1, 2015</b>

**Purpose**

The purpose of the Financial Sustainability Policy is to guide the City’s financial planning to meet financial obligations while providing high quality services.

**Primary Objective**

The policies shall be designed and structured to develop principles that guide, support and respect the direction of the community so that tax payers can look forward to stable, equitable and affordable property taxation.

**Policies**

**1. Growth in Property Tax Base**

The City is surrounded by other municipalities and has no ability to expand. However, re-development is occurring that brings in new property tax revenue. This new revenue must be estimated using the best available data. The City recognizes that any new developments or re-developments increase demand on existing infrastructure and may result in the need to expand that existing infrastructure.

**Policy 1.0**

Conservative estimates of non-market change assessment revenue will be included in the budget based on information provided by BC Assessment, the Planning and Development Department and the Finance Department.

**Policy 1.1**

To balance infrastructure upgrade needs with ongoing operating funding requirements, the first \$500,000 of assessment growth (non-market change) property tax revenue will be transferred to infrastructure reserves and the remaining balance allocated as determined by Council.

**2. Property Tax Increase**

Rising costs of existing services at existing service levels must be recognized. One-time revenues or non-renewable reserves should not be used to fund on-going operating expenses.

## **Policy 2.0**

Each budget cycle, Council will consider the property tax increase required by first covering the projected cost increase for existing services at existing service levels and then considering other enhancements. (Also see Policy 3.)

### **3. New Services and Major Enhancements to Existing Services**

The property tax increase established under Policy 2 allows the City to provide the same level of service to the existing tax base. It is not designed to provide for new services or major enhancements to existing services.

## **Policy 3.0**

New services or enhancements to existing services will be funded by one or a combination of the following:

1. A reduction in the cost of existing services. This may include a reallocation of resources from one area to another.
2. An increase in non-tax revenues.
3. A further increase in property taxes.

### **4. Efficiencies, Demand Management and Service Level Changes**

As a sound business practice, departments strive to find and explore efficiencies throughout the City's operations. The City does not have the resources to meet all of the demands that are made. Demand must be managed to make sure that expectations reflect our fiscal realities and the need to contain expenditures. Areas where service level changes may be possible must be identified and brought forward for Council's consideration.

## **Policy 4.0**

Business Plans will identify demand management strategies and will include options for service level changes and alternative service delivery models.

### **5. Alternative Revenues and External Funding**

To diversify its revenue base, the City continually looks for new revenue sources that are consistent with the City's Five-year Financial Plan and 20-year Capital Plan.

## **Policy 5.0**

All departments will make every effort to access external funding from non-City sources including other levels of government. All departments will endeavour to develop partnerships, strategic alliances and shared project funding to assist in the reduction of expenditure to the City. Any additional funding can be used to reduce property tax increases, increase service levels and/or provide new services.

### **Policy 5.1**

Grants should be sought for known infrastructure needs or identified priorities in the City's Strategic Plan even if they are not included in the financial plan due to limited funding or pending Council decision.

## **6. Infrastructure Maintenance and Replacement**

Much of the City's infrastructure is at or nearing the end of its life. The City has an inventory and performs condition assessments of its assets on an ongoing basis. This allows the City to develop and update plans to keep the infrastructure in a proper state of repair to avoid costly failures.

### **Policy 6.0**

The City will establish and maintain an inventory of its infrastructure. A maintenance/replacement plan will be developed utilizing best practices, to keep existing infrastructure in an acceptable condition. This program will be included in the Five-year Financial Plan and the 20-year Capital Plan.

### **Policy 6.1**

The City will depreciate its infrastructure over the useful life of the assets and a sustainable funding strategy will be developed.

### **Policy 6.2**

Each year, Council will consider a property tax increase dedicated to increasing capital infrastructure investment.

## **7. Self Financed Programs**

The City has several self financed programs: Water Utility, Sewer Utility, Stormwater Utility and Solid Waste and Recycling Utility. The costs for self financed programs should be fully funded by user fees. The Water and Sewer Utilities have established reserves. Any surplus or deficit is transferred at the end of each year to or from each reserve.

### **Policy 7.0**

The City's self financed programs are to be fully funded by user fees including corporate overhead, equipment replacement, debt financing, transfers to reserves and capital expenditures.

### **Policy 7.1**

To ensure that programs remain self funded, user fees for each will be adjusted annually to offset any changes in costs.

## **8. Debt Management**

The maximum amount that the City can borrow from external sources is set by the Community Charter. Debt should only be incurred for one-time capital expenditures and not for on-going programs. Borrowing for one-time capital expenditures allows the cost of the project to be spread out over the useful life of the asset. This results in the costs being paid by future beneficiaries as well as current taxpayers.

### **Policy 8.0**

Debt from external sources should only be incurred for one-time capital projects. These projects should be identified as debt-funded projects in the Five-year Financial Plan and 20-year Capital Plan. A separate report, including a business case, to Council is required seeking approval for proceeding with the borrowing process.

### **Policy 8.1**

Every attempt should be made to keep the debt servicing charges at the current budget level of 7% of the property tax levy by adding new debt only in the years when other debt issues are retired. This will minimize the impact on property taxes as a result of new debt.

### **Policy 8.2**

Debt for Self-financed entities (Water Utility, Sewer Utility, Stormwater Utility, Solid Waste and Recycling Utility and Parking Services) can be incurred if supported through a business case, without consideration of Policy 8.1 which only applies to projects that impact on property taxes.

### **Policy 8.3**

As an alternative to external borrowing, funds in the City's Debt Reduction Reserve can be borrowed with a maximum repayment term of 15 years at an interest rate equal to the lost investment interest

## **9. Fees and Charges**

Fees and charges are a significant portion of the City's revenues. They will be reviewed on a regular basis to avoid major changes and to provide users with adequate notice of those changes. Any review will include an analysis of the City's costs in providing the service as well as a comparison to other municipalities.

### **Policy 9.0**

Fees and charges will be reviewed annually and adjusted where appropriate. Departments should consider a minimum increase equal to inflation (CPI.) The users will be provided with no less than 2 months notice of those changes. Fee bylaws should, when appropriate, include an annual increase equivalent to the Consumer Price Index for Victoria.

## **10. Surplus**

Surplus represents non-renewable savings and should not be used for operating purposes or for on-going capital programs.

The Financial Stability Reserves (Operating Fund, Police Department, Water Utility, Sewer Utility, and Stormwater Utility) were established to ensure ongoing financial stability and fiscal health of all City Entities. They are funded from the year-end surplus in each respective fund.

### **Policy 10.0**

Surplus will only be considered as a funding source for one-time expenditures. Any surplus not used for one-time expenditures will be transferred to infrastructure reserves, financial stability reserves and/or debt reduction reserves. (Also see Policy 11.)

## **11. Reserve Funds**

The City has a number of reserve funds established for various purposes. The City strives to develop appropriate reserves to meet future financial obligations with respect to City equipment and infrastructure, fiscal needs and employee benefit obligation.

### **Policy 11.0**

Each reserve fund is governed by the City's Reserve Fund Policy that outlines the purpose, the types of expenditures permitted and the desired levels of each reserve.

## **12. Capital Projects and Programs**

Capital projects and programs are funded from a variety of sources including a capital property tax levy, grants and reserves. Once the project or program is completed, its on-going maintenance costs need to be included in the operating budget and future upgrade and/or replacement costs need to be included in the capital plan. These on-going and future costs must be clearly understood before a capital project is approved.

### **Policy 12.0**

Each capital project or program submitted for consideration must clearly state the full initial cost as well as future costs, including operating and upgrade/replacement costs. In addition, the source of sustainable funding for such costs has to be demonstrated.



### **13. Re-budgeted Capital Projects and Programs**

Every year, some capital projects and programs are not completed in the year they were budgeted for. In such instances, a request to re-budget the portion of the project or program that is yet to be completed is submitted to Finance.

#### **Policy 13.0**

Requests to re-budget capital projects underway are granted. However, other capital items may be scaled back or deferred to accommodate the re-budget request.

#### **Policy 13.1**

Requests to re-budget capital projects that have not been started are not granted. These projects will be considered and prioritized along with all other capital items being put forward.

#### **Policy 13.2**

Requests to re-budget capital programs are not normally granted. However, should such a request be granted, next year's program will be scaled back to accommodate the re-budget request.

### **14. Large Scale Capital Projects**

Some capital projects are very large in scale and have various phases.

#### **Policy 14.0**

Large scale capital projects will be budgeted in at least two phases. Phase one is for planning and design. Phase two and any subsequent phases are for implementation/build.

## Appendix A

<b>Department of Finance</b> <b>Policies and Procedures</b>	
Reserve Funds	
Authorized by: City Council	Date of issue: September 30, 2004
	Revised: November 2023

### **Purpose**

The purpose of the Reserve Fund Policy is to provide guidance with respect to the development, maintenance, and use of City Reserve Funds.

### **Guiding Principles**

All Reserves Funds must be established, maintained and used for a specified purpose mandated by this policy, statute, or City by-law.

Annual operating surpluses are to be transferred to the Equipment and Infrastructure Reserve or the appropriate Financial Stability Reserve in each fund and used in accordance with the priorities outlined in this policy.

The City shall strive to develop appropriate reserves to meet future financial obligations with respect to City equipment and infrastructure, fiscal needs and employee benefit obligations.

## ***Primary Objectives***

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Reserves shall be established and expended to:

**1. Ensure Stable & Predictable Levies**

The City recognizes that unstable and unpredictable tax levies can adversely affect residents and businesses in Victoria. In order to maintain stable and predictable levies, the City will maintain sufficient reserves to buffer the impact of unusual or unplanned cost increases and revenue reductions over multiple budget cycles.

**2. Provide for Operating Emergencies**

The City is exposed to unusual operating emergencies resulting from inclement weather, catastrophic events, law enforcement issues, environmental hazards and so on. It may not be feasible, or cost-effective, to absorb the costs of such emergencies during one budget cycle. The City will maintain adequate reserves to avoid such emergencies, extensive service interruptions, and prevent risks to infrastructure and public safety.

**3. Finance New Capital Assets**

Use of Reserves for financing new capital assets is an effective means of matching one-time funds to one-time capital projects. In addition, the City requires financial resources to quickly respond to opportunities that could provide capital infrastructure through private sector partnerships, and other alternative service delivery methods.

**4. Safeguard and Maximize Existing Assets**

The City has an inventory of specialized machinery, equipment and technology systems necessary for the efficient delivery of services to the public, which needs to be replaced on well-defined lifecycle standards. The City also has a need to provide insurance against unforeseen losses of these and other assets and claims against its assets where it is found legally liable.

## **General Criteria**

Reserves shall be established, maintained and used in accordance with the following General Criteria.

### **1. Least Cost to Taxpayers**

Reserves should support the least cost alternative in the long-term for delivering standards of service adopted by Council. This means they will be used to:

- Buffer the effects of large cost increases and revenue reductions and allow time to adjust City service costs or revenue generation to avoid unnecessary tax increases, and
- Provide internal capital financing which is more cost-effective than external borrowing or leasing.

### **2. Fairness & Equity to Taxpayers**

Reserves should serve to balance the impact of the operating costs and capital costs, on both current and future taxpayers by:

- Applying Reserves derived from one-time revenue sources to one-time capital or operating projects.
- Applying Reserve Funds and current revenues in a ratio, which recognizes the appropriate sharing of savings from current taxpayers with contributions from future taxpayers (this will likely require repayment of all, or a portion of, Reserves from future rates or user fees).

### **3. Meets Statutory and Legal Requirements**

Reserves must meet the requirements of the Community Charter, Federal statutes, City By-Laws or any other contract or judgment enforceable by law.

### **4. Meets Accounting Standards**

Reserves must meet generally accepted accounting principles (GAAP) and accounting standards applicable to local governments (PSAB).

## **Policy Administration**

The Director of Finance shall be responsible to:

- Ensure the Reserve Funds are established and maintained in compliance with this Policy.
- Conduct an annual review of the Reserve Funds and report the results to City Council.
- On an “as required basis”, recommend revisions or amendments to this Policy, due to changes in applicable statutes, accounting standards, or economy.

## **Administrative Criteria**

### **1. Unique Corporate Purpose**

Reserves must have a unique and specific corporate purpose. Every effort must be made to:

- Reduce complexity by combining amounts with similar purposes
- Eliminating those with redundant or outdated purposes, and
- Re-focus departmental reserves to corporate purposes and strategic plans.

### **2. Interest and Calculation Method**

All Reserves Funds will earn interest each year. Interest will be calculated based on the audited fund balance at the end of the prior year. The interest rate used will be the determined on an annual basis.

### **3. Minimum and Maximum Balances**

A minimum and maximum balance shall be established for each Reserve Fund. A minimum balance will ensure that each fund is not depleted to the degree that it is no longer able to serve its intended purpose. A maximum balance ensures that it does not grow beyond its intended purpose.

### **4. Repayment Period**

If funding is borrowed from a reserve, a time period shall be specified for the repayment or replenishment to its specified minimum or maximum balance.

### **5. Business Case Requirements**

A business case shall be provided specifying the purpose, benefits and method of repayment for each proposed Departmental use of a reserve fund, except as provided by statute, City by-law or Council policy. A business case will be subject to the applicable budget, ranking or other prioritization process, and Council approval.

## **Reserve Funds**

City of Victoria Reserve Funds are established under the authority of the Community Charter and are each supported by a bylaw that outlines the purpose and use of each fund.

A description of each of the different types of Reserve Funds covered by this policy is outlined below:

### **Financial Stability Reserves**

#### **Description**

Financial Stability Reserves are required to ensure the ongoing financial stability and fiscal health, of all City Entities. Each reserve is funded from the year-end surplus from the appropriate entity (i.e. Operating Fund, Police Department). For the Water, Sewer and Stormwater Utilities, 50% of each utility's surplus are to be applied to the respective financial stability reserve until they reach target balances and the remainder to the respective equipment and infrastructure reserve.

- **Debt Reduction** – This reserve was established to provide a source of funds to finance internal borrowings, local improvements and paying down the City's outstanding debt. It is currently being funded from the City's share of surpluses identified in MFA Sinking Funds and payment holidays on debt issues.
- **Reserve for Insurance Claims** – This reserve was established to provide a source of funds for liability claims not covered under our Insurance Policies.

#### **Guidelines for Using Funds**

A Council Resolution or an Adopted Financial Plan Bylaw is required for all appropriations from the Financial Stability Reserve Funds.

All appropriations from Financial Stability Reserves are to be considered in accordance with the following priorities.

##### **1. Operating and Environmental Emergencies**

- These appropriations are the highest priority and are based on public safety and demand nature of the expenditure.

##### **2. Revenue Stabilization and Operating Contingency**

- These appropriations are intended to stabilize the impacts of cyclical revenue downturns and operating cost increases that are largely temporary and not within the City's ability to adjust in the short-term.

##### **3. Innovation Fund**

- As an incentive to encourage creativity and innovation, appropriations may be made to fund departments and/or workgroups that would like to explore innovative and creative solutions directed towards making the Corporation more efficient and effective.
- Business cases requesting use of these funds require that the replenishment methods be specified. These would include future departmental cost or service level adjustments or additional revenue generation necessary to "top up" the accounts over a three-year period.

## **Equipment and Infrastructure**

### **Description**

Equipment and Infrastructure Reserves are established to create a funding source for buildings and infrastructure capital projects, new equipment purchases and capital equipment replacement programs. Currently, the city has established equipment and infrastructure reserve funds for the following purposes:

- **Police Vehicles, Equipment and Infrastructure** – This reserve is to fund the replacement and purchase of Police vehicles and equipment. This reserve is funded by annual budget contributions included in the Police operating budget.
- **Police Emergency Response Team Vehicles and Equipment** – This reserve is to fund the replacement and purchase of equipment for the Regional Emergency Response Team. The reserve is funded by the annual surplus from the ERT Program.
- **Victoria Conference Centre Equipment and Infrastructure** – This reserve was established to provide a source of funds to properly maintain the Conference Centre building and furnishings. This reserve is also used to fund equipment replacements and new equipment purchases. The reserve is funded by the annual surplus from the Conference Centre.
- **City Equipment** – This reserve is to fund the replacement and purchase of City equipment. This includes equipment replacement programs, computer equipment and software, office furniture, etc. This reserve is funded by annual budget contributions included in the City operating budget.
- **City Vehicles and Heavy Equipment** – This reserve is to fund the purchase and replacement of City vehicles and heavy equipment. This reserve is funded by annual budget contributions included in the City operating budget.
- **City Buildings and Infrastructure** – This reserve was established to provide a source of funds to properly maintain City Buildings and Infrastructure. This reserve is funded by annual budget contributions that are increasing by \$500,000 per year until the reserve attains an adequate funding level. This increase is subject to annual Council approval.
- **Parking Services Equipment and Infrastructure** – This reserve was established to provide a source of funds to properly maintain the City parkades. The reserve is also used to fund Parking Services equipment replacement and new equipment purchases. This reserve is funded from annual budget contributions included in the City's operating budget.
- **Multipurpose Equipment and Infrastructure** – This reserve was established to provide funding for equipment replacement and maintaining the Multipurpose Facility. This reserve is funded by annual budget contributions from the City's operating budget and RG Properties.
- **Recreation Facilities Equipment and Infrastructure** – This reserve was established to provide a source of funds to properly maintain City Recreation Facilities. The reserve is also used to fund equipment replacement and new equipment purchases for City Recreation Facilities. This reserve is funded from user fees assessed on tickets to events and facility rentals.
- **Archives Equipment** – This reserve is to fund the purchase and replacement of Archives material and equipment. The funding for this reserve comes from grants and donations.
- **Artificial Turf Field** – This reserve was established to provide a source of funds for replacement of the Finlayson field carpet and amenities and for future development of artificial turf fields. This reserve is funded from the fees collected from the rental of the Finlayson field.

- **Canada Community-Building** – The tripartite Agreement between Canada, British Columbia and UBCM that took effect April 1, 2014, provides the administrative framework for the delivery of the Canada Community-Building Fund (formerly the federal Gas Tax fund) to local governments in British Columbia. The Agreement is focused on achieving stronger cities and communities, productivity and economic growth and a cleaner environment. The Community Works Fund provides annual contributions to this reserve.
- **Water Utility Equipment and Infrastructure** – This reserve was established to provide a source of funds to properly maintain the Water Utility Infrastructure. The reserve is also used to fund Water Utility equipment replacement and new equipment purchases. The reserve is funded by annual budget contributions from the Water Utility and 50% of the Water Utility's surplus until the target balance has been met within the Water Utility Financial Stability Reserve. Once the target balance is achieved, 100% of the surplus will be allocated to the Water Utility Equipment and Infrastructure Reserve.
- **Sewer Utility Equipment and Infrastructure** – This reserve was established to provide a source of funds to properly maintain the Sewer Utility Infrastructure. The reserve is also used to fund Sewer Utility equipment replacement and new equipment purchases. The reserve is funded by annual budget contributions from the Sewer Utility and 50% of the Sewer Utility's surplus until the target balance has been met within the Sewer Utility Financial Stability Reserve. Once the target balance is achieved, 100% of the surplus will be allocated to the Sewer Utility Equipment and Infrastructure Reserve.
- **Stormwater Utility Equipment and Infrastructure** – This reserve was established to provide a source of funds to properly maintain the Stormwater Utility Infrastructure. The reserve is also used to fund Stormwater Utility equipment replacement and new equipment purchases. The reserve is by annual budget contributions from the Stormwater Utility and 50% of the Stormwater Utility's surplus until the target balance has been met within the Stormwater Utility Financial Stability Reserve. Once the target balance is achieved, 100% of the surplus will be allocated to the Stormwater Utility Equipment and Infrastructure Reserve.

### **Guidelines for Using Funds**

Use of equipment and infrastructure reserves is restricted to the following types of purchases:

- Major construction, acquisition, or renovation activities as defined in the Capital Asset Policy that add value to the municipal physical assets or significantly increase their useful life. Some examples include:
  - Renovation and construction projects pertaining to new or existing city buildings,
  - Renewal, replacement, enhancement or construction of city infrastructure, sewers, storm drains, water distribution systems, buildings, roads, sidewalks, traffic systems, parks, etc.
- Vehicles and heavy equipment, individual pieces of equipment and ongoing annual equipment replacement programs as defined in the Capital Asset Policy.

**Note:** A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from the Reserve Funds. Further, a Council Resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.



## ***Employee Benefit Obligations***

### **Description**

Reserves for employee benefit obligations will be established where the City is incurring a retirement benefit liability or other employee related liability, which the City is obligated to pay at some future date. Current reserves established include:

- **Police Retirement Benefits** – This reserve is to fund retirement benefits (one months pay and vested sick leave) accrued to retiring Police officers. This reserve is funded by annual contributions included in the Police operating budget.
- **Police Pension Corporation Over Contributions** – This reserve was established to accumulate the City's share of Police pension over contributions. These amounts are payable to the employee upon retirement. This reserve is funded from pension contributions refunded to the City by the BC Pension Corporation.
- **City Retirement Benefits** – This reserve has been established to help fund retirement benefits (one months pay and vested sick leave) accrued to retiring City Employees. This reserve is funded by annual contributions included in the City's operating budget.
- **City Pension Corporation Over Contributions** – This reserve was established to accumulate the City's share of Firefighter pension over contributions. These amounts are payable to the employee upon retirement. This reserve is funded from pension contributions refunded to the City by the BC Pension Corporation.

### **Guidelines for Using Funds**

Use of funds is restricted to the purpose for which each fund was established. Funds may only be accessed to supplement funding a retirement payout.

***Note:*** A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from these Reserve Funds. Further, a Council resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.

## **Development Cost Charges**

### **Description**

This reserve is required by the Community Charter to account for the proceeds from development cost charges levied against new developments. The reserve is funded from the proceeds of development cost charges levied.

### **Guidelines for Using Funds**

Use of these funds is governed by the Development Cost Charge Bylaw and restricted to the funding approved projects as allowed by that bylaw.

**Note:** *An adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, an amendment to the Development Cost Charge Bylaw is required to create additional reserve fund categories, delete categories or shift funds between categories.*

## **Tax Sale Lands**

### **Description**

The Tax Sale Lands Reserve was established to account for proceeds from any sales of City land and buildings. This reserve is funded from all sales of City land and buildings.

### **Guidelines for Using Funds**

These funds are available for building and land purchases and improvements, and capital expenditures required for preparing City properties to sell (i.e. remediation, servicing, etc.)

**Note:** *A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, a Council resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.*

## **Parks and Greenways Acquisition**

### **Description**

This reserve was established to provide a source of funds for purchasing Park Lands. It is currently funded from 10% of the proceeds of any City land sale.

### **Guidelines for Using Funds**

These funds are available for purchasing park lands or lands to be developed into a park.

**Note:** *A Council Resolution or an adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, a Council resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.*

## **Local Amenities**

### **Description**

This reserve tracks and accounts for monies received from a developer, for public amenities related to specific developments (i.e. pathways, parks, docks, etc.). This reserve is funded from contributions by developers.

### **Guidelines for Using Funds**

Use of these funds is restricted to the purpose for which each contribution was based on.

**Note:** *A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, a Council resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.*

## **Victoria Housing**

### **Description**

This reserve has been established to provide a source of funds to help fund housing projects including projects that fall under the Secondary Suite Incentive Program. The reserve is funded by annual contributions included in the City's Operating Budget.

### **Guidelines for Using Funds**

Use of these funds is restricted to the funding of housing projects including those that fall under the Secondary Suite Incentive Program.

**Note:** *A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, a Council resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.*

## **Dockside Affordable Housing**

### **Description**

This is a reserve that has been established to provide a source of funds to help fund affordable housing projects in Dockside. The Dockside Master Development Agreement outlines certain requirements around affordable housing that the developer has to meet. There is an option to provide cash instead of the affordable housing requirements. Those funds would be put into this reserve. In addition, the reserve is funded by 20% of the building permit fees applicable to the Dockside development.

### **Guidelines for Using Funds**

Use of these funds is restricted to the funding of affordable housing projects in Dockside.

**Note:** *A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, a Council Resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.*

## ***Climate Action***

### **Description**

This reserve has been established to provide a source of funds for funding climate mitigation and adaptation strategies that target energy and GHG reductions associated with facilities or transportation of either City-owned assets or community public lands and services. This reserve is funded by the Climate Action Revenue Incentive Program (CARIP) grants.

### **Guidelines for Using Funds**

Use of these funds is restricted to the funding of climate change initiatives.

**Note:** *A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, a Council resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.*

## ***Art in Public Places***

### **Description**

This reserve has been established to provide a source of funds for art in public spaces and expand opportunities for artists and members of the public to participate in the process. The Arts in Public Places policy outlines the funding formula for this reserve.

### **Guidelines for Using Funds**

Use of these funds is restricted to the funding of art in public places initiatives.

**Note:** *A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, a Council resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.*

## ***Downtown Core Area Public Realm Improvements***

### **Description**

This reserve has been established to assist in funding improvements that tangibly and visibly improve the physical condition, appearance and function of the public realm within the Downtown Core Area and provide a public benefit to the overall surrounding area.

This reserve is funded by monetary contributions provided to the City of Victoria as part of the Density Bonus System described in the *Downtown Core Area Plan*. The *Downtown Core Area Plan* outlines the funding formula for this reserve.

### **Guidelines for Using Funds**

Use of these funds is restricted to the funding of public realm improvements that support the objectives and policies of the *Downtown Core Area Plan*.

**Note:** *A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, a Council resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.*

## ***Park Fixture Dedication Program***

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### **Description**

This reserve has been established to assist in funding the maintenance costs of the capital assets acquired through the Park Fixture Dedication Program.

This reserve is funded by monetary contributions provided to the City of Victoria as part of the total cost of the dedication. The maintenance contingency is a percentage of the amenity capital cost.

### **Guidelines for Using Funds**

Use of these funds is restricted to funding the maintenance of the dedicated park fixture over the estimated useful life.

***Note:*** A Council resolution or an adopted Financial Plan Bylaw is required for all appropriations from this Reserve Fund. Further, a Council resolution is required to create additional reserve fund categories, delete categories or shift funds between categories.

<b>Department of Finance</b> <b>Policies and Procedures</b>	
Revenue and Tax	
Authorized by: Council	Date of issue: February 16, 2009 Date of revision: January 29, 2015

**Purpose**

The purpose of the Revenue and Tax Policy is to outline the proportions of revenue sources, the distribution of property taxes among property classes and the use of permissive property tax exemptions.

**Objectives**

- To provide tax payers with stable, equitable and affordable property taxation while at the same time providing high quality services.
- To support the OCP and other City plans as well as complement the Regional Context Statement.

**Policies**

**1. Revenue Proportions by Funding Sources**

Property taxes are the main source of revenue for the City and pay for services such as police and fire protection, bylaw enforcement, and infrastructure maintenance. Property taxes provide a stable and consistent source of revenue for services that are difficult or undesirable to fund on a user pay basis. Therefore, property taxes will continue to be the City's major source of revenue.

However, it is the City's desire to charge user fees where feasible. Some programs, such as recreation, are partially funded by user fees. The City also has several self-financed programs that are fully funded by user fees. These include Water Utility, Sewer Utility, Stormwater Utility, and Garbage Utility.

**Policy 1.0**

User pay funding will be used for such services that are practical and desirable to fund on a user pay basis.

Services that are undesirable or impractical to fund on a user pay basis will be funded by property taxes.

**Policy 1.1**

The City will continue to explore alternative revenue sources to diversity its revenue base.

## **2. Distribution of Property Taxes Among Property Classes**

Market value changes that result in uneven assessment changes between property classes result in a tax burden shift to the class experiencing greater market value increases unless tax ratios are modified to mitigate the shift.

Until 2007, it was Council's practice to modify tax ratios to avoid such shifts. This equalization practice provided an effective tax increase that was equal for all classes. It is important to be aware that this practice only avoids shifts *between* property classes. There is still a potential for shifts *within* a property class where one property has experienced a market value change that is greater than the average for that class.

However, starting in 2007, business and industrial tax ratios have been held constant in recognition of the larger tax burden that has been placed on those classes. This resulted in higher tax increases being passed on to the residential class compared to business and industrial.

The pressure continues across the country to reduce the tax burden on the business and industrial classes. In recognition of this, and the desire to support a healthy business environment, Council's goal is to have a business class tax burden that is equitable.

In 2012, a comprehensive review of the Revenue and Tax Policy was conducted to determine if Council's objective of reducing the tax burden on the business class was appropriate and if so, that the mechanism of achieving the objective (reduction of tax ratio) was the most effective mechanism to achieve the goal. The review concluded that additional relief for the business tax class was warranted. However, the tax ratio was not the best mechanism of achieving that goal. As a result, Council approved the following policy objective: *To reduce the business property tax class share of the total property tax levy to 48% over three years (2012-2014). The redistribution excludes impact of new assessment revenue. The total redistribution of the tax levy was \$1.51 million.*

In 2015, an update review was completed and based on the findings, policy 2.0 was amended to maintain the current share of taxes among tax classes.

### **Policy 2.0**

Maintain the current share of distribution of property taxes among property classes, excluding the impact of new assessment revenue, by allocating tax increases equally. Business and industrial classes will be grouped as outlined in Policy 2.1.

### **Policy 2.1**

Tax rates for the light and major industrial tax classes will be equal to the business tax rate to support the City's desire to retain industrial businesses.

### **Policy 2.2**

Farm Tax Rates will be set at a rate so taxes paid by properties achieving farm status will be comparable to what the property would have paid if it were assessed as residential.

### **3. Use of Permissive Property Tax Exemptions**

The City continues to support local non-profit organizations through permissive tax exemptions. Each year, a list of these exemptions is included in the City's Annual Report.

In addition, the City offers a Tax Incentive Program to eligible owners of downtown heritage designated buildings to offset seismic upgrading costs for the purposes of residential conversion of existing upper storeys. The exemptions are for a period up to ten years.

The City encourages redevelopment of lands within the City and the use of environmentally sustainable energy systems for those developments through revitalization property tax exemptions.

#### **Policy 3.0**

Permissive property tax exemptions are governed by the City's Permissive Property Tax Exemption Policy, which outlines the criteria for which property tax exemptions may be granted.

#### **Policy 3.1**

Heritage property tax exemptions are governed by the City's Heritage Tax Incentive Program.

#### **Policy 3.2**

Revitalization property tax exemptions are governed by the City's Revitalization Tax Exemption (Green Power Facilities) bylaw.



Appendix B – Reserve Fund Restrictions

Fund Description	Primary Purpose	Target Balance?	Basis for Target Balance	Restrictions
<b>Financial Stability</b>				
City Financial Stability Insurance Debt Reduction	Risk mitigation	Yes	60 days (16.67%) of General Operating expenses	Can be reallocated by motion Can be reallocated by motion Commitment under a signed agreement (\$35.9 million)
Police Financial Stability	Risk mitigation	Yes	Per agreement (2% of operating expenses)	Restricted under terms of Framework Agreement between City, Township of Esquimalt and Victoria Police Board
Water Utility Financial Stability	Risk mitigation	Yes	60 days (16.67%) of operating expenses	Restricted for water utility for which fees were collected
Sewer Utility Financial Stability	Risk mitigation	Yes	60 days (16.67%) of operating expenses	Restricted for sewer utility for which fees were collected
Stormwater Utility Financial Stability	Risk mitigation	Yes	45 days (12.5%) of operating expenses	Restricted for stormwater utility for which fees were collected
<b>Equipment and Infrastructure</b>				
Police Vehicles, Equipment and Infrastructure	Planned capital funding	Yes	Minimum of 0.3% of replacement cost, plus funding of replacement schedule, subject to agreement	Restricted under terms of Framework Agreement between City, Township of Esquimalt and Victoria Police Board
Police Emergency Response Team Vehicles/Equipment	Dedicated revenue source	No	No target balance	Restricted under terms of Framework Agreement between City, Township of Esquimalt and Victoria Police Board
City Equipment Archives Equipment	Planned capital funding Dedicated revenue source	Yes No	Minimum 0.3% of replacement cost, plus funding of replacement schedule	Restricted to capital - can be reallocated by motion to another capital reserve
City Vehicles and Heavy Equipment	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of replacement schedule	Restricted to capital - can be reallocated by motion to another capital reserve
City Buildings and Infrastructure Accessibility	Planned capital funding	Yes	Minimum 0.7% of replacement cost, plus funding of capital program	Restricted to capital - can be reallocated by motion to another capital reserve
Parking Services Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of capital program	Restricted to capital - can be reallocated by motion to another capital reserve
Multipurpose Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.5% of replacement cost, plus funding of capital	Restricted as per the terms of the Operating Agreement for the Arena
Recreation Facilities Equipment and Infrastructure Artificial Turf Field (Topaz Park)	Planned capital funding/Dedicated funding source	Yes	Minimum 0.5% of replacement cost, plus funding of capital program  No target balance	Restricted to capital for recreation facilities for which fees were collected Restricted for the replacement of the artificial turf field at Topaz Park for which fees were collected

<b>Fund Description</b>	<b>Primary Purpose</b>	<b>Target Balance?</b>	<b>Basis for Target Balance</b>	<b>Restrictions</b>
Gas Tax	Dedicated funding source	No	No target balance	Restricted as per terms of Federal Gas Tax Agreement (now the Canada Community-Building Fund)
Water Utility Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of capital program	Restricted for water utility for which fees were collected
Sewer Utility Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of capital program	Restricted for sewer utility for which fees were collected
Stormwater Utility Equipment and Infrastructure	Planned capital funding	Yes	Minimum 0.3% of replacement cost, plus funding of capital program	Restricted for stormwater utility for which fees were collected
<b>Development Cost Charges</b>	Dedicated revenue source	No	No target balance	Restricted for the projects included in the DCC program and bylaw
<b>Tax Sale Lands</b>	Planned capital funding	Yes	Based on acquisition strategy	Restricted to land purchases and capital improvements
<b>Parks and Greenways Acquisition</b>	Planned capital funding	Yes	Based on acquisition strategy	Restricted to park land purchases and capital improvements
<b>Local Amenities</b> Tree Conservation	Dedicated revenue source	No	No target balance	Varying restrictions as per any agreements at time of collection Restrictions as per Tree Preservation Bylaw
<b>Victoria Housing</b>	Dedicated revenue source	No	No target balance	Can be reallocated by Council motion
<b>Climate Action</b>	Dedicated revenue source	No	No target balance	Can be reallocated by Council motion
<b>Art in Public Places</b>	Dedicated revenue source	No	No target balance	Can be reallocated by Council motion
<b>Downtown Core Area Public Realm Improvements</b>	Dedicated revenue source	No	No target balance	Varying restrictions as per any agreements at time of collection
<b>Development Stabilization Reserve</b>	Dedicated revenue source	No	No target balance	Restricted for development and construction permit regulation costs for which fees were collected
<b>Parks Fixture Dedication Program</b>	Dedicated revenue source	No	No target balance	Restricted to funding the maintenance of the dedicated park fixture over the estimated useful life

# Underground Utilities

## Asset & Service Overview



Major services and asset group:

- Water Distribution
  - 349km watermains
  - 1,806 hydrants
  - 1 pump station
- Sanitary Sewer
  - 237km sanitary mains
  - 11 pump stations
- Stormwater
  - 260km storm drains
  - 4 treatment units
  - 7216 catch basins

## Links to OCP



OCP links to major services:

- Well maintained infrastructure, high quality drinking water

## Levels of Service



Major asset groups that provide the major services and whether the service objective is being met.

- Water Distribution
  - 20,883 connections
  - Are service objective being met? **YES**
- Sanitary Sewer
  - 13,775 connections
  - Are service objective being met? **YES**
- Stormwater
  - 10,767 connections
  - Are service objective being met? **YES**

## Asset Condition and Age



Vary depending on asset type:

- Water Distribution
  - 50% of assets built pre1966
  - 20% of assets in poor condition
- Sanitary Sewer
  - Most assets built pre1920
  - 15% of assets in poor condition
- Stormwater
  - Most assets built pre1930
  - 10% of assets in poor condition

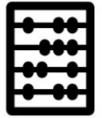
## Asset Risk



Anticipated over next 10 or 20 years

- Water Distribution
  - **MEDIUM**
- Sanitary Sewer
  - **MEDIUM**
- Stormwater
  - **LOW**

## Asset Financial Health



Availability of funds for higher risk assets' replacement cost?

- Water Distribution
  - **SUSTAINABLY FUNDED**
- Wastewater
  - **SUSTAINABLY FUNDED**
- Stormwater
  - **PARTIALLY FUNDED**

## Issues Challenging Assets and LOS



- Climate change impacts
- Seismic vulnerability
- Sanitary sewer Inflow/Infiltration
- Sanitary sewer capacity
- Construction cost inflation
- Soil relocation cost
- Open trench constructability
- Stormwater Quality

# Roads

## Asset & Service Overview



Major services and asset group:

- 106km Major Roads
- 173km Local Roads
- 158 Traffic Signals

## Links to OCP



OCP links to major services:

- Vision Zero
- Reduce Cost Burden
- Safe Compact Communities

## Levels of Service



Major asset groups that provide the major services and whether the service objective is being met.

- Major Roads
  - Maintained and good condition for all modes
  - Is service objective being met? **YES**
- Local Roads
  - Provide access to private property and support Active Transportation
  - Is service objective being met? **YES**
- Traffic Signals
  - Provide safe and reliable flow for all
  - Is service objective being met? **YES**

## Asset Condition



Vary depending on asset type:

- Roadway Pavement
  - 56% Poor or Very Poor (2022)
- Traffic Signals
  - ~ 35% Poor or Very Poor (2023)

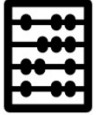
## Asset Risk



Anticipated over next 10 or 20 years

- Major Roads
  - **MEDIUM**
- Minor Roads
  - **HIGH**
- Traffic Signal
  - **MEDIUM**

## Asset Financial Health



Availability of funds for higher risk assets' replacement cost?

- Major Roads
  - **PARTIALLY FUNDED**
- Local Roads
  - **UNDER-FUNDED**
- Traffic Signals
  - **PARTIALLY FUNDED**

## Issues Challenging Assets and LOS



- Increasing Road Failures
- Construction cost inflation
- Decreasing Road condition before it gets better
- Road Safety/Accessibility improvement costs above and beyond asset renewal

# Retaining Walls

## Asset & Service Overview



### Retaining Wall Asset Types:

- Major Walls over 3.0m
  - 33 walls
  - Rep. Value \$116M
- Intermediate Walls between 1.2m and 3.0m
  - 157 walls
  - Rep. Value \$72M
- Minor Walls less than 1.2m
  - 280 walls
  - Rep. Value \$8.5M

## Links to OCP



### OCP links to Retaining Wall functions:

- Reduce Cost Burden
- Safe Compact Communities
- Well maintained infrastructure

## Levels of Service



Major asset groups that provide the major service and whether the service objective is being met

- Major Walls
  - Safely support and delineate large differences in grade
  - Is service objective being met? **YES**
- Intermediate Walls
  - Safely support and delineate moderate differences in grade
  - Is service objective being met? **YES**
- Minor Walls
  - Safely support and delineate low differences in grade
  - Is service objective being met? **YES**

## Asset Condition



- Major Walls
  - 0% poor
  - 55% fair condition
- Intermediate Walls
  - 2% poor or failed
  - 43% fair condition
- Minor Walls
  - 2% poor condition
  - 59% fair condition

*Twelve (12) walls are in a poor or failed state*

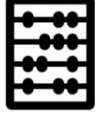
## Asset Risk



Anticipated over next 10 or 20 years

- 20% of Walls
  - **HIGH**
- 80% of Walls
  - **MEDIUM** or **LOW**

## Asset Financial Health



Availability of funds for higher risk assets' replacement cost?

- Major, intermediate and Minor Walls
  - **PARTIALLY FUNDED**

*Private retaining walls adjacent to sidewalk are the responsibility of the landowner.*

## Issues Challenging Assets and LOS



- Climate Change Impacts
- Complex assets and ownership
- High risk private walls out of City's hands.
- Stability of budget due to large value assets.



# 2024 PROVISIONAL BUDGET

November 7, 2023

**Joint Board and Councils Meeting**

# Outline

- The budget challenge and the way forward
- Consultation and feedback
- Organizational pressures and actions taken
- Budget overview

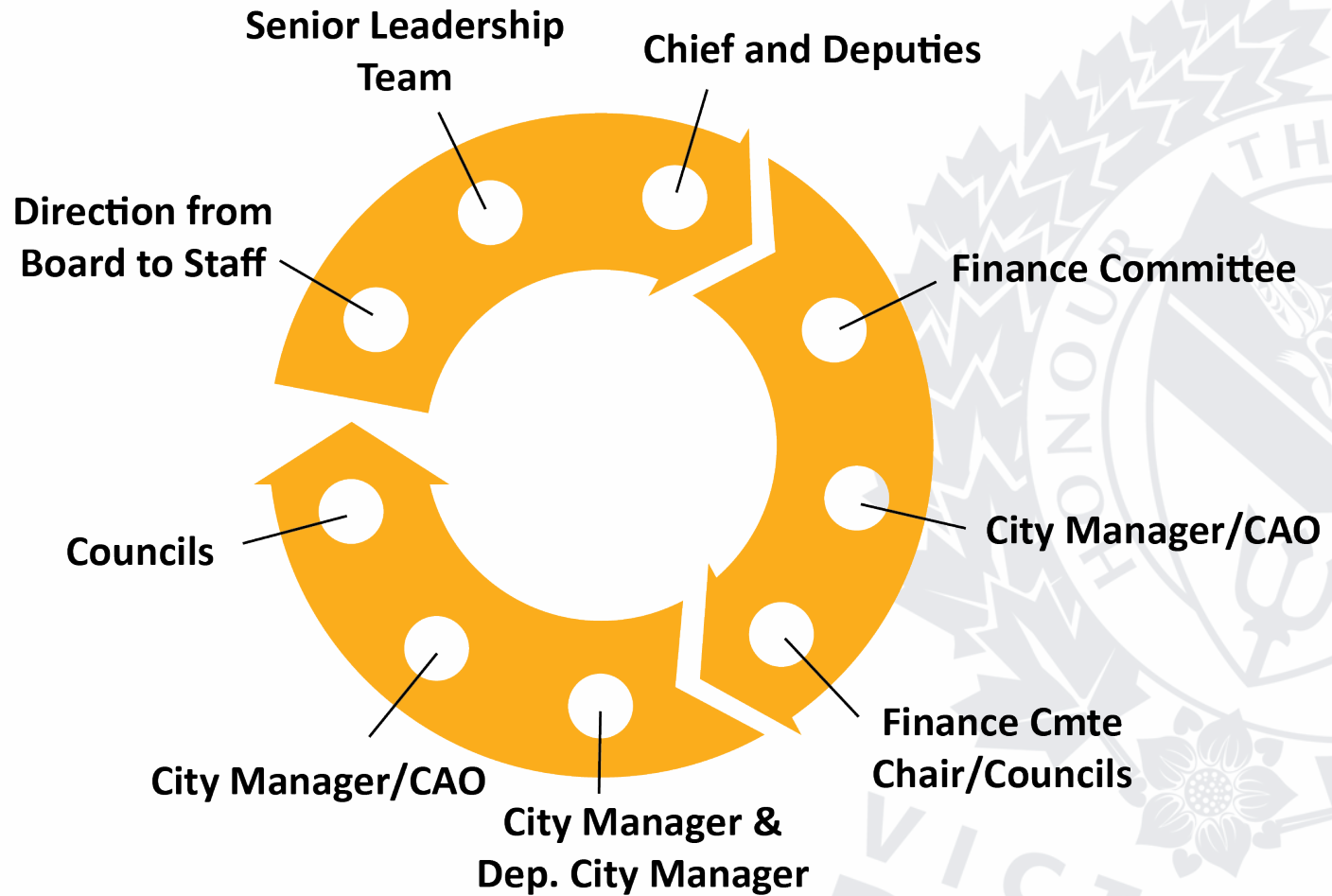


# Budget Process Challenges

- Providing services to two municipalities with different needs
- Uniqueness of our budget approval process
- Challenges with the Framework Agreement
- Balancing competing priorities with limited resources



# Current Budgeting Process



# The Way Forward

- Earlier start
- More collaborative approach with councils
- More consultation with community organizations
- Continued consultations with the City Manager/CAO
- Multi-year budgeting

# VIC PD STRATEGIC PLAN 2020

## VISION: A Safer Community Together

**MISSION:** Deliver excellence in public safety for two diverse communities through engagement, prevention, innovative policing and the Framework Agreement

### GOALS

#### SUPPORT COMMUNITY SAFETY

- Fight crime
- Prevent crime
- Contribute to community vibrancy

#### ENHANCE PUBLIC TRUST

- Engage the public
- Collaborate with our diverse communities
- Maximize transparency

#### ACHIEVE ORGANIZATIONAL EXCELLENCE

- Support our people
- Maximize efficiency and effectiveness
- Use technology to support our work

V

Integrity

A

Accountability

L

Collaboration

U

E

S

Innovation

# Other Strategic Considerations

- Divisional action plans
- Provincial public safety priorities
- Council priorities
- Priorities for the public and community organizations



# Provincial Public Safety Priorities

- ❑ Create a co-ordinated response to repeat offenders
- ❑ Expand mental-health crisis response
- ❑ Address violent random attacks
- ❑ Decriminalization of small amounts of personal use drugs
- ❑ Create indigenous justice centres
- ❑ Renewed focus on civil forfeiture

# Feedback from Councils

- Both Councils Support:
  - Police support for bylaw enforcement
  - Visibility and community policing
  - Traffic enforcement
  - Other areas of support:
    - Coordination of outreach with downtown service providers
    - Reduced bike thefts
    - Increased safety at night



# Feedback from Councils

- Common Concerns:
  - Policing model for two very different communities
  - Balancing needs for visibility and cost pressures
  - Cost of police

# Feedback from Councils

- Areas to explore/improve:
  - After-hours bylaw support
  - Crime prevention and visibility
  - Communication and interaction in the budgeting process
  - Coordination of outreach with downtown service providers
  - Impaired driving & speeding enforcement
  - Safety for the nighttime population



# Other Community Consultation

- Finance Committee members reached out to various organizations, including:
  - Destination Greater Victoria
  - Downtown Victoria Business Association
  - Victoria Community Association Network
- Ad hoc due to time constraints, next year's process will be more rigorous and inclusive

# Priorities: Community Groups

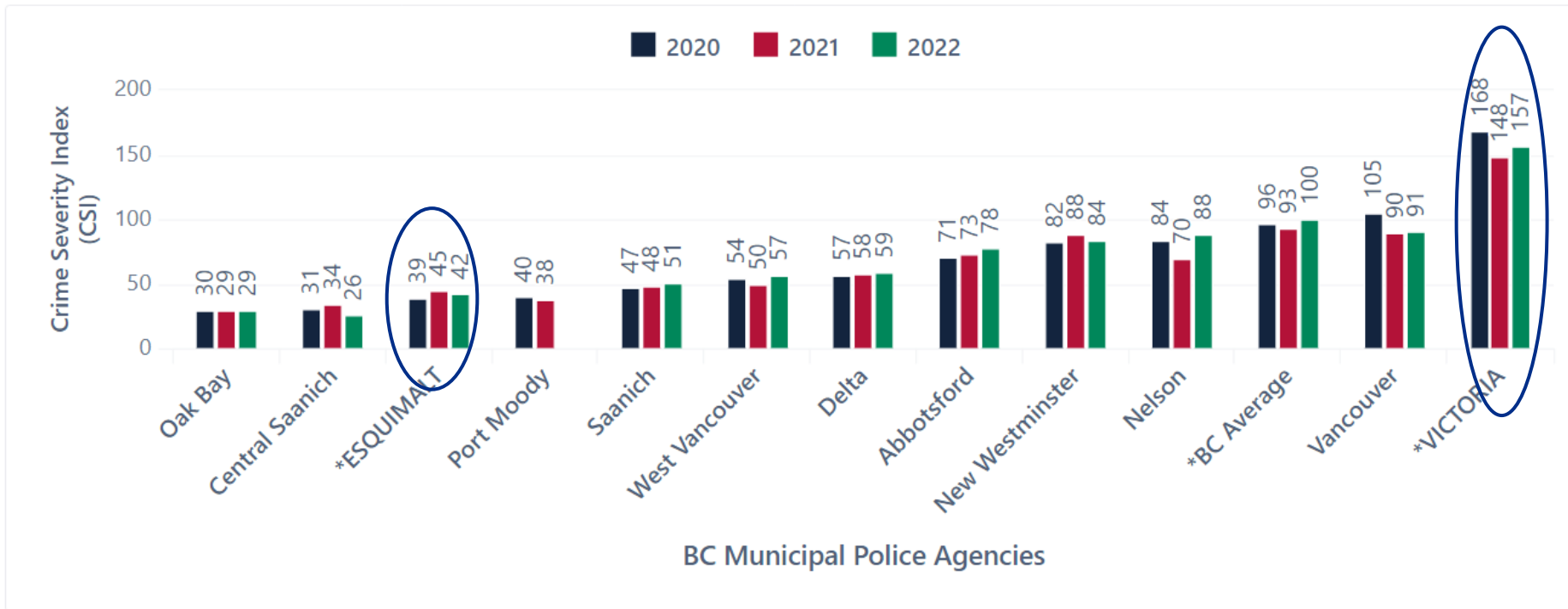
- ❑ Increased visibility
- ❑ Late night safety
- ❑ Outreach, with a collaborative approach
- ❑ Focus on prolific and repeat offenders
- ❑ Improve online crime reporting tools
- ❑ Responsiveness to and engagement with tourism
- ❑ Inclusive policing



# Crime and Incident Data

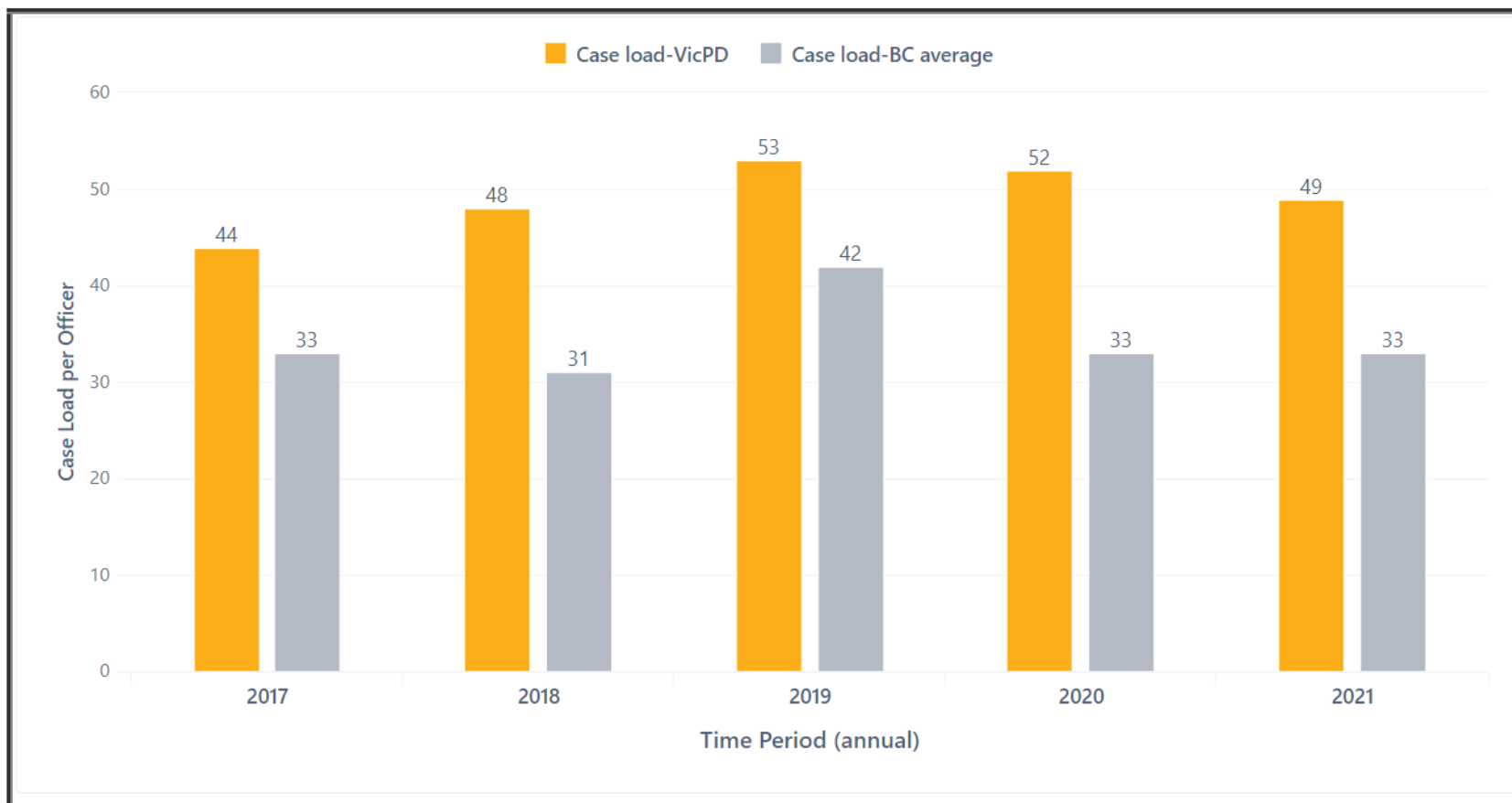


# StatsCan's Crime Severity Index



Source: Statistics Canada (data is the most recent available)

# Case Load Per Officer



Source: Police Resources in BC

# Organizational Pressures

- Workload demands – concentration of supportive services
- Impact of trauma and work-related injuries
- Investigative complexity and reporting standards
- Recruiting, retention and reintegration challenges
- Frequency and complexity of public protests and critical incidents

# Actions to Date

- Reorganization of front-line resources
  - ▣ More efficient deployment model
  - ▣ Team approach (GIS, CRT, outreach teams)
  - ▣ Increased proactive policing
  - ▣ Required suspension of Beat & Bike to resource
- Civilianization of Human Resource leadership
- Investing in employee wellness and psychological supports
  - ▣ In-house psychologist
  - ▣ Employee wellness strategies



# How we are Containing Costs

- Reorganization reduced overages in overtime
- Software being managed to leverage the use of Microsoft products
- Pilot lease program for the fleet
- HRIS system implementation to stream HR processes
- New in-house developed online crime reporting tool



# Budget Considerations

- Wage and general inflation
- Changes to standby pay
- Introduction of the parental leave program
- Retention, recruitment and reintegration
- Significant increases in 9-1-1 and dispatch contract

# Provisional Budget at a Glance

<i>Description</i>	<i>2022 Actual</i>	<i>2023 Budget</i>	<i>2024 Budget</i>	<i>Increase/(Decrease) \$ (millions) %</i>	
<b>OPERATING EXPENDITURES</b>					
Salaries, net of recoveries	43.3 M	49.4 M	51.7 M	2.3 M	
Overtime	5.3 M	3.7 M	4.1 M	0.4 M	
Other Operating Costs	13.2 M	14.5 M	15.9 M	1.4 M	
<b>TOTAL OPERATING</b>	61.8 M	67.6 M	71.7 M	4.2 M	6.21%
<b>RESERVE TRANSFERS</b>	1.4 M	0.8 M	0.8 M	0.07 M	0.00%
<b>REVENUE</b>	-0.8 M	-0.9 M	-0.9 M	-0.03 M	-3.30%
<b>STATUS QUO</b>	62.4 M	67.5 M	71.6 M	4.1 M	6.02%
<b>ADDITIONAL RESOURCES</b>			0.5 M	4.6 M	0.84%
<b>NET BUDGET</b>	-	-	72.1 M	4.6 M	6.86%

Items under Section 27(3) Appeal  
From the 2023 Budget

1.99M

2.95%

# Significant Cost Drivers for 2023 Budget

- Overall Increase: **6.86% (\$4.63M)**
  
- Salaries and benefits: **\$2.38M (3.52%)**
  
- Additional Resources: (4 positions) **\$0.57M (0.84%)**
  
- South Island Dispatch: **\$0.9 M (1.33%)**
  
- Equipment Upgrades **\$0.2M (0.31%)**
  
- Overtime **\$0.32M (0.48%)**
  
- Recruitment **\$0.14 M (0.20%)**
  
- All Other **\$0.12M (0.18%%)**

# Resources added to the budget

- Reintegration Sergeant - \$198k (\$195k – full year)
- Training Constable- \$99k (\$148k – full year)
- ICE Investigator- \$157k (\$157k – full year)
- Audit/FOI Analyst - \$100k (\$100k – full year)

(2024 amount prorated based on estimated hiring date)

# Closing Remarks

- Police Board Finance Committee Chair



# Questions & Discussion





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**2024 PROVISIONAL POLICE BUDGET**  
**NOVEMBER 7, 2024**

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## I. **Budget Overview**

The following represents the budget requests from managers, adjusted based on the feedback from the Special Board meeting on July 25<sup>th</sup>, including updated estimates for recruitment drives, integrated unit budget submissions, and costs for 9-1-1 and dispatch services. As such, the budget requests consist of three components:

1. Core budget requests based on existing resources
2. Additional resource requests by managers for 2024, consisting of;
  - a. Reintegration Sergeant
  - b. Training Constable
  - c. ICE Investigator
  - d. Audit/FOI Analyst
3. The impact of items from the 2023 budget not approved by councils and currently under appeal with the Province, should they be approved

An overall increase of 6.86% is requested, comprised of a 6.02% increase for current staffing and operational costs, plus an additional 0.84% increase for additional staffing.

Should the Province determine that all items currently under appeal from the 2023 budget should be included, this will add another 2.95% to the budget increase.

## A. Summary of Initial 2024 Budget Requests

<i>Description</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>Increase/(Decrease)</i>	
	<i>Actual</i>	<i>Budget</i>	<i>Budget</i>	<i>\$</i>	<i>%</i>
Salaries and Benefits, net of recoveries	43,300,463	49,296,520	51,674,816	2,378,296	
Overtime	5,301,399	3,662,870	4,099,140	436,270	
Other Operating Costs	13,218,238	14,605,550	15,949,980	1,344,431	
	<b>61,820,100</b>	<b>67,564,940</b>	<b>71,723,936</b>	<b>4,158,996</b>	
<b>RESERVE TRANSFERS</b>	<b>1,399,221</b>	<b>811,240</b>	<b>745,300</b>	<b>(65,940)</b>	
<b>REVENUE</b>	<b>(794,520)</b>	<b>(872,910)</b>	<b>(899,500)</b>	<b>(26,590)</b>	
	<b>62,424,801</b>	<b>67,503,270</b>	<b>71,569,736</b>	<b>4,066,466</b>	<b>6.02%</b>

### Additional Requests for 2024

Reintegration Sergeant	-	-	198,250	198,250	
Training Constable	-	-	98,745	98,745	
ICE Investigator	-	-	156,800	156,800	
Audit/FOI Analyst	-	-	113,680	113,680	
<b>Total Including Additional Requests</b>	<b>62,424,801</b>	<b>67,503,270</b>	<b>72,137,211</b>	<b>4,633,941</b>	<b>6.86%</b>

### Impact of Items under Section 27(3) Appeal, if approved

Financial Analyst	-	-	85,000	85,000	
Archivist	-	-	56,250	56,250	
Records Supervisor	-	-	92,000	92,000	
Training Specialist	-	-	89,000	89,000	
Additional Police Officers	-	-	425,000	425,000	
Body Worn Pilot	-	-	150,000	150,000	
Capital Reserve Funding	-	-	300,000	300,000	
Professional Services <sup>1</sup>	-	-	370,000	370,000	
Retirements	-	-	100,000	100,000	
Building Maintenance <sup>1</sup>	-	-	321,545	321,545	
<b>Items under Appeal, if Approved</b>	<b>-</b>	<b>-</b>	<b>1,988,795</b>	<b>1,988,795</b>	<b>2.95%</b>
<b>Total if items under Appeal are Approved</b>	<b>62,424,801</b>	<b>67,503,270</b>	<b>74,126,006</b>	<b>6,622,736</b>	<b>9.81%</b>

## II. Summary by Section

<i>Section</i>	<i>2022 Actual</i>	<i>2023 Budget</i>	<i>2024 Budget</i>	<i>Increase/(Decrease)</i>	
				<i>\$</i>	<i>%</i>
<b>Net Operating</b>					
Police Board	97,440	112,100	150,500	38,400	34.3%
Office of the Chief Constable	1,073,889	1,244,370	1,291,050	46,680	3.8%
Community Engagement Division	899,289	901,260	1,137,842	236,582	26.3%
Information Risk Management	7,378,101	8,580,250	9,850,357	1,270,107	14.8%
Patrol Division	22,643,035	21,174,940	20,976,210	(198,730)	-0.9%
Financial Services Division	4,537,422	6,879,910	7,345,141	465,231	6.8%
Inspector - Esquimalt Division	950,421	1,369,940	3,205,775	1,835,835	134.0%
Integrated Services	2,728,452	3,136,360	3,034,381	(101,979)	-3.3%
Human Resources Division	2,941,769	3,577,930	4,283,457	705,527	19.7%
Community Services Division	7,303,785	7,920,720	8,211,051	290,331	3.7%
Executives Services Division	1,557,229	2,155,750	2,390,598	234,848	10.9%
Investigative Services Division	8,973,962	9,249,740	8,493,374	(756,366)	-8.2%
				-	
<b>NET OPERATING BEFORE ADDITIONS</b>	<b>61,084,794</b>	<b>66,303,270</b>	<b>70,369,736</b>	<b>4,066,466</b>	<b>6.13%</b>
<b>CAPITAL TRANSFER</b>	<b>1,340,000</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>-</b>	<b>0.0%</b>
	<b>62,424,794</b>	<b>67,503,270</b>	<b>71,569,736</b>	<b>4,066,466</b>	<b>6.02%</b>
<b>Additional Requests for 2024</b>					
Reintegration Sergeant	-	-	198,250	198,250	
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ICE Investigator	-	-	156,800	156,800	
Audit/FOI Analyst	-	-	113,680	113,680	
<b>Total Including Additional Resource Requests</b>	<b>62,424,794</b>	<b>67,503,270</b>	<b>72,137,211</b>	<b>4,633,941</b>	<b>6.86%</b>

### III. Significant Cost & Saving Drivers

	Amount	%	Accum.
<b>2023 Budget Approved by Police Board</b>	<b>67,503,270</b>		
<b>Ordinary (On-Going) Significant Increases</b>			
Salary and Benefits (net of recoveries)	2,378,296	3.52%	
South Island Dispatch	899,430	1.33%	
Employee wellness	45,000	0.07%	
Liability & Cyber Insurance	72,710	0.11%	
Police Recruitment	135,000	0.20%	
Non-Recoverable Overtime	<u>120,880</u>	0.18%	
	3,651,316	5.41%	5.41%
<b>Extraordinary Increases</b>			
Equipment upgrades	<u>207,600</u>	0.31%	
	207,600	0.31%	5.72%
<b>Changes in revenue (recoveries)</b>			
Reduction in estimated grant revenue	106,800	0.16%	
Increase in estimated records revenue	<u>(18,000)</u>	-0.03%	
	88,800	0.13%	5.85%
<b>Decreases (\$5,000 and over)</b>			
Auto Insurance	<u>(70,000)</u>	-0.10%	
	(70,000)	-0.10%	5.74%
<b>Additional Resource Requests</b>			
Reintegration Sergeant	198,250	0.29%	
Training Constable	98,745	0.15%	
Internet Child Exploitation Investigator	156,800	0.23%	
Audit/FOI Analyst	<u>113,680</u>	0.17%	
	567,475	0.84%	6.59%
<b>Other Net Increases as a result of inflation</b>			
Increases (decreases) below separate reporting threshold	<u>188,750</u>	188,750	0.28%
	188,750	0.28%	6.86%
<b>2024 Provisional Budget</b>	<b><u>72,137,211</u></b>		<b>6.86%</b>

## **A. Significant Organizational Changes**

In 2023, several organizational changes occurred, which impacted the presentation of the 2024 budget.

### **1. Special Municipal Constable Program**

As part of our collective bargaining with the police union, both parties agreed that the Special Municipal Constable programs should become permanent. As such, the wages and benefits for the Administrative Special Municipal Constables are now included in the budget's permanent salaries and benefit lines rather than auxiliary wages. The 2024 budget also includes additional costs required to backfill those positions.

### **2. Operational Reorganization**

In 2023, a reorganization of operations was undertaken after an extensive staff-driven process. Although still a pilot project, the budget for 2024 reflects the changes in cost allocations. The reorganization was done on the premise of no increase in authorized strength.

Some of the most significant changes impacting the budget are;

- The consolidation of the Administrative, Jail Special Municipal Constables, and Court into one business unit
- The creation of an Outreach section, consolidating existing related services into one business unit
- The creation of a General Investigation Team, including the consolidation of existing related services
- The temporary suspension of the Beat and Bike section to adequately staff the new sections
- The reinstatement of a Constable to adequately maintain the Reserves program
- A redistribution of reporting relationship for the Greater Victoria Emergency Response Team members under the Inspector for Esquimalt

### **3. Information Risk Management Division**

The Information Technology and Information Management Divisions have been consolidated into one Division, the Information Risk Management Division, encompassing Information Technology, Information Support Services, and the South Island Dispatch Centre.

## **Significant Cost Drivers - Narrative**

### **Salaries and Benefits**

New collective agreements were negotiated with both CUPE Local 50 and the Victoria Police Union. Police Union increases for 2023 and 2024 are tied to increases for the Vancouver Police Department, for which the percentage increases are yet to be determined. As such, an estimate has been used under the Contingency line item in the Financial Services Division budget for police wage increases. 2024 wage rates for CUPE positions represent the actual negotiated wage rate for that year. 2023 Budget numbers were based on 2021 CUPE rates and 2022 Police Union rates, with estimated increases being included in the contingency line item. This should be considered when comparing year-over-year increases for individual salary line items.

### **Standby**

Changes were made to compensation for standby pay in the new collective agreement to bring us in line with those of other police agencies. These costs are reflected in the requested 2024 budget.

### **Parental Leave**

Enhancements were made to the Supplemental Employment Insurance Plan regarding parental leave. This brings us in line with the benefits offered at other police agencies. The estimated cost to maintain operations due to this leave is reflected in the overtime budget for 2024.

### **Overtime**

The overtime budget includes the cost of the above-mentioned parental leave program as well as wage inflation. A portion of the planned increase in overtime is recoverable for special duties. The remainder of the increases are mostly related to Emergency Response Team activations and overtime for the newly created General Investigation Team.

### **South Island Dispatch**

The 2024 budget includes an allowance for incremental costs for the contract with E-Comm. Expected increases for 2024 are based on recent correspondence received from E-Comm and are significantly higher than originally anticipated due to higher-than-expected call loads. The E-Comm Board is not expected to approve a final budget until later in the year.

### **Equipment Upgrades**

Funds are required to replace existing equipment issued to police officers, primarily regarding handguns and tasers.

## ***Considerations in Determining Additional Staffing Requests***

The recommended provisional budget includes four additional staffing positions, representing the maximum capacity to increase strength in 2024. In reality, our staffing needs are more significant. However, due to substantial increases in retirements and resignations, we have funded positions, including secondment positions, that need to be filled, reducing our capacity to increase staffing in a particular year. For this reason, we will likely request additional resources in future years as capacity allows.

In the last five years, we have seen a significant increase in retirements and resignations than in the past. Aside from demographic factors, we also see a greater desire for work-life balance or more frequent career changes. We must adapt as an organization to the changing workplace, changes that will have an impact on sourcing needs well into the future. As a result, additional positions requested in the budget are for the Human Resources Division. Increasing our human resources capacity is necessary to meet some of these changing demands.

Approximately 11% of our operational positions are currently vacant. Many officers are non-deployable but still on our payroll as accommodated employees or off on WorksBC. It is important to note that vacancies are increasingly common among policing agencies in BC, and our current vacancy rate is comparable to other police agencies in our province.

Due to provisions within our collective agreement and limited coverage, police officers off on a WorkSafeBC claim can only be partially replaced. This leaves us in the position of only being able to replace approximately 50% of the officers off on compensable injuries. These gaps disproportionately impact our people and overall service delivery due to the demanding and complex environment in which they operate. The net result is that these vacancies exacerbate workloads that are already at a level in BC amongst municipal police agencies.

## IV. **Framework Agreement Considerations**

### ***A. Expiration and Extension of the Framework Agreement***

The Framework Agreement between the Victoria and Esquimalt Police Board, the City of Victoria, and the Township of Esquimalt expires December 31<sup>st</sup>, 2023. Both municipalities have agreed to negotiate an extension of the Framework Agreement for one year, with an option to renew for up to two years, following the terms that exist in the current agreement.

### ***B. Consultation with Municipal Administrators and Councils***

Consultations were held with the senior leadership for both municipalities on September 11<sup>th</sup> and with the councils for the Township of Esquimalt and the City of Victoria on September 11<sup>th</sup> and 14<sup>th</sup>, respectively. Follow up meetings were held on October 23<sup>rd</sup> and November 2<sup>nd</sup>, prior to the Board's adoption of the 2024 Provisional Police Budget.

The purpose of the consultation with the senior leadership was to gain insights on council priorities from their perspective and to seek their views on council priorities, budget challenges, and any changes they would like to see in the budget process.

The purpose of the consultation with councils was to determine the strategic priorities of each council about public safety, as well as areas they would like us to focus more on and areas they considered a lesser priority.



Below is a summary of these consultations:

**Questions asked of the council:**

- Which strategic priorities would you highlight in relation to public safety?
- What specific public safety priorities would councils like VicPD to focus on?
- What public safety activities would councils consider of a lesser priority for the Victoria Police Department?

**Consultations with Senior Leadership, both municipalities, September 11<sup>th</sup>, 2023**

*Victoria*

- The new council is investing in the downtown
- The City faces internal pressures around capital replacement and is looking at a significant increase in the budget as a result
- This could, therefore, be a challenging year for asking for resources
- Senior management is trying to stay high level with the council. However, VicPD should anticipate questions about cost savings, what-ifs, and cost-cutting scenarios
- The Board also needs to find a way to reflect councils' priorities in the budget
- Recruitment and the timing of hiring should be factored into budget asks to keep costs down

*Esquimalt*

- It is going to be very difficult for the council to make easy budget decisions; they are not used to having to address significant increases
- Council is happy with the level of service but is still exploring the way forward in policing complex background environment
- No surprises or significant changes are expected in the process, but questions surrounding long-term planning could be coming from the council
- They would like to see a longer-term staffing and infrastructure renewal plan from VicPD
- Framework agreement reporting and the need for more/better metrics may come up in discussions

**Consultation with the Township of Esquimalt Council, September 11<sup>th</sup>, 2023**

*Priorities for Council:*

- Bylaw Enforcement
- Traffic
- Visibility and preventative policing
- Community Policing Model

*Specific Areas Requiring More Focus:*

- Making after-hours bylaw enforcement, when bylaw officers are no longer on duty, more accessible to Esquimalt residents
- Enforcement of speeding in school zones and general speed limit enforcement
- Crime Prevention
- Visibility through foot and bike patrols
- Communication and interaction in the budgeting process
- Budget asks need to be tied more directly to the direct benefits for Esquimalt
- Consider bringing back the School Resource Officers

*Concerns:*

- Cost pressures on a small community for policing
- Changes wanted around the approach to budgeting and policing models for two very different communities

*Other Discussions:*

- There is a desire to sever the budget into components (Victoria, Esquimalt and Commonalities)
- More advocacy is required to the Province to change the budget approach
- Council wants more autonomy in approving budget spending requests
- There is a common desire to have a follow-up meeting with councils before the Joint Board Councils meeting

**Consultation with the City of Victoria Council, September 14<sup>th</sup>, 2023***Priorities for Council:*

- Visibility in the community, mainly through foot and bike patrols in the downtown
- Integration and coordination with the Peer Assisted Care Teams and other downtown service providers
- Reducing bike thefts
- Increased safety at night
- Police assistance for bylaw enforcement
- Community-based policing to build trust and relationships, particularly in the downtown
- Redefining community safety, where policing is an important part but not the only piece of the solution

*Specific Areas Requiring More Focus:*

- Foot and bike patrols in the downtown
- Accessibility to services, both in terms of accessibility to newcomers (e.g., language and cultural barriers) and hours of service

- Coordination of outreach services with Peer Assisted Care Teams and service levels for the Co-Response Team and Mobile Youth Service Team
- Police support to bylaw
- Community engagement with the public to help prevent bike thefts
- Enforcement of bike ‘chop shops’
- Safety for the nighttime population, particularly women and vulnerable populations
- Drunk and exhausted driver checks

*Concerns:*

- Financial Accountability and fiscal prudence
- The budget will be a challenge for the council
- Carefully balancing increased needs for visibility while maintaining presence and response in neighborhoods
- Lack of options for reporting incidents online that don’t require police immediate assistance
- Being able to balance the resources required to maintain beat and bike visibility with the resources required in cars to maintain response given budget challenges

### ***C. Items under Section 27(3) Appeal***

Items under Section 27(3) appeal have not been included in the body of the budget and have been disclosed separately on page 5 of this report. Some of these items represented new resources, whilst others ongoing expenditures that are considered core budget items. Any items approved under the Section 27(3) appeal would need to be added onto the 2024 budget amounts. It should also be noted that if any of the items considered core are not approved, these expenditures will likely be incurred regardless. In particular this is the case for the Building Maintenance and Professional Services line items under appeal.

## V. Detailed Operating Budget Submissions

<i>2024 Recommended Provisional Budget</i>					
<i>Section</i>	<i>2022 Actual</i>	<i>2023 Budget</i>	<i>2024 Budget</i>	<i>Increase/(Decrease)</i>	
				<i>\$</i>	<i>%</i>
<b>Expenditures</b>					
<b>POLICE BOARD</b>	<b>97,440</b>	<b>112,100</b>	<b>150,500</b>	<b>38,400</b>	<b>34.3%</b>
<b>OFFICE OF THE CHIEF CONSTABLE</b>	<b>1,073,889</b>	<b>1,244,370</b>	<b>1,291,050</b>	<b>46,680</b>	<b>3.8%</b>
<b>COMMUNITY ENGAGEMENT DIVISION</b>					
Public Affairs	673,229	649,560	707,325	57,765	8.9%
Volunteer Program	124,009	137,720	161,988	24,268	17.6%
Community Programs	102,051	113,980	268,529	154,549	135.6%
	<b>899,289</b>	<b>901,260</b>	<b>1,137,842</b>	<b>236,582</b>	<b>26.3%</b>
<b>INFORMATION RISK MANAGEMENT</b>					
Information Technology	1,640,484	2,065,170	2,100,642	35,472	1.7%
Information Support Services	2,145,918	2,344,080	2,679,285	335,205	14.3%
South Island Dispatch Centre	3,591,699	4,171,000	5,070,430	899,430	21.6%
	<b>7,378,101</b>	<b>8,580,250</b>	<b>9,850,357</b>	<b>1,270,107</b>	<b>14.8%</b>
<b>PATROL DIVISION</b>					
Reserve Program	12,046	23,500	152,168	128,668	547.5%
Patrol	22,630,989	21,151,440	20,824,042	(327,398)	-1.5%
	<b>22,643,035</b>	<b>21,174,940</b>	<b>20,976,210</b>	<b>(198,730)</b>	<b>-0.9%</b>
<b>FINANCIAL SERVICES DIVISION</b>					
Financials Services	2,335,806	4,504,650	5,375,976	871,326	19.3%
Centralized Corporate Costs	1,347,831	1,389,260	1,017,665	(371,595)	-26.7%
Automotive	853,785	986,000	951,500	(34,500)	-3.5%
	<b>4,537,422</b>	<b>6,879,910</b>	<b>7,345,141</b>	<b>465,231</b>	<b>6.8%</b>
<b>INSPECTOR ESQUIMALT DIVISION</b>					
Special Duties	2,285	36,190	38,000	1,810	5.0%
Esquimalt Administration	664,212	623,090	651,005	37,415	6.0%
School Resource Officers	-	393,480	-	(393,480)	-100.0%
GVERT - Esquimalt Based Team	-	-	2,184,270	2,184,270	N/A
Operational Planning	283,924	317,180	332,500	15,320	4.8%
	<b>950,421</b>	<b>1,369,940</b>	<b>3,205,775</b>	<b>1,835,835</b>	<b>134.0%</b>
<b>INTEGRATED SERVICES</b>					
Integrated Mobile Crisis Response Team	129,560	134,370	128,677	(5,693)	-4.2%
Integrated Canine Unit	707,750	744,220	810,952	66,732	9.0%
Greater Victoria Police Diversity Committee	6,117	2,570	37,104	34,534	1343.6%
Vancouver Island Integrated Major Crime Unit	938,222	1,169,120	961,004	(208,116)	-17.8%
Mobile Youth Service Team	62,550	65,090	64,694	(396)	-0.6%
Greater Victoria Regional Domestic Violence Unit	204,974	213,770	209,509	(4,261)	-2.0%
Greater Victoria Crime Stoppers	61,890	64,370	63,135	(1,235)	-1.9%
Greater Victoria Public Safety Unit	40,259	142,620	144,555	1,935	1.4%
Greater Victoria Emergency Response Team	544,610	566,390	577,350	10,960	1.9%
Greater Victoria Explosive Disposal Unit	15,500	16,120	16,897	777	4.8%
Greater Victoria Crisis Negotiator Team	17,020	17,720	20,504	2,784	15.7%
	<b>2,728,452</b>	<b>3,136,360</b>	<b>3,034,381</b>	<b>(101,979)</b>	<b>-3.3%</b>
<b>HUMAN RESOURCES DIVISION</b>					
Human Resources	2,927,874	3,539,930	4,245,457	705,527	19.9%
Secondments	(8,170)	-	-	-	1
Critical Incident Stress Management	22,065	38,000	38,000	-	0.0%
	<b>2,941,769</b>	<b>3,577,930</b>	<b>4,283,457</b>	<b>705,527</b>	<b>19.7%</b>

<b>VICTORIA POLICE DEPARTMENT</b>	<b>2022</b>	<b>2023</b>	<b>2024 Increase/(Decrease)</b>		
<b>2024 Recommended Provisional Budget</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget \$</b>	<b>%</b>	
<b>COMMUNITY SERVICES DIVISION</b>					
General Investigation Team	4,080,583	4,092,890	4,187,377	94,487	2.3%
Community Outreach	237,423	722,910	992,332	269,422	37.3%
Special Municipal Constables	1,058,851	1,028,600	1,798,607	770,007	74.9%
Community Resource Officers (Former)	796,943	913,090	-	(913,090)	-100.0%
Traffic Enforcement and Crash Investigation	1,123,151	1,145,640	1,215,145	69,505	6.1%
Motorcycle Escort Team	6,834	17,590	17,590	-	0.0%
	<b>7,303,785</b>	<b>7,920,720</b>	<b>8,211,051</b>	<b>290,331</b>	<b>3.7%</b>
<b>EXECUTIVE SERVICES DIVISION</b>					
Executive Services, Policy and Professional Standards	1,179,858	1,751,490	1,942,535	191,045	10.9%
Legal Services and Freedom of Information	377,371	404,260	448,063	43,803	10.8%
	<b>1,557,229</b>	<b>2,155,750</b>	<b>2,390,598</b>	<b>234,848</b>	<b>10.9%</b>
<b>INVESTIGATIVE SERVICES DIVISION</b>					
Analysis and Intel	734,762	753,830	969,742	215,912	28.6%
Strike Force	1,360,394	1,562,110	1,351,276	(210,834)	-13.5%
Special Operations	-	-	-	-	0.0%
Detective Division - Support	1,320,814	1,355,580	1,662,409	306,829	22.6%
Financial Crimes	370,250	506,330	-	(506,330)	-100.0%
Computer Analysis Section	247,095	547,730	588,615	40,885	7.5%
Special Victims Unit	1,178,934	998,110	983,597	(14,513)	-1.5%
Major Crimes	1,729,317	1,557,180	1,384,957	(172,223)	-11.1%
Historical Case Review Unit	191,617	188,730	333,900	145,170	76.9%
Behavioural Assessment and Management Unit (Former)	655,432	658,260	-	(658,260)	-100.0%
Forensic Identification	1,185,347	1,121,880	1,218,878	96,998	8.6%
	<b>8,973,962</b>	<b>9,249,740</b>	<b>8,493,374</b>	<b>(756,366)</b>	<b>-8.2%</b>
	<b>61,084,794</b>	<b>66,303,270</b>	<b>70,369,736</b>	<b>4,066,466</b>	<b>6.13%</b>
<b>TRANSFER TO CAPITAL RESERVE</b>	<b>1,340,000</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>-</b>	<b>0.0%</b>
	<b>62,424,794</b>	<b>67,503,270</b>	<b>71,569,736</b>	<b>4,066,466</b>	<b>6.02%</b>
<b>Additional Requests for 2024</b>					
Reintegration Sergeant			198,250	198,250	
Training Constable			98,745	98,745	
ICE Investigator			156,800	156,800	
Audit/FOI Analyst			113,680	113,680	
<b>Total Including Additional Requests</b>	<b>62,424,794</b>	<b>67,503,270</b>	<b>72,137,211</b>	<b>4,633,941</b>	<b>6.86%</b>

<i>Description</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>Increase/(Decrease)</i>	
	<i>Actual</i>	<i>Budget</i>	<i>Budget</i>	<i>\$</i>	<i>%</i>
Salaries - Police	30,865,624	35,686,137	36,624,868	938,731	2.6%
Salaries - Non Sworn Unionized	3,899,149	4,509,240	4,843,400	334,160	7.4%
Salaries - Non Sworn Exempt	1,027,646	1,029,240	1,182,641	153,401	14.9%
Auxiliaries	147,221	156,000	164,000	8,000	5.1%
Aux Special Municipal Constables	570,615	557,950	268,500	(289,450)	-51.9%
Employee Retirement Obligations	810,937	-	-	-	0.0%
Worksafe Recovery	(1,303,494)	(250,000)	(676,800)	-426,800	170.7%
Recoveries from Third Parties	(3,735,958)	(3,811,763)	(2,465,608)	1,346,155	-35.3%
Benefits - Non Sworn	1,728,653	1,643,300	1,806,363	163,063	9.9%
Benefits - Sworn	9,290,070	9,776,417	9,927,452	151,035	1.5%
<b>Salaries and Benefits</b>	<b>43,300,463</b>	<b>49,296,520</b>	<b>51,674,816</b>	<b>2,378,296</b>	<b>4.8%</b>
<b>Overtime</b>					
Civilians	225,869	146,800	151,000	4,200	2.9%
Police & Special Constables	5,075,530	3,516,070	3,948,140	432,070	12.3%
	<b>5,301,399</b>	<b>3,662,870</b>	<b>4,099,140</b>	<b>436,270</b>	<b>11.9%</b>
<b>Other Operating Costs</b>					
Professional Services	4,787,164	6,232,690	6,776,869	544,180	8.7%
Equipment Maintenance	1,578,166	1,419,080	1,480,500	61,420	4.3%
Building Maintenance	832,777	643,085	563,455	-79,630	-12.4%
Business Travel/Recruit Training	509,332	879,090	1,044,460	165,370	18.8%
Crime Investigation	159,622	685,000	670,000	-15,000	-2.2%
Lease/Rental Payments	523,743	214,295	586,200	371,905	173.5%
Staff Development - Training - POLICE	442,409	546,750	580,230	33,480	6.1%
New Equipment	607,578	464,200	650,755	186,555	40.2%
Communications	693,295	877,560	872,600	-4,960	-0.6%
Fuel and Motor Oil	286,123	373,690	381,891	8,201	2.2%
General Supplies	396,992	373,380	416,610	43,230	11.6%
Insurance	254,732	332,670	337,510	4,840	1.5%
Litigation	14,218	300,000	300,000	0	0.0%
Uniforms	426,222	266,740	276,000	9,260	3.5%
Laundry	134,059	134,000	139,000	5,000	3.7%
Claims	(26,198)	125,000	125,000	0	0.0%
Car Allowance	108,152	116,300	136,700	20,400	17.5%
Miscellaneous/Third Party Reimbursemen	1,088,286	93,420	89,700	(3,720)	-4.0%
Staff Development - Training - CIVILIAN	34,328	73,000	72,000	-1,000	-1.4%
Office Supplies	67,506	68,300	70,000	1,700	2.5%
Photocopy Operation	33,704	60,000	50,000	-10,000	-16.7%
Operational Meetings	43,408	63,900	68,000	4,100	6.4%
Honorarium	51,787	57,600	60,000	2,400	4.2%
Car Rental	31,205	53,000	53,000	0	0.0%
Memberships	46,126	44,000	47,000	3,000	6.8%
Advertising	28,472	30,000	20,000	-10,000	-33.3%
Prison Meals	16,194	30,000	25,000	-5,000	-16.7%
Postage	23,854	25,500	25,500	0	0.0%
Publications	24,139	21,800	30,500	8,700	39.9%
Credit Card Discount Fees	843	1,500	1,500	-	0.0%
	<b>13,218,238</b>	<b>14,605,550</b>	<b>15,949,980</b>	<b>1,344,431</b>	<b>9.2%</b>
<b>TOTAL OPERATING COSTS</b>	<b>61,820,100</b>	<b>67,564,940</b>	<b>71,723,936</b>	<b>4,158,996</b>	<b>6.16%</b>
<b>RESERVE TRANSFERS</b>	<b>1,399,221</b>	<b>811,240</b>	<b>745,300</b>	<b>(65,940)</b>	<b>-8.1%</b>
<b>REVENUE</b>					
Special Duties	(479,047)	(634,610)	(750,000)	(115,390)	18.2%
Records	(97,726)	(67,000)	(85,000)	(18,000)	26.9%
Grants	(179,170)	(121,000)	(24,500)	96,500	-79.8%
Jail	(38,577)	(50,300)	(40,000)	10,300	-20.5%
<b>REVENUE</b>	<b>(794,520)</b>	<b>(872,910)</b>	<b>(899,500)</b>	<b>(26,590)</b>	<b>3.0%</b>
<b>NET EXPENDITURES</b>	<b>62,424,801</b>	<b>67,503,270</b>	<b>71,569,736</b>	<b>4,066,466</b>	<b>6.02%</b>
<b>Additional Requests for 2024</b>					
Reintegration Sergeant	-	-	198,250	198,250	
Training Constable	-	-	98,745	98,745	
ICE Investigator	-	-	156,800	156,800	
Audit/FOI Analyst	-	-	113,680	113,680	
<b>Total Including Additional Resource Requ</b>	<b>62,424,801</b>	<b>67,503,270</b>	<b>72,137,211</b>	<b>4,633,941</b>	<b>6.86%</b>

## VI. Breakdown by Division and Unit

(Excluding Additional Staffing Costs – broken down separately on budget summaries)

### A. Victoria & Esquimalt Police Board

Police Board - 2521						
Description		2022 Actual	2023 Budget	2024 Budget	Increase (Decrease)	
					\$	%
2521 4102	Benefits - Civilians	2,239	-	-	-	0.00%
2521 4112	Mileage/Parking	580	-	-	-	0.00%
2521 4116	Conference Travel <sup>1</sup>	7,986	15,000	25,000	10,000	66.67%
2521 4118	Membership Fees	2,875	3,000	3,000	-	0.00%
2521 4125	Non Sworn Training	100	3,000	3,000	-	0.00%
2521 4230	Professional Services <sup>2</sup>	24,992	27,000	50,000	23,000	85.19%
2521 4304	Operational Meetings <sup>3</sup>	2,239	6,000	9,000	3,000	50.00%
2521 4364	Telecommunications	403	500	500	-	0.00%
2521 4418	Equipment	4,777	-	-	-	0.00%
2521 4814	Honorarium	51,787	57,600	60,000	2,400	4.17%
2521 4824	Recovery	(538)	-	-	-	0.00%
<b>TOTALS</b>		<b>97,440</b>	<b>112,100</b>	<b>150,500</b>	<b>38,400</b>	<b>34.26%</b>

**Notes:**

1. Additional budget required for training for new Board members
2. Increase in budget for legal required for increasingly complex governance issues
3. Funding for increased community engagement

### B. Office of the Chief Constable

Office of the Chief Constable - 2528						
Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease)	
					\$	%
2528 4004	Salaries - Police	666,835	675,530	727,685	52,155	7.72%
2528 4016	Salaries - Civilian <sup>1</sup>	-	86,970	96,673	9,703	11.16%
2528 4010	Salaries - Exempt	167,642	169,710	181,167	11,457	6.75%
2528 4102	Benefits - Civilians	56,626	77,000	83,352	6,352	8.25%
2528 4104	Benefits - Police	116,652	201,160	167,373	(33,787)	-16.80%
2528 4112	Parking/Executive Vehicles	1,143	2,000	1,200	(800)	-40.00%
2528 4116	Business Travel	64,991	32,000	33,600	1,600	5.00%
<b>TOTALS</b>		<b>1,073,889</b>	<b>1,244,370</b>	<b>1,291,050</b>	<b>46,680</b>	<b>3.75%</b>

**Notes:**

1. Based on current steps for two executive assistant positions

## C. Community Engagement Division

Consisting of:

- Public Affairs
- Volunteers Program
- Community Programs

### Public Affairs - 2524

Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease) \$	%
2524 4004	Salaries - Police	125,243	111,670	117,249	5,579	5.00%
2524 4010	Salaries - Exempt	160,664	155,520	165,788	10,268	6.60%
2524 4016	Salaries - Civilian	177,095	169,780	188,751	18,971	11.17%
2524 4070	Overtime - Civilians	9,307	10,000	10,000	-	0.00%
2524 4072	Overtime - Police	30,412	13,000	13,000	-	0.00%
2524 4104	Benefits - Police	39,210	33,500	35,175	1,675	5.00%
2524 4102	Benefits - Civilian	95,419	97,590	106,362	8,772	8.99%
2524 4112	Car Allowance	1,000	1,000	1,000	-	0.00%
2524 4116	Business Travel <sup>1</sup>	-	5,000	7,500	2,500	50.00%
2524 4230	Professional Services <sup>2</sup>	9,488	30,000	30,000	-	0.00%
2524 4308	General Supplies	35	-	-	-	N/A
2524 4310	Publications <sup>3</sup>	23,420	20,000	30,000	10,000	50.00%
2524 4850	Employee Recognition Program	145	500	500	-	0.00%
2524 4418	New Equipment	1,320	2,000	2,000	-	0.00%
2524 9211	WO Regular Time	471	-	-	-	N/A
<b>TOTALS</b>		<b>673,229</b>	<b>649,560</b>	<b>707,325</b>	<b>57,765</b>	<b>8.89%</b>

#### Notes:

1. Plans for conferences for Director and Communications Coordinator.

2. \$11k removed from HR recruiting budget and added to this line. Total budget is for 2-3 campaigns to attract 30+ officers and professional civilian staff.

Annual Community Survey	10,000	
Advertising Budget - Recruitment (previously under HR)	20,000	
Travel & Information Sessions		10,000
Civilian Recruiting Ads		5,000
Additional Costs		15,000
	<b>30,000</b>	<b>30,000</b>

3. Publications

Community Outreach	4,000	4,000
Annual Community Survey		10,000
Website, social media	13,000	13,000
Various publications	3,000	3,000
	<b>20,000</b>	<b>30,000</b>



**Volunteers - 2546**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2546 4016	Salaries - Civilian	74,083	75,090	83,529	8,439	11.24%
2546 4070	Overtime - Civilian <sup>1</sup>	3,344	1,000	3,500	2,500	N/A
2546 4072	Overtime - Police	885	-	-	-	N/A
2546 4102	Benefits - Civilians	22,935	22,530	25,059	2,529	11.23%
2546 4104	Benefits - Police	49	-	-	-	0.00%
2546 4112	Car Allowance <sup>2</sup>	69	300	14,400	14,100	4700.00%
2546 4116	Training/travel	35	2,300	1,000	(1,300)	-56.52%
2546 4304	Recognition/operational meetings <sup>3</sup>	17,135	26,000	26,000	-	0.00%
2546 4310	Publications	609	400	-	(400)	-100.00%
2546 4312	Office Supplies	349	800	-	(800)	-100.00%
2546 4316	Uniforms <sup>4</sup>	893	5,000	4,000	(1,000)	-20.00%
2546 4418	New Equipment	2,563	1,500	1,500	-	0.00%
2546 4814	Miscellaneous <sup>5</sup>	336	800	1,500	700	87.50%
2546 4822	Maintenance and Repairs	724	2,000	1,500	(500)	-25.00%
<b>TOTALS</b>		<b>124,009</b>	<b>137,720</b>	<b>161,988</b>	<b>24,268</b>	<b>17.62%</b>

**Notes:**

- Increase in overtime as volunteer activities have returned to pre-pandemic levels
- Costs to provide 6 parking stalls during normal operating hours due to changes in parking enforcement by the City at Royal Athletic Parking lot
- Recognition/Operational Meetings

Volunteer appreciation, Team Building, retirement functions	16,800	16,800
National Volunteer Week	3,000	3,000
Operational meetings - ongoing training	2,000	2,000
Recruitment costs	4,200	4,200
	26,000	26,000
- Slight reduction as supplies are healthy
- Increase to account for zeroing of smaller publications and office supplies budget lines

**Community Programs Coordinator - 2547**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2547 4016	Salaries - Civilian	67,355	68,060	75,753	7,693	11.30%
2547 4004	Salaries - Police	-	-	111,700	111,700	N/A
2547 4102	Benefits - Civilians	19,382	20,420	22,726	2,306	11.29%
2547 4104	Benefits - Police	-	-	33,500	33,500	N/A
2547 4116	Travel <sup>1</sup>	-	1,200	1,200	-	0.00%
2547.4204	Advertising <sup>2</sup>	9,755	20,000	20,000	-	0.00%
2547.4230	Professional Services	-	100	150	50	50.00%
2547.4304	Community Engagement Events & Meetings	5,329	2,500	2,500	-	0.00%
2547.4308	General Supplies	149	-	-	-	N/A
2547.4310	Publications	80	1,200	500	(700)	-58.33%
2547 4814	Misc.	1	500	500	-	0.00%
<b>TOTALS</b>		<b>102,051</b>	<b>113,980</b>	<b>268,529</b>	<b>154,549</b>	<b>135.59%</b>

**Notes:**

- Annual block watch society conference
- Supplies for promotion and recruitment

## D. Information Risk Management Division

Consisting of:

- Information Technology
- Information Support Services
- South Island Dispatch Centre

### INFORMATION TECHNOLOGY - 2550

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2550 4010	Salaries - Exempt <sup>1</sup>	131,492	155,520	294,161	138,641	89.15%
2550 4016	Salaries - Civilian <sup>1</sup>	424,177	652,760	503,256	(149,504)	-22.90%
2550 4070	Overtime - Civilian <sup>2</sup>	2,231	10,000	5,000	(5,000)	-50.00%
2550 4102	Benefits - Civilians	155,492	242,490	239,225	(3,265)	-1.35%
2550 4112	Mileage/Parking	958	1,000	1,000	-	0.00%
2550 4116	Conferences/Travel <sup>3</sup>	901	1,200	2,000	800	66.67%
2500 4120	Training & Development	15	-	-	-	N/A
2550 4125	Training	4,301	17,000	17,000	-	0.00%
2550 4230	Professional Services <sup>4</sup>	15,180	10,000	20,000	10,000	100.00%
2550 4308	General Supplies	8,920	20,000	20,000	-	0.00%
2550 4310	Books/Publications	30	200	-	(200)	-100.00%
2550.4816	Lease/Rental <sup>5</sup>	-	-	8,500	8,500	N/A
2550 4364	Telecommunications	662	-	-	-	N/A
2550 4822	Equipment Repairs & Maintenance <sup>6</sup>	900,190	955,000	990,000	35,000	3.66%
2550 4824	Recovery	(4,065)	-	-	-	N/A
2550.4850	Recognition	-	-	500	500	N/A
<b>TOTALS</b>		<b>1,640,484</b>	<b>2,065,170</b>	<b>2,100,642</b>	<b>35,472</b>	<b>1.72%</b>

#### Notes:

1. Increase of one exempt position, offset by decrease of one union position as part of re-organization of Information Management Division
2. Overtime required to provide 24/7 technical support, reduced based on current trends
3. Conference needs based on re-org
4. Professional assistance required for network security
5. Offsite storage of backup servers, implemented as part of risk management strategy
6. Increase to cover ordinary inflation for software maintenance agreements

**INFORMATION SUPPORT SERVICES****RECORDS - 2630 (incl. 2525 Auxiliaries clearing)**

Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease) \$	%
2630 3254	Records Permits and Searches <sup>1</sup>	(93,297)	(62,000)	(80,000)	(18,000)	29.03%
2630 3268	Police Reports <sup>1</sup>	(4,429)	(5,000)	(5,000)	-	0.00%
2630 4010	Salaries - Exempt <sup>2</sup>	167,460	155,520	128,373	(27,147)	-17.46%
2630 4016	Salaries - Civilian <sup>3</sup>	1,352,511	1,503,930	1,811,077	307,147	20.42%
2630 4070	Overtime - Civilian	124,165	80,000	80,000	-	0.00%
2630 4080	Hourly Wages Auxiliary and/or vacation relief	108,843	130,000	130,000	-	0.00%
2630 4082	WCB Leave	6,006	-	-	-	0.00%
2630 4102	Benefits - Civilians	465,070	497,830	581,835	84,005	16.87%
2630 4116	Business Travel	400	400	1,000	600	150.00%
2630 4125	Non Sworn Training	5,528	11,000	10,000	(1,000)	-9.09%
2630 4154	Recovery WCB	(201)	-	-	-	0.00%
2630 4230	Professional Services	297	500	500	-	0.00%
2630 4308	General Supplies	3,803	5,000	5,000	-	0.00%
2630 4418	New Equipment <sup>b</sup>	1,741	7,000	5,000	(2,000)	-28.57%
2630 4822	Repairs & Maintenance	-	500	-	(500)	-100.00%
2630 4814	RCMP Civil fingerprints	4,650	18,000	10,000	(8,000)	-44.44%
2630 4850	Employee Recognition	2,982	1,400	1,500	100	7.14%
2630 9211	WO Regular Time	280	-	-	-	0.00%
2630 9321	WO Outside Purchases	509	-	-	-	0.00%
<b>TOTALS</b>		<b>2,145,918</b>	<b>2,344,080</b>	<b>2,679,285</b>	<b>335,205</b>	<b>14.30%</b>

**Notes:**

1. Revenue estimates based on current trends
2. Reclassification from Director to Manager as part of succession planning
3. Based on the number of approved positions

**SOUTH ISLAND POLICE DISPATCH CENTRE**

Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease) \$	%
2660 4230	Professional Services	3,587,650	4,166,000	5,067,930	901,930	21.65%
2660 4308	General Supplies	32	-	-	-	0.00%
2660 4814	Contingency (Adjustment Plan Costs)	4,017	5,000	2,500	(2,500)	-50.00%
<b>TOTALS</b>		<b>3,591,699</b>	<b>4,171,000</b>	<b>5,070,430</b>	<b>899,430</b>	<b>21.56%</b>

**Notes:**

Province is paying for the transition costs to Next Gen 9-1-1 but not the ongoing operating costs. Those additional costs are as yet unknown

## E. Patrol Division

Consisting of:

- Reserve Program
- Patrol

### RESERVE PROGRAM - 2545

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2545 3760	Recoveries (Provincial Grant)	(24,600)	(21,500)	(24,500)	(3,000)	13.95%
2545 4004	Salaries - Police <sup>1</sup>	2,532	-	111,668	111,668	N/A
2545 4104	Benefits - Police	1,628	-	33,500	33,500	N/A
2545 4072	Overtime - Police <sup>2</sup>	9,237	12,000	-	(12,000)	-100.00%
2545 4120	Training <sup>2</sup>	1,399	1,000	1,000	-	0.00%
2545 4224	Laundry	745	1,000	1,000	-	0.00%
2545 4306	Fuel and oil <sup>3</sup>	-	1,500	-	(1,500)	-100.00%
2545 4308	General Supplies	75	6,500	6,500	-	0.00%
2545 4316	Uniforms and Bullet Proof Vests	16,721	21,000	21,000	-	0.00%
2545 4364	Communications	2,036	2,000	2,000	-	0.00%
2545 4814	Miscellaneous	787	-	-	-	N/A
2545 9211	WO Regular Time	506	-	-	-	N/A
2545 9511	WO Gas	800	-	-	-	N/A
2545 9311	WO Inventory Purchases	180	-	-	-	N/A
<b>TOTALS</b>		<b>12,046</b>	<b>23,500</b>	<b>152,168</b>	<b>128,668</b>	<b>547.52%</b>

#### Notes:

1. Dedicated police officer has been returned to Reserves program
2. POPAT training
3. Fuel for reserves vehicle included in centralized fleet budget

### PATROL - Operations - 2560

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2560 4004	Salaries - Police	15,476,037	14,996,760	15,050,630	53,870	0.36%
2560 4016	Salaries - Civilian	107,188	117,350	130,757	13,407	11.42%
2560 4070	Overtime - Civilian <sup>1</sup>	1,890	5,000	2,000	(3,000)	-60.00%
2560 4072	Overtime - Police <sup>2</sup>	1,954,505	1,250,000	1,250,000	-	0.00%
2560 4081	Auxiliary - Special Municipal Constables <sup>3</sup>	420,981	402,950	-	(402,950)	-100.00%
2560 4102	Benefits - Civilians	128,673	35,210	39,227	4,017	11.41%
2560 4104	Benefits - Police	4,671,320	4,495,170	4,509,428	14,258	0.32%
2560 4112	Mileage/Parking	458	-	-	-	N/A
2560 4114	Clothing & Boot Allowance	274	2,500	2,500	-	0.00%
2560 4116	Conferences and travel <sup>4</sup>	14,907	3,500	5,000	1,500	42.86%
2560 4230	Professional Services	3,395	10,000	7,500	(2,500)	-25.00%
2560 4304	Operational meetings	301	-	-	-	N/A
2560 4308	Supplies <sup>5</sup>	1,162	4,000	3,000	(1,000)	-25.00%
2560 4316	Uniform	5,328	5,000	-	(5,000)	-100.00%
2560 4364	Communications	145	-	-	-	N/A
2560 4418	New Equipment	37,319	20,000	20,000	-	0.00%
2560 4814.0104	Investigations	4,889	-	-	-	N/A
2560 4824	Recovery	(199,223)	(200,000)	(200,000)	-	0.00%
2560 4850	Recognition	1,440	4,000	4,000	-	N/A
<b>TOTALS</b>		<b>22,630,989</b>	<b>21,151,440</b>	<b>20,824,042</b>	<b>(327,398)</b>	<b>-1.55%</b>

#### Notes:

1. Reduced need for overtime due to changes in transcription processes
2. Overtime was higher in 2022 due to staffing shortages. New deployment model with GIS should bring overtime levels back down to long term normals
3. Special Municipal Constables program now permanent and has been moved under the Community Services Division, business unit 2680
4. Planned attendance of conferences in 2024 by inspector and s/sgts
5. Reduced as special municipal constable program moved to the Community Services Division

## F. Financial Services Division:

Consisting of:

- Financial Services
- Centralized Corporate Costs
- Automotive

### Financial Services/Exhibit Control and Purchasing - 2500

Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease) \$	%
2500 4010	Salaries - Exempt	159,578	155,520	165,788	10,268	6.60%
2500 4016	Salaries - Civilian	296,105	295,600	332,655	37,055	12.54%
2500 4070	Overtime - Civilians	338	1,200	1,000	(200)	-16.67%
2500 4102	Benefits - Civilians	128,392	135,340	149,533	14,193	10.49%
2500 4116	Business Travel <sup>1</sup>	3,955	2,500	4,000	1,500	60.00%
2500 4125	Training	13,746	10,000	10,000	-	0.00%
2500 4230	Professional Services <sup>2</sup>	139,420	141,410	146,000	4,590	3.25%
2500 4304	Office Meetings		1,000	1,000	-	0.00%
2500 4308	General Supplies	156,253	150,000	155,000	5,000	3.33%
2500 4312	Office Supplies	67,157	67,500	70,000	2,500	3.70%
2500 4314	Postage/Courier	22,430	25,500	25,500	-	0.00%
2500 4316	Uniforms	311,671	185,000	190,000	5,000	2.70%
2500 4364	Telephone Line Charges <sup>3</sup>	653,453	800,000	800,000	-	0.00%
2500 4418	Equipment	2,192	-	2,500	2,500	0.00%
2500 4808	Contingency <sup>3</sup>		2,000,000	2,790,000	790,000	39.50%
2500 4814	Miscellaneous	13,433	10,000	10,000	-	0.00%
2500 4816	PRIME (BC Police Database)	504,473	546,080	545,000	(1,080)	-0.20%
2500 4824	Recover Exhibits/found property	(136,927)	(23,000)	(23,000)	-	0.00%
2500 4850	Employee Recognition Program	137	1,000	1,000	-	0.00%
<b>TOTALS</b>		<b>2,335,806</b>	<b>4,504,650</b>	<b>5,375,976</b>	<b>871,326</b>	<b>19.34%</b>

#### Notes

1. Increase required to keep up with travel inflation costs
2. Amounts paid to the City of Victoria for provision of financial services
3. Estimated increase for police wages for 2023 & 2024

## Centralized Corporate Costs - 2520

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2520 4070	Overtime - Civilians	33,935	-	6,000	6,000	N/A
2520 4072	Police - Overtime (ERT Activations, protests etc.) <sup>1</sup>	686,703	400,000	600,000	200,000	50.00%
2520 4096	Departmental Retirements <sup>2</sup>	810,937	-	-	-	0.00%
2520 4102	Benefits - Civilian	23,957	-	-	-	0.00%
2520 4104	Benefits - Police	78,378	-	-	-	0.00%
2520 4112	RAP parking charges	99,307	110,000	115,000	5,000	4.55%
2520 4116	Conferences/Travel	1,960	2,500	2,500	-	0.00%
2520 4118	Memberships	551	-	-	-	0.00%
2520 4224	Laundry	116,170	115,000	120,000	5,000	4.35%
2520 4226	Photocopy Operation	33,704	60,000	50,000	(10,000)	-16.67%
2520 4230	Professional Services <sup>3</sup>	477,475	424,830	110,000	(314,830)	-74.11%
2520.4230	Indigenous Engagement Strategy <sup>3</sup>	-	-	50,000	50,000	N/A
2520 4304	Operational Meetings	6,521	15,000	15,000	-	0.00%
2520 4314	Postage	1,424	-	-	-	0.00%
2520 4364	Telecommunications	518	-	-	-	0.00%
2520 4508	Credit Card Discourt Fees	843	1,500	1,500	-	0.00%
2520 4512	Insurance <sup>7</sup>	169,154	143,300	216,010	72,710	50.74%
2520 4718	Building Maintenance and Janitorial Service <sup>3</sup>	832,777	643,085	563,455	(79,630)	-12.38%
2520 4814	Miscellaneous	74,175	6,000	10,000	4,000	66.67%
2520 4816	Lease Rental Payments (Range Costs) <sup>3</sup>	18,640	(344,995)	20,000	364,995	N/A
2520 4820	WCB Recovery	(1,303,494)	(250,000)	(676,800)	(426,800)	170.72%
2520 4822	Maintenance & Repairs	-	63,040	65,000	1,960	3.11%
2520 4824	Recovery <sup>1</sup>	(1,146,553)	-	(250,000)	(250,000)	N/A
2520 6030	Transfer to Retirement Benefit Fund	137,566	-	-	-	0.00%
2520 9111	WO Inside Equipment	1,323	-	-	-	0.00%
2520 9121	WO Outside Equipment	2,526	-	-	-	0.00%
2520 9211	WO Regular Time	111,431	-	-	-	0.00%
2520 9221	WO Overtime	57,163	-	-	-	0.00%
2520 9311	WO Inventory Purchases	7,489	-	-	-	0.00%
2520 9321	WO Outside Purchases	10,035	-	-	-	0.00%
2520 9411	WO Contracted Services	3,216	-	-	-	0.00%
<b>TOTALS</b>		<b>1,347,831</b>	<b>1,389,260</b>	<b>1,017,665</b>	<b>(371,595)</b>	<b>-26.75%</b>

## Notes:

1. Includes amounts for Emergency Response Team and Public Safety Team activations, offset by budgeted recoveries for other projects
2. Unfunded in the operational budget for several years now. An offsetting fund exists for this liability
3. Reflects budget line items not approved by councils in 2023 and adjusted in JD Edwards by City Staff. These items are subject to a review under Section 27(3) of the Police Act and as such have been identified as separate items in the budget presentation

## AUTOMOTIVE - 2640

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2640 4208	Car Rental	31,205	53,000	53,000	-	0.00%
2640 4306	Fuel and Motor Oil <sup>1</sup>	17,064	350,000	360,000	10,000	2.86%
2640 4308	Supplies <sup>2</sup>	4,456	18,000	18,500	500	2.78%
2640 4512	Insurance <sup>3</sup>	85,578	180,000	110,000	(70,000)	-38.89%
2640 4822	Vehicle Maintenance	136,660	385,000	410,000	25,000	6.49%
2640 9111	WO Inside Equipment	461	-	-	-	0.00%
2640 9121	WO Outside Equipment	1,630	-	-	-	0.00%
2640 9211	WO Regular Time	114,838	-	-	-	0.00%
2640 9221	WO Overtime	2,260	-	-	-	0.00%
2640 9311	WO Inventory Purchases	8,061	-	-	-	0.00%
2640 9321	WO Outside Purchases	138,877	-	-	-	0.00%
2640 9411	WO Contracted Services	40,603	-	-	-	0.00%
2640 9511	WO Gas	260,494	-	-	-	0.00%
2640 9561	WO Motor Oil	11,598	-	-	-	0.00%
<b>TOTALS</b>		<b>853,785</b>	<b>986,000</b>	<b>951,500</b>	<b>(34,500)</b>	<b>-3.50%</b>

## **G. Inspector - Esquimalt Division**

Consists of:

- Special Events & Duties
- Esquimalt Administration
- School Resource Officers
- GVERT – Esquimalt Based Team
- Operations Planning

### Special Events - 2526

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2526 4070	Civilian Overtime	21,301	15,600	18,000	2,400	15.38%
2526 4072	Police Overtime	1,140,138	655,200	770,000	114,800	17.52%
2526 4102	Benefits - Civilian	3,799	-	-	-	0.00%
2526 4104	Benefits - Police	131,941	-	-	-	0.00%
2526 4308	General Supplies	5,146	-	-	-	0.00%
2526 4814	Miscellaneous	26,375	-	-	-	0.00%
2526 4824	Recovery	(847,368)	-	-	-	0.00%
	<b>Special Duty - TOTAL</b>	<b>481,332</b>	<b>670,800</b>	<b>788,000</b>	<b>117,200</b>	<b>17.47%</b>
2526 3500	Special Duty Recovery	(479,047)	(634,610)	(750,000)	(115,390)	18.18%
<b>TOTALS</b>		<b>2,285</b>	<b>36,190</b>	<b>38,000</b>	<b>1,810</b>	<b>5.00%</b>

### Esquimalt Administration - 2570

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2570 4004	Salaries - Police	362,495	335,020	355,016	19,996	5.97%
2570 4016	Salaries - Civilian	118,136	117,350	130,757	13,407	11.42%
2570 4070	Overtime - Civilian	96	500	500	-	0.00%
2570 4072	Overtime - Police	4,865	1,000	1,000	-	0.00%
2570 4080	Hourly Wages - Auxiliary and/or vacation relief	24,260	20,000	20,000	-	0.00%
2570 4102	Benefits - Civilians	26,670	35,210	39,227	4,017	11.41%
2570 4104	Benefits - Police	115,833	100,510	100,505	(5)	0.00%
2570 4116	Training	-	2,500	2,500	-	0.00%
2570 4308	Supplies	1,136	3,000	-	-	-
2570 4316	Protective clothing	1,672	1,500	-	-	-
2570 4418	Equipment	8,166	5,000	-	-	-
2570 4814	Misc.	625	500	500	-	0.00%
2570 4850	Employee Recognition <sup>5</sup>	258	1,000	1,000	-	0.00%
<b>TOTALS</b>		<b>664,212</b>	<b>623,090</b>	<b>651,005</b>	<b>37,415</b>	<b>6.00%</b>

**School Resource Officers - 2571**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2571 4004	Salaries - Police <sup>1</sup>	-	301,520	-	(301,520)	-100.00%
2571 4104	Benefits - Police	-	90,460	-	(90,460)	-100.00%
2571 4308	Supplies	-	1,500	-	(1,500)	-100.00%
<b>TOTALS</b>		-	<b>393,480</b>	-	<b>(393,480)</b>	<b>-42.86%</b>

**Notes:**

1. No officers currently assigned due to staffing shortages. Intent is to fill when staff shortages are resolved

**Operational Planning - 2572**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2572 4004	Salaries - Police	139,951	139,600	145,180	5,580	4.00%
2572 4016	Salaries - Civilian	64,643	64,770	72,128	7,358	11.36%
2572 4070	Overtime - Civilian	1,873	3,500	2,000	(1,500)	-42.86%
2572 4072	Overtime - Police	7,252	8,000	8,000	-	0.00%
2572 4102	Benefits - Civilians	19,565	19,430	21,638	2,208	11.36%
2572 4104	Benefits - Police	36,752	41,880	43,554	1,674	4.00%
2572 4230	Emergency Preparedness <sup>1</sup>	13,888	35,000	35,000	-	0.00%
2572 4418	Equipment	-	5,000	5,000	-	0.00%
<b>TOTALS</b>		<b>283,924</b>	<b>317,180</b>	<b>332,500</b>	<b>15,320</b>	<b>4.83%</b>

**Notes:**

1. Includes rollover of funding for business continuity plan

**GVERT ESQUIMALT - 2692**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2692 4004	Salaries - Police	-	-	1,695,685	1,695,685	N/A
2692 4072	Overtime - Police	-	-	10,000	10,000	N/A
2692 4104	Benefits - Police	-	-	478,585	478,585	N/A
<b>TOTALS</b>		-	-	<b>2,184,270</b>	<b>2,184,270</b>	<b>N/A</b>

Unit formerly reported to the Inspector of Community Services Division, moved to the Inspector of Esquimalt under operational reorganization



## **H. Integrated Units**

Consists of:

- Integrated Mobile Crisis Response Team
- Integrated Canine Unit
- Greater Victoria Police Diversity Committee
- Vancouver Island Integrated Major Crime Unit
- Mobile Youth Services Team
- Greater Victoria Regional Domestic Violence Unit
- Greater Victoria Crime Stoppers
- Greater Victoria Public Safety Unit
- Greater Victoria Emergency Response Team
- Greater Victoria Explosives Disposal Unit
- Greater Victoria Crisis Negotiator Team

Note: Budgets must still be submitted to the Area Chiefs for Integrated Units. Budget documents will be updated once those submissions have been made.

### **Integrated Mobile Crisis Response Team - 2523**

Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease)	
					\$	%
2523 4004	Salaries - Police	126,415	312,570	242,770	(69,800)	-22.33%
2523 4072	Overtime - Police	5,060	35,500	36,916	1,416	3.99%
2523 4104	Benefits - Police	36,999	38,520	72,830	34,310	89.07%
2523 4114	Clothing & Boot Allowance	46	-	-	-	0.00%
2523 4120	Training and Development	-	6,000	11,700	5,700	95.00%
2523 4306	Fuel & Oil	6,000	6,000	6,000	-	0.00%
2523 4308	General Supplies	-	1,000	1,000	-	0.00%
2523 4364	Telecommunications	2,000	1,000	2,000	1,000	100.00%
2523 4814	Miscellaneous	167,180	1,000	1,000	-	0.00%
2523 4824	Recovery	(230,623)	(270,720)	(249,339)	21,381	-7.90%
2523 4418	Equipment	-	4,500	4,500	-	0.00%
2523 6062	Transfer to Reserve	16,483	5,000	5,000	-	0.00%
2523 5077	Transfer to Police ERT Reserve	-	(6,000)	(5,700)	300	-5.00%
<b>TOTALS</b>		<b>129,560</b>	<b>134,370</b>	<b>128,677</b>	<b>(5,693)</b>	<b>-4.24%</b>

**Integrated Canine Unit - 2565**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actuals	Budget	Budget	\$	%
2565 4004	Salaries - Police	508,720	354,060	390,849	36,789	10.39%
2565 4072	Overtime - Police	32,910	11,440	11,898	458	4.00%
2565 4102	Benefits - Civilian	676	-	-	-	0.00%
2565 4104	Benefits - Police	143,204	98,960	117,255	18,295	18.49%
2565 4114	Clothing and Boot Allowance	4,153	-	-	-	0.00%
2565 4116	Travel	4,346	-	-	-	0.00%
2565 4120	Training	1,660	-	-	-	0.00%
2565 4230	Professional	-	279,760	290,950	11,190	4.00%
2565 4308	Supplies	11,098	-	-	-	0.00%
2565 4418	New Equipment	2,405	-	-	-	0.00%
2565 4814	Miscellaneous	111	-	-	-	0.00%
2565 4824	Recovery	(1,533)	-	-	-	0.00%
<b>TOTALS</b>		<b>707,750</b>	<b>744,220</b>	<b>810,952</b>	<b>66,732</b>	<b>8.97%</b>

**Notes:**

K-9 Services were integrated in 2021 and are now managed through the Saanich Police Department

This budget reflects the direct wage costs for VicPD and amounts estimated to be charged back by Saanich for our share of expenditures incurred by them  
Expenditures are shared based on the same 4-factor funding formula used for the other municipally-shared integrated units

**Greater Victoria Police Diversity Committee - 2548**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2548 4824	Recoveries	42	(4,600)	-	4,600	-100.00%
2548 4814	Miscellaneous	1,050	3,640	-	(3,640)	-100.00%
2548 4116	Travel and Conferences	-	990	-	(990)	-100.00%
2548 4230	Professional Services	5,000	620	37,104	36,484	5884.52%
2548 4120	Training	-	780	-	(780)	-100.00%
2548 4308	General Supplies	25	1,140	-	(1,140)	-100.00%
<b>TOTALS</b>		<b>6,117</b>	<b>2,570</b>	<b>37,104</b>	<b>34,534</b>	<b>1343.62%</b>

**Notes:**

Greater Victoria Police Diversity Committee currently being managed by a VicPD member. Increase reflects full year costs of DAC Coordinator, approved in 2023

**VANCOUVER ISLAND INTEGRATED MAJOR CRIME UNIT - 2601**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2601.4004	Salaries - Police	541,908	720,260	553,394	(166,866)	-23.17%
2601.4016	Salaries - Civilian	70,280	58,680	65,378	6,698	11.41%
2601.4070	Overtime - Civilian	8,553	6,000	6,000	-	0.00%
2601.4072	Overtime - Police	69,496	150,000	150,000	-	0.00%
2601.4102	Benefits - Civilian	26,909	17,600	19,614	2,014	11.44%
2601.4104	Benefits - Police	157,847	216,080	166,018	(50,062)	-23.17%
2601 4112	Mileage/Parking	85	-	100	100	N/A
2601.4114	Clothing and Boot Allowance	190	-	-	-	0.00%
2601.4116	Conference/Travel	5,781	15,000	10,000	(5,000)	-33.33%
2601.4120	Training and Development	2,123	-	5,000	5,000	N/A
2601.4306	Fuel and Oil	560	1,000	1,000	-	0.00%
2601.4308	General Supplies	-	1,000	1,000	-	0.00%
2601.4418	Equipment	-	1,000	1,000	-	0.00%
2601.4814.0104	Misc. - Crime investigation	87,168	5,000	5,000	-	0.00%
2601.4824	Recovery	(3,667)	-	-	-	0.00%
2601.3758	Recovery from Central Saanich and Oak Bay	(29,011)	(22,500)	(22,500)	-	0.00%
<b>TOTALS</b>		<b>938,222</b>	<b>1,169,120</b>	<b>961,004</b>	<b>-208,116</b>	<b>-17.80%</b>

## MOBILE YOUTH SERVICES TEAM (MYST) - 2603

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2603 3758	Cost Sharing	(111,540)	(153,000)	(125,357)	27,643	-18.07%
2603 4004	Salaries - Police	121,638	130,700	132,846	2,146	1.64%
2603 4072	Overtime - Police	942	-	2,000	2,000	0.00%
2603 4104	Benefits - Police	38,325	37,481	39,854	2,373	6.33%
2603 4114	Clothing allowance	6	-	1,200	1,200	0.00%
2603 4116	Conference/Travel	-	-	4,160	4,160	N/A
2603 4306	Vehicle Operations	(623)	3,950	3,891	(59)	-1.49%
2603 4364	Telecommunications	600	620	600	(20)	-3.23%
2603 4814	Miscellaneous	-	-	500	500	N/A
2603 6067	Transfer to Evergreen Reserve	13,202	45,340	5,000	(40,340)	-88.97%
<b>TOTALS</b>		<b>62,550</b>	<b>65,090</b>	<b>64,694</b>	<b>(396)</b>	<b>-0.61%</b>

## Notes:

Amounts represent our share of costs based on a 4-factor funding formula

## Greater Victoria Regional Domestic Violence Unit - 2607

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2607 4004	Salaries - Police	145,407	392,580	397,979	5,399	1.38%
2607 4016	Salaries - Civilian	-	60,830	49,333	(11,497)	-18.90%
2607 4072	Overtime - Police	13,195	10,230	13,356	3,126	30.56%
2607 4102	Benefits - Civilian	290	-	13,320	13,320	0.00%
2607 4104	Benefits - Police	38,813	126,730	119,394	(7,336)	-5.79%
2607 4116	Business Travel	-	1,000	1,000	-	0.00%
2607 4120	Training	-	7,000	7,000	-	0.00%
2607 4230	Professional Services (Translation & Psych Assess)	-	1,400	600	(800)	-57.14%
2607 4308	General Supplies	-	2,200	2,200	-	0.00%
2607 4512	Vehicle Insurance	-	5,300	4,500	(800)	-15.09%
2607 4306	Fuel	-	5,000	3,000	(2,000)	-40.00%
2607 4814	Miscellaneous	204,576	500	2,800	2,300	460.00%
2607 3758	Cost Sharing	(189,545)	-	-	-	0.00%
2607 6067	Transfer to Evergreen	-	1,000	1,000	-	0.00%
2607 4824	Recoveries	(7,762)	(400,000)	(405,973)	(5,973)	1.49%
<b>TOTALS</b>		<b>204,974</b>	<b>213,770</b>	<b>209,509</b>	<b>-4,261</b>	<b>-1.99%</b>

## Notes:

Amounts represent our share of costs based on a 4-factor funding formula

## CRIME STOPPERS

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2614 4230	Professional Services (C. Saanich)	61,890	64,370	63,135	(1,235)	-1.92%
<b>TOTALS</b>		<b>61,890</b>	<b>64,370</b>	<b>63,135</b>	<b>(1,235)</b>	<b>-1.92%</b>

## Notes:

Amounts represent our share of costs based on a 4-factor funding formula

## PUBLIC SAFETY UNIT - 2620

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2620 4004	Salaries - Police <sup>1</sup>	-	-	147,200	147,200	N/A
2620 4072	Police - Overtime	45,240	60,890	63,328	2,438	4.00%
2620 4104	Benefits - Police	4,835	-	44,160	44,160	N/A
2620 4120	Training & Development <sup>2</sup>	11,846	21,500	22,500	1,000	4.65%
2620 4230	Professional Services	7,273	204,000	11,000	(193,000)	-94.61%
2620 4308	Supplies <sup>3</sup>	13,493	24,000	33,000	9,000	37.50%
2620 4316	Protective Clothing	16,920	-	-	-	N/A
2620 4364	Telecommunications	507	500	500	-	0.00%
2620 4418	Equipment	8,397	16,000	16,000	-	0.00%
2620 4822	Vehicle Operating Costs	1,528	4,000	6,000	2,000	50.00%
2620 6035	Transfer to Evergreen Reserve	-	10,000	10,000	-	0.00%
2620 4814	Miscellaneous	10	3,000	-	(3,000)	-100.00%
2620 3758	Cost Sharing	(42,695)	(151,270)	(159,133)	(7,863)	5.20%
2620 4824	Recovery	(50,000)	(50,000)	(50,000)	-	0.00%
2620 6067	Transfer to Reserve	22,905	-	-	-	N/A
<b>TOTALS</b>		<b>40,259</b>	<b>142,620</b>	<b>144,555</b>	<b>1,935</b>	<b>1.36%</b>

**Notes:**

Amounts represent our share of costs based on a 4-factor funding formula

1. Includes costs for Team Leader position (not included in authorized strength and cost shared according to the funding formula). VicPD's share would be \$89,295

2. Training & Development

DLT Annual Training	3,000
Leadership Training	3,000
Obstacle Removal Team Training	7,500
TAC Team Training	9,000
	<u>22,500</u>

3. Supplies

Weapons & Munitions	15,000
Venue Rentals/Supplies	5,000
Evidence Gathering Team	6,000
Search Team Program	2,000
Miscellaneous Training Materials	5,000
	<u>33,000</u>

## GREATER VICTORIA EMERGENCY RESPONSE TEAM (GVERT)

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2690 3758	Cost Sharing	(551,781)	(583,090) ✓	(634,751)	(51,661)	8.86%
2690 3760	Grants	(28,150)	-	-	-	0.00%
2690 4004	Salaries - Police	295,316	765,760 ✓	710,795	(54,965)	-7.18%
2690 4072	Overtime - Police	20,355	159,740	166,130	6,390	4.00%
2690 4104	Benefits - Police	75,834	-	92,816	92,816	0.00%
2690 4120	Training - Police	51,836	26,000	38,000	12,000	46.15%
2690 4306	Fuel	2,628	6,240	8,000	1,760	28.21%
2690 4308	General Supplies	73,282	56,160	84,660	28,500	50.75%
2690 4316	Protective clothing/uniforms	47,638	6,240	18,000	11,760	188.46%
2690 4364	Telecommunications	10,086	46,800 ✓	32,000	(14,800)	-31.62%
2690 4418	Equipment	143,844	10,400	15,000	4,600	44.23%
2690 4512	Insurance	-	4,070	7,000	2,930	71.99%
2690 4814	Miscellaneous	546,704	1,040	1,000	(40)	-3.85%
2690 4816	Range Fees	630	13,210	12,700	(510)	-3.86%
2690 4822	Equipment Maintenance	-	1,040	1,000	(40)	-3.85%
2690 4824	Recovery	(750)	-	-	-	0.00%
2690 6062	Equipment Replacement Fund	25,753	26,000	25,000	(1,000)	-3.85%
2690 6067	Transfer to Reserve	(187,871)	26,780	-	(26,780)	-100.00%
2690 9211	WO Regular Time	3,704	-	-	-	0.00%
2690 9311	WO Inventory Purchases	42	-	-	-	0.00%
2690 9321	WO Outside Purchases	1,744	-	-	-	0.00%
2690 9411	WO Contracted Services	11,745	-	-	-	0.00%
2690 9511	WO Gas	1,397	-	-	-	0.00%
2690 9551	WO Bio Diesel	190	-	-	-	0.00%
2690 9581	WO Prem Gas	434	-	-	-	0.00%
<b>Total Expenditures</b>		<b>544,610</b> ✓	<b>566,390</b> ✓	<b>577,350</b> ✓	<b>10,960</b>	<b>1.94%</b>

**EXPLOSIVES DISPOSAL UNIT (EDU)**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actuals	Budget	Budget	\$	%
2691 4004	Salaries - Police	-	11,370	11,819	449	3.95%
2691 4104	Benefits - Police	-	-	-	-	0.00%
2691 4120	Training - Police	-	10,400	10,400	-	0.00%
2691 4308	General Supplies	-	1,040	1,000	(40)	-3.85%
2691 4418	Equipment	462	7,280	7,280	-	0.00%
2691 3758	Cost Sharing	(16,433)	-	-	-	0.00%
2691 4824	Recoveries	-	(17,090)	(18,602)	(1,512)	8.85%
2691 6062	Equipment Replacement Fund	31,471	5,200	5,000	(200)	-3.85%
2691 5077	Transfer to Reserves	-	(2,080)	-	2,080	-100.00%
<b>TOTALS</b>		<b>15,500</b>	<b>16,120</b>	<b>16,897</b>	<b>777</b>	<b>4.82%</b>

**Notes:**

Amounts represent our share of costs based on a 4-factor funding formula

**CRISIS NEGOTIATING TEAM (CNT)**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actuals	Budget	Budget	\$	%
2695 4072	Overtime- Police	6,881	11,070	11,512	442	4.00%
2695 4104	Benefits - Police	1,819	-	-	-	0.00%
2695 4120	Training - Police	16,031	12,480	20,040	7,560	60.58%
2695 4308	Materials & Supplies	-	2,340	2,250	(90)	-3.85%
2695 4364	Telecommunications	5,651	6,140	5,000	(1,140)	-18.57%
2695 4418	Equipment	3,877	3,520	3,375	(145)	-4.12%
2695 4814	Miscellaneous	1,098	940	900	(40)	-4.26%
2695 6067	Transfer to Reserves	(288)	-	-	-	0.00%
2695 3758	Cost Sharing	(18,049)	(18,770)	(22,573)	(3,803)	20.26%
<b>Total Expenditures</b>		<b>17,020</b>	<b>17,720</b>	<b>20,504</b>	<b>2,784</b>	<b>15.71%</b>

**Notes:**

Amounts represent our share of costs based on a 4-factor funding formula

## I. Human Resources Division:

Consists of:

- Human Resources
- Critical Incident Stress Management Team
- Secondments

**Human Resources - 2510**

Object Code	Description	2022 Actuals	2023 Budget	2024 Budget	Increase (Decrease) \$	%
2510 3758	Cost Sharing	(2,175)	-	-	-	0.00%
2510 3760	Grants	(7,707)	-	-	-	0.00%
2510 4004	Salaries - Police	913,044	871,030	1,122,298	251,268	28.85%
2510 4010	Salaries - Exempt	125,631	124,260	128,373	4,113	3.31%
2510 4016	Salaries - Civilian	117,819	117,350	130,757	13,407	11.42%
2510 4072	Overtime - Police	71,334	30,000	31,000	1,000	3.33%
2510 4080	Auxiliaries <sup>1</sup>	14,118	6,000	14,000	8,000	133.33%
2510 4102	Benefits - Civilians	73,002	72,480	77,739	5,259	7.26%
2510 4104	Benefits - Police	232,753	261,310	336,690	75,380	28.85%
2510 4112	Car Allowance <sup>2</sup>	2,970	1,000	3,000	2,000	200.00%
2510 4116	Recruitment <sup>3</sup>	364,447	750,000	885,000	135,000	18.00%
2510 4118	Memberships	42,700	41,000	44,000	3,000	7.32%
2510 4120	Training - Police <sup>4</sup>	337,131	407,000	415,000	8,000	1.97%
2510 4125	Training - Civilian	5,449	30,000	30,000	-	0.00%
2510 4204	Advertising <sup>5</sup>	18,717	10,000	-	(10,000)	-100.00%
2510 4230	Professional Services	325,007	579,500	595,000	15,500	2.67%
2510 4308	General Supplies	79,926	25,000	25,000	-	0.00%
2510 4418	Equipment <sup>6</sup>	192,802	183,000	390,600	207,600	113.44%
2510 4814	Miscellaneous	21,573	30,500	30,500	-	0.00%
2510 4824	Recovery <sup>1</sup>	(667)	-	(14,000)	(14,000)	0.00%
2510 4850	Employee Recognition	-	500	500	-	0.00%
<b>TOTALS</b>		<b>2,927,874</b>	<b>3,539,930</b>	<b>4,245,457</b>	<b>705,527</b>	<b>19.93%</b>

**Notes:**

1. Auxiliary wages are for a former employee engaged in union business, and reimbursed by the union to the employer
2. Increase is in relation to recruitment expenditures
3. Increase of \$10,000 to account for POPAT changes and Recruit interview changes. This line includes budget for JIBC fees and recruit accommodation  
Also includes additional \$120,000 for a recruitment campaign developed by the Community Engagement Division
 

Campaign 1 - New Police Recruits	30,000
Campaign 2 - Experienced Police Officers	30,000
Campaign 3 - New Police Recruits	30,000
Campaign 4 - New Police Recruits	30,000
4. Marginal increase due to volume and increased expense of training
5. All remaining budget amounts to be transferred to CED recruiting
6. Increase due to finalization of 9mil transition and new Taser platform rollout.

**Equipment Breakdown**

Ammunition	97,000
Handgun Replacement	150,000
Rifles	12,000
CEW's	85,000
CEW Tolerance Testing	9,100
Handgun Optics	37,500
<b>Total</b>	<b>390,600</b>

**Professional Services**

Medical First Aid coverage - firearms range	7,500
Recruitment contracts	28,500
Assessments	9,000
Polygraph	22,000
Mentorship Program	5,000
Medical review	12,000
Background Investigations	26,000
Employee Wellness	80,000
Medical Program	5,000
Psych Assessment	15,000
Psychological Services Coordination	30,000
Employee Family Assistance Program	60,000
Occupational Health & Psychological Services	285,000
Naloxone	10,000
	<b>595,000</b>

## Critical Incident Stress Management and Peer Support Teams - 2527

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2527 4070	Overtime - Civilian	1,010		1,000	1,000	N/A
2527 4072	Overtime - Police <sup>1</sup>	15,138	20,000	19,000	(1,000)	-5.00%
2527 4104	Benefits - Police	1,140	-		-	0.00%
2527 4120	Training - Police <sup>2</sup>	2,900	14,000	14,000	-	0.00%
2527 4125	Training - Non Sworn	75	2,000	2,000	-	0.00%
2527 4308	General Supplies <sup>3</sup>	1,802	2,000	2,000	-	0.00%
<b>TOTALS</b>		<b>22,065</b>	<b>38,000</b>	<b>38,000</b>	<b>-</b>	<b>0.00%</b>

## Notes

- Increase due to addition of Peer Support Team for 2022 in addition to existing house meetings 3 times per year
- Annual training - 3 day seminar. Doubled to include Peer Support Team
- Emergency jump kits, Misc.

## SECONDMENTS (RECOVERED FROM OTHER AGENCIES)

## SECONDMENTS - 2670

Object	Description	2022	2023	2024	Increase (Decrease)	
					\$	%
2670 4004	Salaries - Police	12,831	1,182,007		(1,182,007)	-100.00%
2670 4072	Overtime - Police	11,553	-		-	0.00%
2670 4102	Benefits - Civilian	603	-		-	0.00%
2670 4104	Benefits - Police	6,015	330,376		(330,376)	-100.00%
2670 4814	Miscellaneous	6,086	-		-	0.00%
2670 4824	Recoveries	(45,258)	(1,512,383)		1,512,383	-100.00%
<b>TOTALS</b>		<b>(8,170)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>



## J. Community Services Division

Consists of:

- General Investigation Team
- Community Outreach
- Special Municipal Constables
- Community Resource Officers (formerly)
- Traffic Enforcement and Crash Investigation
- Motorcycle Escort Team

### GENERAL INVESTIGATION TEAM - 2580

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2580 4004	Salaries - Police <sup>1</sup>	3,035,615	3,277,480	3,265,528	(11,952)	-0.36%
2580 4072	Overtime - Police <sup>2</sup>	141,107	85,000	200,000	115,000	135.29%
2580 4102	Benefits - Civilians	24,292	-	-	-	0.00%
2580 4104	Benefits - Police	858,955	983,250	968,229	(15,021)	-1.53%
2580 4114	Clothing & Boot Allowance	56	1,000	1,000	-	0.00%
2580 4116	Conferences/Travel <sup>3</sup>	117	-	5,000	5,000	N/A
2580 4120	Training	1,148	-	-	-	0.00%
2580 4308	General supplies	1,328	2,000	5,000	3,000	150.00%
2580 4316	Protective clothing	6,459	15,000	5,000	(10,000)	-66.67%
2580 4364	Communications	1,920	-	-	-	0.00%
2580 4418	Equipment <sup>5</sup>	7,979	10,000	15,000	5,000	50.00%
2580 4814	Misc.	2,439	4,000	10,000	6,000	150.00%
2580 4822	Repairs and Maintenance (bicycles) <sup>7</sup>	-	4,500	2,000	(2,500)	-55.56%
2580 4824	Recovery <sup>4</sup>	(4,349)	(290,340)	(290,380)	(40)	0.01%
2580 4850	Recognition	3,517	1,000	1,000	-	0.00%
<b>TOTALS</b>		<b>4,080,583</b>	<b>4,092,890</b>	<b>4,187,377</b>	<b>94,487</b>	<b>2.31%</b>

#### Notes:

1. Based on new deployment, replacing Beat and Bikes with GIS section, including 2 city funded bylaw support officers
2. Increased overtime of new unit as support function to Patrol
3. Travel expenditures represent expansion of unit's duties under re-org
4. Funds required to improve new section's office space.
5. Decrease in uniform costs due to redeployment of Special Municipal Constables to the Community Services Division
6. Specialized investigative equipment required for newly created GIS unit
7. Bike unit has been suspended due to lack of resources, reduced reliance on bicycles

**COMMUNITY OUTREACH SECTION - 2581**

Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease) \$	%
2581 4004	Salaries - Police <sup>1</sup>	178,475	547,610	742,555	194,945	35.60%
2581 4072	Overtime - Police <sup>2</sup>	5,263	10,000	10,000	-	0.00%
2581 4104	Benefits - Police	53,685	164,300	222,777	58,477	35.59%
2581 4116	Conferences/Travel <sup>3</sup>	-	500	10,000	9,500	1900.00%
2581 4114	Clothing and Boot Allowance	-	500	500	-	0.00%
2581 4308	Supplies <sup>4</sup>	-	-	3,000	3,000	N/A
2581 4418	Equipment <sup>4</sup>	-	-	3,000	3,000	N/A
2581 4850	Recognition	-	-	500	500	N/A
<b>TOTALS</b>		<b>237,423</b>	<b>722,910</b>	<b>992,332</b>	<b>269,422</b>	<b>37.27%</b>

**Notes:**

- Newly constructed Community Outreach team under Re-Org, includes redeployment of Community Resource Officers
- Based on actual usage and expected expansion of team
- Travel required to conferences for mental health teams, no local alternatives
- Increase commensurate with expanded size of unit with the inclusion of the community resource officers

**Formerly Community Resource Officers - 2582 (UNDER 2581 COMMUNITY OUTREACH SECTION FOR 2024)**

Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease) \$	%
2582 4004	Salaries - Police <sup>1</sup>	599,184	684,570	-	(684,570)	-100.00%
2582 4072	Overtime - Police <sup>2</sup>	21,599	20,000	-	(20,000)	-100.00%
2582 4104	Benefits - Police	176,160	205,320	-	(205,320)	-100.00%
2582 4114	Clothing and Boot Allowance	-	500	-	(500)	-100.00%
2582 4116	Conferences/ Travel	-	500	-	(500)	-100.00%
2582.4230	Professional Services <sup>3</sup>	-	2,200	-	(2,200)	-100.00%
<b>TOTALS</b>		<b>796,943</b>	<b>913,090</b>	<b>-</b>	<b>-913,090</b>	<b>-100.00%</b>

**Notes:**

Community Resource Officers have been moved to newly formed Community Outreach Division, including existing mental health teams

**2680 - SPECIAL MUNICIPAL CONSTABLES**

Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease) \$	%
2680 3334	Immigration	-	(300)	-	300	-100.00%
2680 3340	Province (Sheriffs)	(38,577)	(50,000)	(40,000)	10,000	-20.00%
2680 4004	Salaries - Police <sup>1</sup>	505,819	580,690	1,066,236	485,546	83.62%
2680 4072	Overtime - Police <sup>2</sup>	193,108	110,000	120,000	10,000	9.09%
2680 4081	Police Aux Jailors <sup>2</sup>	149,634	155,000	268,500	113,500	73.23%
2680 4104	Benefits - Police	210,912	174,210	319,871	145,661	83.61%
2680 4114	Clothing Allowance	39	-	-	-	0.00%
2680 4210	Prisoner Meals	16,194	30,000	25,000	(5,000)	-16.67%
2680 4224	Laundry	17,144	18,000	18,000	-	0.00%
2680 4308	General Supplies ( Mattresses, Blankets) <sup>2</sup>	2,059	6,000	6,000	-	0.00%
2680 4316	Uniforms <sup>3</sup>	2,519	5,000	15,000	10,000	200.00%
<b>TOTALS</b>		<b>1,058,851</b>	<b>1,028,600</b>	<b>1,798,607</b>	<b>770,007</b>	<b>74.86%</b>

**Notes:**

- Consists of 8 jailers, 1 jail supervisor and 6 Special Municipal Constables for front desk support
- Based on current needs for jail backfill, plus additional costs to maintain community safety officers now program has become permanent
- Based on current deployment and does not include costs for additional resources requested in 2024 budget

## TRAFFIC ENFORCEMENT AND CRASH INVESTIGATION - 2610

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2610 4004	Salaries - Police	717,913	731,430	770,502	39,072	5.34%
2610 4016	Salaries - Civilian	60,046	58,680	65,378	6,698	11.41%
2610 4070	Overtime - Civilian	860	-	-	-	0.00%
2610 4072	Overtime - Police	44,296	40,000	40,000	-	0.00%
2610 4102	Benefits - Civilians	29,648	17,600	19,614	2,014	11.44%
2610 4104	Benefits - Police	202,949	219,430	231,151	11,721	5.34%
2610 4114	Clothing & Boot Allowance	29	-	-	-	0.00%
2610 4116	Business Travel	-	2,000	2,000	-	0.00%
2610 4120	Training	800	-	-	-	0.00%
2610 4234	Services Purchased - Towing	11,608	15,000	16,000	1,000	6.67%
2610 4308	Supplies	6,239	12,000	12,000	-	0.00%
2610 4316	Uniforms	12,971	20,000	20,000	-	0.00%
2610 4418	New Equipment <sup>1</sup>	21,059	18,000	26,000	8,000	44.44%
2610 4814.0104	Investigations	9,182	7,500	7,500	-	0.00%
2610 4822	Equipment Repairs & Maintenance <sup>2</sup>	5,551	4,000	5,000	1,000	25.00%
<b>TOTALS</b>		<b>1,123,151</b>	<b>1,145,640</b>	<b>1,215,145</b>	<b>69,505</b>	<b>6.07%</b>

## Notes:

1. New legislation requiring rapid access to ASDs will increase amount of ASDs in fleet. (To be used in traffic and patrol)
2. Increased number of ASDs will incur more maintenance costs.

## Motorcycle Escort Team - 2611

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2611 4120	Training	-	10,590	10,590	-	0.00%
2611 4316	Uniforms	3,430	3,000	3,000	-	0.00%
2611 4418	New Equipment	3,404	4,000	4,000	-	0.00%
<b>TOTALS</b>		<b>6,834</b>	<b>17,590</b>	<b>17,590</b>	<b>-</b>	<b>0.00%</b>

## K. Executive Services Division

Consists of:

- Executive Services, Policy and Professional Standards
- Legal Services/Freedom of Information

### Executive Services - 2529

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2529 4004	Salaries - Police	873,113	893,410	1,021,815	128,405	14.37%
2529 4016	Salaries - Civilian	10,839	86,970	96,673	9,703	11.16%
2529 4070	Overtime	48	-	-	-	0.00%
2529 4072	Overtime - Police <sup>1</sup>	24,604	15,500	25,000	9,500	61.29%
2529 4102	Benefits - Civilians	5,073	26,090	29,002	2,912	11.16%
2529 4104	Benefits - Police	244,035	268,020	306,545	38,525	14.37%
2529 4116	Business Travel	334	5,000	2,000	(3,000)	-60.00%
2529 4230	Professional Services	32,447	30,000	35,000	5,000	16.67%
2529 4238	Arbitration & Litigation Expense	14,218	300,000	300,000	-	0.00%
2529 4304	Food and beverage	223	-	-	-	0.00%
2529 4806	Claims	(26,198)	125,000	125,000	-	0.00%
2529.4814	Miscellaneous	580	500	500	-	0.00%
2529 4850	Recognition	542	1,000	1,000	-	0.00%
<b>TOTALS</b>		<b>1,179,858</b>	<b>1,751,490</b>	<b>1,942,535</b>	<b>191,045</b>	<b>10.91%</b>

#### Notes

1. Based on actual usage in 2022 and 2023 to maintain current workloads and deadlines

### LEGAL SERVICES/FOI - 2530

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2530 4010	Salaries - Exempt <sup>1</sup>	115,179	113,190	118,991	5,801	5.13%
2530 4016	Salaries - Civilian <sup>3</sup>	179,279	195,470	221,827	26,357	13.48%
2530 4070	Overtime - Civilian <sup>3</sup>	1,335	1,000	3,000	2,000	200.00%
2530 4102	Benefits - Civilians	91,403	92,600	102,245	9,645	10.42%
2530 4112	Mileage/Parking <sup>4</sup>	958	1,000	1,000	-	0.00%
2530 4824	Recovery	(10,881)	-	-	-	0.00%
2530 4308	Supplies (Publications) <sup>3</sup>	98	1,000	1,000	-	0.00%
<b>TOTALS</b>		<b>377,371</b>	<b>404,260</b>	<b>448,063</b>	<b>43,803</b>	<b>10.84%</b>

## **L. Investigative Services Division**

Consists of:

- Analysis & Intel
- Strike Force
- Special Operations
- Detectives
- Financial Crimes
- Computer Analysis
- Special Victims
- Major Crimes
- Historical Case Review
- Behavioural Assessment & Management (formerly)
- Forensic Identification

### Analysis and Intel - 2549

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2549 4004	Salaries - Police	254,162	251,270	379,677	128,407	51.10%
2549 4016	Salaries - Civilian	260,592	261,680	290,871	29,191	11.16%
2549 4070	Overtime - Civilian	2,408	3,000	3,000	-	0.00%
2549 4072	Overtime - Police <sup>1</sup>	17,268	9,000	15,000	6,000	66.67%
2549 4102	Benefits - Civilians	76,773	78,500	87,291	8,791	11.20%
2549 4104	Benefits - Police	77,531	75,380	113,903	38,523	51.11%
2549 4116	Travel	2,877	5,000	-	(5,000)	-100.00%
2549 4125	Training - Non Sworn	5,129	-	-	-	0.00%
2549 4308	General Supplies	108	-	-	-	0.00%
2541 4364	Telecommunications <sup>2</sup>	-	-	10,000	10,000	N/A
2549 4418	New Equipment <sup>3</sup>	9,647	10,000	20,000	10,000	100.00%
2549 4814.0104	Investigations <sup>2</sup>	28,267	60,000	50,000	(10,000)	-16.67%
<b>TOTALS</b>		<b>734,762</b>	<b>753,830</b>	<b>969,742</b>	<b>215,912</b>	<b>28.64%</b>

**Notes:**

1. Based on current overtime usage
2. Telecom budget portioned out of miscellaneous. No net change
3. Increase to account for more laptops, section equipment and covert vehicle expenses (dependant on CF vehicle availability).

**Strike Force - 2590**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2590 4004	Salaries - Police <sup>1</sup>	901,355	1,072,010	848,674	(223,336)	-20.83%
2590 4072	Overtime - Police <sup>2</sup>	101,581	122,500	125,000	2,500	2.04%
2590 4102	Benefits	9,459	-	-	-	0.00%
2590 4104	Benefits - Police	280,099	321,600	254,602	(66,998)	-20.83%
2590 4114	Clothing and Boot Allowance	194	-	-	-	0.00%
2590 4116	Travel	29,596	5,000	5,000	-	0.00%
2590 4120	Training & Development	1,570	-	-	-	0.00%
2590 4850	Employee Recognition Program	2,639	3,000	3,000	-	0.00%
2590 4308	General Supplies	2,108	8,000	8,000	-	0.00%
2590 4364	Telecommunications (iPad wireless)	14,121	20,000	20,000	-	0.00%
2590 4418	Equipment	9,630	10,000	12,000	2,000	20.00%
2590 4824	Recovery <sup>3</sup>	(10,000)	(75,000)	-	75,000	-100.00%
2590 4814.0104	Investigations	18,042	75,000	75,000	-	0.00%
<b>TOTALS</b>		<b>1,360,394</b>	<b>1,562,110</b>	<b>1,351,276</b>	<b>-210,834</b>	<b>-13.50%</b>

**Notes:**

1. Based on number of members currently deployed
2. Consistent with previous years
3. We have historically received funding for specific projects from the Province. None budgeted as the future of such funding is unknown

**Special Operations - 2599**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2599 4814.0104	Investigations <sup>1</sup>	-	500,000	500,000	-	0.00%
2500 5075	Transfer From Reserves	-	(500,000)	(500,000)	-	0.00%
<b>TOTALS</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>

**Notes:**

1. Budgeted has been maintained to fund ongoing investigations where expenditures have not been made due to availability of resources and competing priorities

**DETECTIVE DIVISION - 2600**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2600 3760	Grants <sup>1</sup>	(112,307)	(99,500)		99,500	-100.00%
2600 4004	Salaries - Police	505,636	502,520	679,775	177,255	35.27%
2600 4016	Salaries - Civilian	518,173	517,920	497,847	(20,073)	-3.88%
2600 4070	Overtime - Civilian	13,175	10,000	10,000	-	0.00%
2600 4072	Overtime - Police	42,521	30,000	30,000	-	0.00%
2600 4102	Benefits - Civilians	155,536	155,380	149,354	(6,026)	-3.88%
2600 4104	Benefits - Police	137,628	150,760	203,933	53,173	35.27%
2600 4112	Mileage/Parking	624	-	-	-	0.00%
2600 4116	Business Travel <sup>2</sup>	6,012	15,000	23,000	8,000	53.33%
2600 4120	Training - Sworn	10,053	-	-	-	0.00%
2600 4230	Professional Services	16,746	25,000	25,000	-	0.00%
2600 4308	General Supplies	3,009	2,500	2,500	-	0.00%
2600 4364	Communications	1,193	-	-	-	0.00%
2600 4418	New Equipment	1,559	1,000	1,000	-	0.00%
2600 4814.0104	Crime Investigation <sup>3</sup>	21,256	45,000	40,000	(5,000)	-11.11%
<b>TOTALS</b>		<b>1,320,814</b>	<b>1,355,580</b>	<b>1,662,409</b>	<b>306,829</b>	<b>22.63%</b>

**Notes:****Notes:**

- Grant funding for civilian position and overtime has been discontinued by the Province. However the workload requirements remain
- Increase to account for more travel in the Historical Case Review section.
- Decrease due to trend downwards. Forensic exams cut in half as not being used as much as past years.

**Crime Investigation**

Forensic Exams	5,000
Travel Related to Investigation	10,000
DNA Samples	3,000
Undercover Operations	10,000
Witness Management	2,000
Source funds	10,000
	<b>40,000</b>

**Financial Crimes - 2604**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2604 4004	Salaries - Police <sup>1</sup>	255,842	374,100	-	(374,100)	-100.00%
2604 4072	Overtime - Police	38,450	20,000	-	(20,000)	-100.00%
2604 4102	Benefits	2,698	-	-	-	0.00%
2604 4104	Benefits - Police	73,063	112,230	-	(112,230)	-100.00%
2604 4114	Clothing & Boot	10	-	-	-	0.00%
2604 4116	Business Travel <sup>2</sup>	187	-	-	-	0.00%
<b>TOTALS</b>		<b>370,250</b>	<b>506,330</b>	<b>-</b>	<b>(506,330)</b>	<b>-100.00%</b>

## Computer Analysis Section - 2605

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2605 4004	Salaries - Police	129,239	209,870	251,242	41,372	19.71%
2605 4072	Overtime - Police	5,913	4,000	6,000	2,000	50.00%
2605 4102	Benefits	119	-	-	-	0.00%
2605 4104	Benefits - Police	37,443	62,860	75,373	12,513	19.91%
2605 4116	Travel	-	10,000	10,000	-	0.00%
2605 4120	Computer Analysis Training	3,897	30,000	25,000	(5,000)	-16.67%
2605 4230	Professional Services <sup>1</sup>	8,667	150,000	150,000	-	0.00%
2605 4308	Supplies	10,975	1,000	1,000	-	0.00%
2605 4418	New Equipment <sup>2</sup>	119,986	120,000	70,000	(50,000)	-41.67%
2605 4824	Recoveries	(69,144)	(40,000)	-	40,000	-100.00%
<b>TOTALS</b>		<b>247,095</b>	<b>547,730</b>	<b>588,615</b>	<b>40,885</b>	<b>7.46%</b>

## Notes:

1. Required to employ contractors in lieu of full time body
2. Equipment costs reduced due shift of responsibilities from staff to contractor

## Special Victims Unit - 2606

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2606 4004	Salaries - Police	853,841	737,010	725,844	(11,166)	-1.52%
2606 4072	Overtime - Police	40,355	35,000	35,000	-	0.00%
2606 4102	Benefits	5,067	-	-	-	0.00%
2606 4104	Benefits - Police	273,682	221,100	217,753	(3,347)	-1.51%
2606 4114	Clothing & Boot Allowance	113	-	-	-	0.00%
2606 4230	Professional Services	10,792	-	-	-	0.00%
2606 4418	New Equipment	-	5,000	5,000	-	0.00%
2606 4814	Miscellaneous	1,490	-	-	-	0.00%
2606 3760	Grants <sup>5</sup>	(6,406)	-	-	-	0.00%
<b>TOTALS</b>		<b>1,178,934</b>	<b>998,110</b>	<b>983,597</b>	<b>-14,513</b>	<b>-1.45%</b>



**Major Crimes - 2608**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2608 4004	Salaries - Police	1,205,621	1,105,520	971,505	(134,015)	-12.12%
2608 4072	Overtime - Police	147,314	120,000	120,000	-	0.00%
2608 4102	Benefits	12,789	-	-	-	0.00%
2608 4104	Benefits - Police	359,650	331,660	291,452	(40,208)	-12.12%
2608 4114	Clothing & Boot	260	-	-	-	0.00%
2608 4116	Business Travel	754	-	1,000	1,000	N/A
2608 4308	General Supplies	33	-	-	-	0.00%
2608 4418	New Equipment	1,095	-	1,000	1,000	N/A
2608 4814	Investigations	1,801	-	-	-	0.00%
<b>TOTALS</b>		<b>1,729,317</b>	<b>1,557,180</b>	<b>1,384,957</b>	<b>(172,223)</b>	<b>-11.06%</b>

**Historical Case - 2609**

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2609 4004	Salaries - Police <sup>1</sup>	146,618	145,180	256,846	111,666	76.92%
2609 4072	Overtime - Police	(15)	-	-	-	0.00%
2609 4016	Salaries - Civilian	828	-	-	-	0.00%
2609 4104	Benefits - Police	1,048	43,550	77,054	33,504	76.93%
2609 4102	Benefits - Civilians	43,138	-	-	-	0.00%
<b>TOTALS</b>		<b>191,617</b>	<b>188,730</b>	<b>333,900</b>	<b>145,170</b>	<b>76.92%</b>

**Notes:**

1. Based on current deployment of 2 officers

## Formerly Behavioural Assessment and Management Unit - 2613 (NOW PART OF 2580 GIS)

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2613 4004	Salaries - Police <sup>1</sup>	486,091	502,510		(502,510)	-100.00%
2613 4072	Overtime - Police	19,215	5,000		(5,000)	-100.00%
2613 4104	Benefits - Police <sup>1</sup>	150,037	150,750		(150,750)	-100.00%
2613 4114	Clothing/Boot Allowance	89	-		-	0.00%
<b>TOTALS</b>		<b>655,432</b>	<b>658,260</b>	<b>-</b>	<b>(658,260)</b>	<b>-100.00%</b>

## Notes:

1. Offices redeployed to new structure, expenditures moved to BU 2580

## FORENSIC IDENTIFICATION - 2650

Object Code	Description	2022	2023	2024	Increase (Decrease)	
		Actual	Budget	Budget	\$	%
2650 4004	Salaries - Police	778,728	770,520	829,906	59,386	7.71%
2650 4072	Overtime - Police	106,850	62,000	65,000	3,000	4.84%
2650 4102	Benefits	16,953	-	-	-	0.00%
2650 4104	Benefits - Police	218,334	215,360	248,972	33,612	15.61%
2650 4114	Clothing & Boot	53	-	-	-	0.00%
2650 4116	Travel	146	1,000	1,000	-	0.00%
2650 4308	Supplies <sup>1</sup>	10,242	17,000	18,000	1,000	5.88%
2650 4418	New Equipment	23,354	20,000	20,000	-	0.00%
2650 4824	Recovery	(5,262)	-	-	-	0.00%
2650 4834	System Access Costs (BCAFIS)	35,949	36,000	36,000	-	0.00%
<b>TOTALS</b>		<b>1,185,347</b>	<b>1,121,880</b>	<b>1,218,878</b>	<b>96,998</b>	<b>8.65%</b>

## Notes:

1. Small increase due to rising cost of consumables such as nitrile gloves.

## M. Capital

**Capital Expenditures**

Object Code	Description	2022 Actual	2023 Budget	2024 Budget	Increase (Decrease)	
50182	Vehicles	411,817	600,000	600,000	-	0.00%
50070	Computer Equipment	800,615	500,000	500,000	-	0.00%
50084	Furniture & Equipment	39,268	130,000	400,000	270,000	207.69%
50183	Integrated Unit Equipment				-	0.00%
50459	Police Building Upgrade <sup>2</sup>	157,900	250,000		(250,000)	-100.00%
<b>TOTALS</b>		<b>1,409,600</b>	<b>1,480,000</b>	<b>1,500,000</b>	<b>20,000</b>	<b>1.35%</b>

**Capital Fund Contributions**

2520 6062	Vehicle & Heavy Equipment	1,340,000	1,200,000	1,200,000	-	0.00%
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## VII. Business Case – Reintegration Sergeant

OFFICE OF THE CHIEF CONSTABLE

# BUSINESS CASE

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## Reintegration Sergeant

6/20/2023

Prepared by Staff Sergeant William Gubbins

Approved by DCC Laidman

## The Strategic Context

### Problem Statement

All VicPD employees work within a trauma exposed environment. First Responders and policing professionals are disproportionately affected by occupational stress injuries (OSI's) due to direct and indirect exposure to trauma. VicPD is expanding services and programs in order to build resiliency, conduct early intervention and connect those impacted by trauma to internal and external supports. Where injuries and OSI's do occur, Reintegration Programs assist employees to return to work in their pre-injury position, or to an accommodated role. VicPD's Reintegration Program (launched in 2022) builds on the department's goal of creating a culture of wellness and resiliency and has shown tremendous early successes.

VicPD's Reintegration Program has been coordinated by current Human Resources leaders (Career Path Staff Sergeant, Training Sergeant, and Recruiting Sergeant) and facilitated by trained officers across other sections. All current Reintegration work is performed as an ancillary duty. Increased capacity, administrative efficiency, and early intervention work will further bolster the effectiveness of the Reintegration Program as VicPD aims to reduce its number of non-deployable officers and decrease its employee vacancy rate.

### Business Need Summary

A dedicated position is needed to focus the development and delivery of the Reintegration Program. The current Human Resources Career Path Manager fulfills the administrative role for the Reintegration Program while reintegration work is conducted by police officers cross trained in Reintegration, Peer Support and/or Critical Incident Stress Management. The Human Resources Recruiting Sergeant and Training Sergeant assist the Career Path Staff Sergeant in running and coordinating the program. VicPD does not currently have early intervention capacity nor does it include proactive assessment of identifiable and predictable stressors for employees. Given our understanding of the challenges of working within a trauma exposed environment and the need to support workers to limit the impacts of trauma exposure and prevent injury, this capacity is overdue.

The Reintegration Sergeant will centralize the management and coordination of the Reintegration Program. The Reintegration Sergeant will also lead early intervention and proactive outreach. Using digital intelligence tools, proactive wellness check-ins would be identified and facilitated by the Reintegration Sergeant and work assigned to members of the Peer Support Team.

The Reintegration Sergeant would also work closely with the Department Psychologist.

The Reintegration Sergeant will co-lead the Peer Support Team and Critical Incident Stress Management Teams, of which both teams do not have dedicated supervision.

### Background

VicPD's Reintegration Program was introduced in 2022 and is based on the Edmonton Police Service's Reintegration Program developed in 2009 and refined over the past 14 years. VicPD's Reintegration Program includes short-term and long-term streams like the Edmonton program.

Short term reintegration services are delivered after critical events such as an officer involved shooting, significant traumatic events, serious crimes and fatalities. The short-term program includes mandatory

psychological screening and intensive support. The short-term program is delivered prior to the onset of a psychological injury.

The long-term program is focused on returning members to work following a physical or psychological injury, or a period of extended absence. The long-term program is customized to the specific needs of each employee. Exercises and controlled exposure within the work environment have shown great success in decreasing anxiety, stress and significantly improves the likelihood of an employee realizing a durable return to work. Long-term reintegration supports controlled exposure to potential triggers which can then be supported by peer supporters and health professionals.

VicPD's Reintegration Program was launched in June 2022 and immediately put into full service following the BMO critical incident in the jurisdiction of Saanich. Many VicPD officers were impacted physically and psychologically by that incident. Within one year, all employees who reported psychological injuries related to that event have returned to work and are contributing to VicPD's service delivery. The Reintegration Program is credited with assisting all officers impacted by the that grievous incident.

Long-term reintegration work is realizing successes with officers returning to work following extended absences (Physical and Occupation Stress WorkSafe BC injuries), as well as assisting officers returning from extended absences including periods of parental leave, and non-WorkSafe related injuries.

## **Current State**

The Reintegration Program is currently managed by the Human Resources Career Pathing Staff Sergeant. This position oversees all department training, recruiting, WorkSafe BC related matters and injuries, internal promotional processes and officer staff movements for approximately 250-260 officers. Additional projects, reporting and department initiatives are other sources of work. The needs of the Reintegration Program have outgrown the ability for the Career Path Staff Sergeant to manage this portfolio. While there remains value in partnership between the Career Path Staff Sergeant and Reintegration Sergeant, these two roles should be divided.

The Peer Support and Critical Incident Stress Management Teams are currently led by a group of three dedicated police officers who operate as Co-Leaders. Those Co-Leaders have existing high demand positions. They use peer support programs and show approximately 20 specially trained police officers. The Reintegration Team was selected from current Peer Support team members. Intersectionality across these roles makes this work a natural fit under the leadership of the Reintegration Sergeant.

## **Drivers for Business Need**

VicPD's time loss injuries and non-deployable officer numbers have increased over the past 4 years. Following the implementation of presumptive injury legislation, WorkSafe BC claims for Occupational Stress Injuries at VicPD have increased yearly. VicPD must effectively support its officers from occupational stress injuries and do everything possible to mitigate the effects when injuries occur. With current staffing pressures and a 10.7% officer vacancy rate (July 1, 2023), every officer has significant value to the organization and represents an investment of training dollars and time. VicPD's Reintegration Program has shown early signs of success. For consideration, the Edmonton Reintegration program has realized significant reductions in officer time-loss, decreased injury claim costs/days and increased mental health literacy including a reduction of stigma following the implementation of their Reintegration Program.

VicPD’s Reintegration program requires consistent staffing and resources to realize its full potential as VicPD strives to minimize injuries, support officers who struggling to remain at work and to assist officers to return to work when following injury or extended absence.

## Risk Assessment

Benefits to the Organization:

- Increased capacity to manage and lead Reintegration Program work
- Development of early intervention program and response processes
- Reduced risk of occupation stress injury for employees
- Expansion of wellness offerings through collaboration with Department Psychologist
- Consistent management of Peer Support and Critical Incident Stress Management Teams
- Improved mental health awareness and reduced stigma in the workplace
- Cost savings realized through reduction of officer time-loss shifts
- Reduction in WSBC premiums
- Reduced officer vacancy rate, leading to more effective public service and increased capacity
- Dedicated and specialized Reintegration Sergeant able to lead initiatives, training, manage Peer Support and CISM Teams and coordinate Reintegration Services

Consequences of not adding the position:

- Inconsistent Reintegration Program subject to delays due to work load and competing priorities
- Decreased capacity for Career Path Staff Sergeant and other Human Resources staff who are currently assisting to manage, coordinate and conduct facets of Reintegration work.
- Risk associated to the absence of an effective early intervention and monitoring program
- Continued inefficient use of resources at the expense of important operational and administrative work

## Recommendation and Resource Requirements

### Resource Request

It is recommended that VicPD create a position for a full time Reintegration Sergeant. The role requires superior communication skills, advanced knowledge of physical, psychological and occupational stress injuries. The Reintegration Sergeant will lead teams, prioritize and delegate work, manage budgets and coordinate training. The Reintegration Sergeant will liaise with the Department Psychologist and WorkSafe BC Case Managers and Occupational Therapists to implement practical and durable return to work plans structured around Reintegration principles. The role requires strong skills in process, instruction, as well as the ability to positively influence others, coach, mentor, and support.

### Resource Requirements

Annual salary cost: 2024 est. \$188,250

Additional Resources Required: \$10,000 (Equipment and furniture)

	2024 Impact	Full Year Impact (2025 On)
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Estimated Date	One-Time <sup>1</sup>	Ongoing (prorated)	Total	% Impact on Budget	Ongoing	% Impact on Budget
2024	10,000	188,250	198,250	.27%	195,000	.27%

### Role Summary

The Reintegration Sergeant will guide and lead all Reintegration initiatives including short-term and long-term programs.

In consultation with IT, the Department Psychologist and Human Resources, the Reintegration Sergeant will identify digital or other tools to effectively conduct early intervention assessments and wellness check-ins with employees who have attended a traumatic incident or a series of incidents which collectively may adversely impact an employee.

The Reintegration Sergeant will manage, coordinate and facilitate Peer Support Team services with the assistance of a Co-Lead. They will facilitate deployments of the Critical Incident Stress Management (CISM) Team following traumatic events, circumstances or investigations.

The Reintegration Sergeant will serve as a valuable resource to the Human Resources Career Path Staff Sergeant in their work with WorkSafe BC, employee accommodation and return to work planning / supports.

They will work closely with the Human Resources team and Department Psychologist to develop future wellness services and programs.

The Reintegration Sergeant will partner with VicPD's training section to lead return to work or return to duty supports for those members transitioning from non-uniform to uniform positions. The challenges of moving between First Responder (primarily uniform work) and primarily investigative roles can create stress, anxiety and decreased confidence for officers. The work in this realm will include orientation to duty, use of force requalification and training or scenarios, policy and legal updates, and critical incident management and strategies.

### Key Responsibilities

Manage VicPD's Reintegration Program—Lead Reintegration initiatives including case assignment and case management.

Conduct Reintegration work, training and mentor Reintegration Team members

Co-Manage the Peer Support Team, and CISM Team

Coordinate Training for members of the Reintegration, Peer Support and CISM Teams.

Manage budgets for Reintegration, Peer Support and CISM

Partnering with IT and SME's, lead and develop VicPD's early intervention and cumulative stress management programs and systems.

Deliver training to VicPD employees as required

Collaborate with the Career Path Manager on complex return to work cases

Collaborate with the VicPD Psychologist and Medical Director as required

Communicate with WSBC Clinicians and Case Workers related to RTW planning, supports and Reintegration Strategies



Partner with VicPD's Training Section as required to facilitate return to work and return to duty cases  
 Maintain relationships and collaborate with provincial and national Police Reintegration program leaders

### **Knowledge, Skills, Education, and Experience**

The ideal candidate for this position will have post-secondary education in psychology or a discipline related to human sciences or health. Alternatively, post-secondary education combined with experience in counselling, trauma management, or health & wellness may satisfy position needs. The Reintegration Sergeant requires a thorough understanding of the impacts of trauma, the role of Peer Support and Critical Stress Management in mitigating the potential impacts of trauma and stress. They require a solid understanding of return to work process, the role of Occupational Therapists, and the ability to discuss challenging cases with Psychologists or Clinical Counsellors.

The Reintegration Sergeant is an excellent communicator who is empathetic, resourceful, creative and possesses a strong understanding of police investigations, police culture, Post Traumatic Stress Disorder and the principles of Post Traumatic Growth. They are a leader and a team builder who excels in creating and maintaining relationships within VicPD and with external professionals.

The desired knowledge, education, skills and experience include:

Peer Support, Critical Incident Stress Management and Reintegration education and experience  
 Advanced communication skills, both written and verbal, with experience coaching, mentoring and teaching  
 Demonstrated presentation skills, comfortable speaking to groups and teams  
 Advanced understanding of Reintegration Program processes and principles  
 Demonstrated history of mentoring, assisting and supporting others  
 Post-secondary education in psychology, physiology, kinesiology or similar discipline combined with experience relevant to counselling, coaching, mentoring, health and wellness  
 2-5 years police leadership experience  
 Advanced knowledge of the PRIME record system  
 Knowledge of WorkSafe BC processes, accommodation and return to work processes  
 Excellent analytic skills and the ability to organize and express ideas clearly  
 Excellent organizational skills and ability to manage multiple projects within established deadlines in a fast-paced environment.

Nice to have qualifications include one or more of the following:

Undergraduate degree in Psychology or Human Sciences / Health related discipline  
 Program design and development experience

## VIII. **Business Case – Training Constable**

OFFICE OF THE CHIEF CONSTABLE

# BUSINESS CASE

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Training Constable – Human Resources Division

6/29/2023

Prepared by Inspector Kerrilee Jones

Approved by DCC Laidman

## **The Strategic Context**

### **Problem Statement**

The VicPD training section has not had an increase in staffing since 2005. Since that time, the demands on the section have increased significantly supporting public safety, officer safety, and staff wellness making the section no longer able to provide the required services. These demands are exacerbated by the growth in both numbers and types of members who have specific training needs. There are significant implications surrounding police accountability, associated liability, and technological advances observed and expected within the context of Canadian Policing.

### **Business Need Summary**

Over the past 18 years, there has been an increased demand on VicPD Training Staff needing more resources to support the demand. The number of provincially mandated courses, lack of and cost of outside police training, JIBC capabilities, and the addition of training Community Safety Officers, pose significant downward pressure on VicPD Trainers. In addition, the Human Resources Division (HR) recognizes the need for more organizational courses, and the ever-increasing area of graduated return to work continue to stretch current staffing. Productive new programs such as Reintegration and proactive measures of supporting performance on an individualized basis can only be successful if resource capacity is built in the section. Fair & Impartial Policing, Patrol Rifle, Less Lethal platforms (multiple), Police Officer Down training (TEMS) are good examples of widespread training initiatives that have become industry standard in BC in recent years, despite no staffing increases to deliver training in these areas. The HR request is for one additional Training Constable.

### **Background**

As previously noted, the last increase in capacity for the Training Section occurred in 2005, when the Control Tactics Coordinator moved from a half-time to a full-time position. Since then, the Training Section has been staffed with two full-time trainers (one assigned primarily to control tactics, the other primarily to firearms). In 2005, the authorized strength of the Victoria Police Department was 211. The department now has an authorized strength of 255, plus (approximately) 60 reserve constables, and an additional 25 combined Jailers and Community Safety Officers (CSO). While the Jail staff, Reserves and CSO's do not require firearms training, these groups are noteworthy in terms of the training demands they represent: The CSO's are a new addition to the department's deployment strategy, and the jailers joined the ranks of sworn membership (as Special Constables) in 2009. Previously, the Jailers were provided by a contracted security firm and required little in-house training, particularly in UOF and other provincially-mandated subjects. The Reserves, Jail and CSO staff represent a disproportionate demand on the Training Section as these programs experience significant annual turnover. This is because their ranks are generally sought after by VicPD and other agencies as preferred recruit candidates. As a result, the Training Section generally trains and certifies a new contingent each

of Jailers, Reserves and CSO's and conducts separate recertifications for each group, annually. The CSO's will also take on the Bail Hearings or Virtual Bail Hearings that are likely to come. The combined growth in demands for mandated training have outstripped the Training Section's capacity.

## **Current State**

The Victoria Police Department Training Section is currently staffed by a Sergeant who oversees all training for the organization, a training constable primarily responsible for developing and delivering firearms training and member development, and a training constable who is primarily responsible for all other (non-firearms) control-tactics training and member development. There is a significant amount of shared responsibilities between the two training constables, who are jointly responsible for curriculum development and delivery commensurate with British Columbia Provincial Policing Standards (BCPPS), responding to emerging industry trends or Commission recommendations (such as Turning the Tide Together – Final Report of the Mass Casualty Commission Recommendations), scanning and auditing evolving technologies and tactics which may serve to enhance public safety. The increased and forecasted additional demands for these respective functions are outlined in the Drivers for Business Need section, below.

## **Drivers for Business Need**

Police Services has 16 mandatory courses that all members of VicPD are required to take with recertifications occurring in the range of 1-3 years. The number continues to increase with no corresponding provincial funding. There are also recommendations stemming from Coroners Inquests and the Human Rights Commissioner that HR, through the Chief Constables Office, are expected to turn their mind to and address with training primarily as the focus.

As previously stated, police related training is becoming increasingly difficult to locate, obtain seats on, and is cost prohibitive to meet the demand. This is an area of growing liability, specifically in the area of investigations as disclosure and the complexity of these investigations continues to increase. Deploying inadequately trained members to any police investigation is a liability and also has significant Office of the Police Complaints Commissioner (OPCC) / Independent Investigations Office (IIO) implications.

VicPD HR has identified a number of gaps in organizational training we currently need to have the capability to build and execute despite these courses being an organizational priority. These courses include the development of various levels of supervisor training to address tactical, investigative, and administrative support for all levels of supervisors. A number of initiatives currently underway or identified in the short term such as a mentorship program, performance reviews, and EDI recommendations will require training that currently there is no capacity to deliver.

The formalization of the former Special Municipal Constable Program with the amalgamation of the Jailers and Video Bail Officers into the Community Safety Officer Program is a positive step providing more flexibility and portability for staffing. This also creates additional and frequent training demands on the training section as this all must be done in-house. Even once the program gets going, annual recruitment and training will have to be done as this is a recruiting ground for regular police constables and turnover is high.

While the resource and funding challenges of the JIBC should not be the responsibility of police agencies given the cost of the training, the reality is that training sections must fill the gaps to ensure recruits are ready to be operational. Recruits need additional support in patrol tactics, less lethal and carbine options, as well as numerous other areas of investigations that still need to be fulfilled at the JIBC.

VicPD exempt members have onboarding training at only 8 hours when the Surrey Police Service provides 6 weeks. Exempts are hired from a multitude of different styles of police services and provinces with different policing standards that may require urban patrol tactics, additional investigative training, or any number of different gaps in knowledge to transfer to VicPD successfully. Feedback sessions from Exempt members identify this as a priority and perceive VicPD could improve when it came to getting them operationally ready.

Since 2018, when the presumptive legislation was enacted at Worksafe BC, the number of members injured has increased significantly. As Human Resources Professionals, Mental Health Professionals, and Police agencies learn more about getting members returning to work meeting their limits and restrictions, the demands on training staff go up. Programs provided by Worksafe, Reintegration, or other sources are only successful if training staff are able to execute the plan.

Technological advances intended to assist police in safely resolving dangerous situations are ever evolving. For instance, two new Conducted Energy Weapons (CEW's), the Taser 7 and Taser 10, claim to offer advanced capabilities and safety margins. However, Provincial Standards in British Columbia require the new weapons undergo a rigorous evaluation which necessitates the participation of Use of Force experts. Similarly, the Victoria Police Department (like most policing agencies in BC) is examining newer "less lethal" platforms to replace the Bean Bag Shot Gun. All of these programs require detailed analysis and if adopted, new initial training programs and subsequent, annual (or triennial, depending on the weapon categorization) certifications, and business cases of their own, each supported by research and analysis.

IIO, OPCC, and the results of various Commissions or Inquiries are increasing the demands of Human Resources and their associated Training Sections. A good example of this is "Turning the Tide Together – Final Report of the Mass Casualty Commission" that studied the events of the most lethal mass shooting in Canadian civilian history in Nova Scotia. There were a number of recommendations specifically relevant to this business case but for the sake of brevity, they refer

to intensive training pre and post critical incidents and implementing five principles of critical incident response by preparing for critical incidents before they happen. This is the impact of only one report and does not address the impacts of other reports that include those from the Human Rights Commissioner, Coroners Inquests, and identified themes from the IIO and OPCC.

The success of the Reintegration Program has exceeded expectations and has proven very effective in returning members to work. This success is only possible with the dedication and collaboration of the Training Section that are heavily involved in this work. Collaborating with Worksafe BC, Psychologists, Occupational Therapists, and other agencies is what makes this program effective, but is incredibly labour intensive.

In comparison to other agencies, VicPD's training section has fallen behind our comparators of similar size agencies as noted below.

Department	Sworn members	Trainers	Ratio Trainer to Staff
VicPD	255	2	1 trainer to 127.5 members
Abbotsford	213	4	1 trainer to 53 members
Saanich	185	Different model	They use a number of ancillary instructors but ratio remains lower than ours.
Delta	194	4	1 trainer per 48.5 members

While the HR OIC continues to find alternate solutions that include contract work from retired or other suitable members, this has yet to come to fruition due to suitability, expertise, or post-retirement job opportunities in the competitive labour market.

## Risk Assessment

The risks associated to not staffing an adequate number of Training Constables to meet provincial, community and officer safety standards include:

The operational impact of our current training model could be more sustainable. To deliver training with only 2 full time training constables requires significant support from other divisions whose staff support training in an ancillary capacity. Due to ongoing resourcing challenges, this is not feasible given that VicPD is currently experiencing staffing shortages in almost every division leading to burnout and operational ineffectiveness and many overtime shifts go unfilled. By way of example, last Fall's increment cycle incurred approximately 20 overtime shifts, and a further 42 shifts where members were redeployed from front-line service positions (over the course of 15 training days).

Recruiting and retention are top priorities for all Police agencies in this competitive labour market. While good wages remain a constant, this generation of employees are life-long learners

and training is a top priority for them. If VicPD wants to be a top employer and continue to be competitive both in recruiting and retention, we need to increase our capacity to not only meet the demands, but exceed them and continue to innovate.

Statistics on Assaults against Police Officers and Weapons offences are the highest in they've ever been. The FBI has documented a 50% increase in police officers killed in ambush-style and unprovoked attacks between 2021 and 2022. While similar data are not always readily available via Statistics Canada, it is well-established that 2022-2023 has been the deadliest period on record for police officers in Canada. Anecdotally, these statistics support what officers at VicPD are experiencing with BMO being the incident of note, but certainly not isolated. There are two members still recovering from separate spontaneous attacks in 2021, which left both of them with life-altering injuries. Training, particularly Reality Based Training, imparts confidence, decision-making skills and resiliency.

The current resourcing in training exposes VicPD to Liability by way of failure to train lawsuits, as well as public and professional scrutiny.

## **Recommendation and Resource Requirements**

### **Resource Request**

This request is for one additional Training Officer (constable) for VicPD.

### **Resource Requirements**

Cost of one training officer (constable):

<b>Estimated Date</b>	<b>2024 Impact</b>				<b>Full Year Impact (2025 On)</b>
	<b>One-Time<sup>1</sup></b>	<b>Ongoing (prorated)</b>	<b>Total</b>	<b>% Impact on Budget</b>	<b>Ongoing</b>
May-22	0	98,745	98,745	0.17%	148,117

## IX. Business Case – ICE Investigator

OFFICE OF THE CHIEF CONSTABLE

# BUSINESS CASE

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Internet Child Exploitation  
Second investigator

7/1/2023

Prepared by Inspector Conor King

Approved by DCC Laidman



## The Strategic Context

The Internet Child Exploitation (ICE) Investigator is housed under the Investigative Services Division (ISD) within the Special Victims Unit (SVU) and is responsible for the following;

Investigations into internet-based exploitation of children. This includes but is not limited to: internet luring, distribution, production and possession of child pornography, and online covert investigations.

Categorization of child sexual abuse material.

Providing expert testimony, advice and support relating to these investigations.

Assisting SVU with other investigations.

Fostering and maintaining relationships with other ICE units on international, national, provincial, and local levels.

The ICE investigator has a direct impact on the lives of children and can be responsible for the protection and sometimes rescue of vulnerable victims. This position requires specialized training in social media, computer software programs and online undercover techniques.

Due to the level of expertise required, this position has a tenure of five years with an option to extend for two additional years.

## Problem Statement

Currently the ICE investigator is unable to effectively manage all responsibilities required of the position due to increased workload and limited resources, resulting in the following:

The necessity of triaging investigations and closing investigations that, under more favorable conditions would be investigated further.

Zero proactive work targeting online predatory activity such as chat room child luring.

Delays in file disclosure and failures in Crown/Police MOU compliance.

Occupational stress for the sole investigator due to lack of team support.

Ongoing public safety risk.

Liability and reputational risk to the Victoria Police Department.

## Business Need Summary

In order to ensure all responsibilities of the ICE position are met, it is proposed that a second ICE investigator be added to the Special Victims Unit to assist with file workload and proactive

investigations. This will mitigate some of the problems noted above, though one investigator will not be enough to eliminate them entirely.

This action aligns directly with the vision of the Victoria Police Department, creating a safer community by protecting vulnerable children, holding offenders accountable and supporting our people.

## Background

Technology is always evolving and has made the world accessible in unprecedented ways. Unfortunately, these advances have allowed offenders to network, learn from one another, share child sexual abuse material and normalize behaviour.

In 2011, Bill C-22 was passed by Parliament. This Act mandated that all companies in Canada who provide a service on the Internet, report to police all incidents of uploads and downloads of child sexual abuse material. The United States has a similar law. Since 2011, police agencies have seen a substantial increase in reports. To assist with these reports, multiple organizations have been created, internationally, nationally, and provincially.

At the international to national level, the National Child Exploitation Coordination Centre (NCECC) is a clearing house and coordination centre for international requests to conduct investigations in Canada related to child sexual exploitation on the Internet.

Provincially, the BC ICE Unit, operated by the Royal Canadian Mounted Police is responsible for coordinating and investigating internet-based exploitation of children. Because of a higher than expected workload, their mandate has shifted from investigative to operational support, for law enforcement agencies within BC. They also provide subject matter expertise regarding the crimes and the offenders who perpetrate those crimes.

Cybertips.ca is Canada's national tip-line for reporting the online sexual exploitation of children. The tip-line accepts and addresses online and telephone reports from the public regarding child abuse images and material; online luring; child exploitation through prostitution, travelling to exploit children and child trafficking sexually. On average Cybertip.ca receives over 700 reports per month and all reports that are in contravention of the Criminal Code are sent to police for possible investigation.

NCECC, BC ICE and Cybertips.ca refer child exploitation files to police departments and detachments throughout the Capital Regional District for investigation.

In 2010 a proposal was submitted from the Investigative Services Division to create a VicPD ICE position as part of an integrated Capital Regional District ICE unit. The proposal was not approved, however in 2013 VicPD created its first ICE investigator position, which would stand alone within the Special Victims Unit.

## Current State

The sole ICE investigator continues to work within the Special Victims Unit. They are the only person dedicated to ICE investigations; the SVU sergeant assists with file triage, however outside of that, the ICE investigator works independently. When required other SVU members will assist with the execution of

search warrants in support of ICE investigations, but do not carry ICE files as part of their workload, ICE investigations are specialized, require unique training and the appropriate mindset.

## **Drivers for Business Need**

### **Increased Workload & Complexity:**

The number of ICE files is growing at a steady pace. Province wide, 2008 saw 156 files. In 2022 that number rose to 8000.

In 2021 VicPD received 37 files from BC ICE.

In 2022 that number reached 95.

From January to May 30, 2023, VicPD opened 97 ICE files.

BC ICE reports that on average an investigation will take 400 hours from inception to conclusion. Thus, the need for file triaging and the selection of only the most viable files for further investigation.

### **Technology Advancements:**

Modern technology has revolutionized our world and our daily lives. Devices are increasingly faster, more portable, and higher-powered than ever before. The average Canadian household has a least seven active devices in use every day. These advancements add to the complexity and volume when investigating child exploitations. Investigators spend a tremendous amount of time retrieving, categorizing, and organizing evidence to present to the courts.

### **Disclosure Requirements:**

R v Stinchcome [1991] 3 S.C.R 326, is the landmark Supreme Court of Canada decision on the disclosure of evidence during a trial. The decision states that it is the legal duty of the Crown to disclose all relevant information to the defence.

R v Jordan [2016] S.C.C 27, changed the framework that determines whether an accused has been tried within a reasonable time under s 11(b) of the *Charter*.

These decisions directly impact the way police investigate. It puts direct pressure and time constraints on investigators to disclose all material within a reasonable timeframe. Relying on one investigator to remain within these tight timeframes is not effective or realistic.

### **Mental Wellness:**

There is growing research on the impact that ICE work has on officers' mental wellness. While there are a number of driving factors, the necessity to view images of child pornography is at the top of the aggravating factors. The work has been described as gut wrenching, anxiety inducing and highly disturbing.

A 2020 research project conducted by the Virtual Global Taskforce on the wellness of Child Sexual Exploitation investigators indicated that a primary mitigating factor is the support of colleagues.

*“Given the nature of their work, employees working in OCSE units often feel unable to talk to their significant others or friends about their work (Atkinson-Tovar, 2003). As such,*

*findings from this study indicated that many participants relied on their co-workers as their main source of social support given the common experiences that they share. Some participants had also reported that they do not wish to impose any burden on their loved ones by discussing their work. This places even more emphasis and importance on seeking continued support from colleagues and ensuring a safe and supportive work environment where concerns can be shared and discussed.”*

Having only one investigator responsible for all ICE files at VicPD does not provide for the team support demonstrated above. And while the ICE officer is embedded in the Special Victims Unit, the other officers are not engaged in the same type of work, with the same risk factors. This leaves the sole ICE investigator operating without colleagues who understand and share the burden of this work.

## Risk Assessment

As demonstrated in this business case there are risks associated with continuing to operate with one ICE investigator only.

Public safety risk, including risk to children for continuing exploitation.

Legal liability to the Victoria Police Department for inadequate investigation.

Inability to deliver targeted prevention efforts.

Unhealthy mental health impact to the sole ICE investigator.

Lack of succession planning, coupled with no mentorship or knowledge transfer.

## Recommendations

**Option 1:** Create a second ICE investigator position within SVU. This officer would need to obtain the necessary training and expertise. But in the long term a second ICE investigator would greatly assist with all of the challenges outlined within this document.

**Option 2:** Status Quo. Continue with the current practice of only one ICE investigator. Attempt to manage the increased workload by reallocating resources, triaging files, and doing little to no proactive targeting.

## Recommended Option

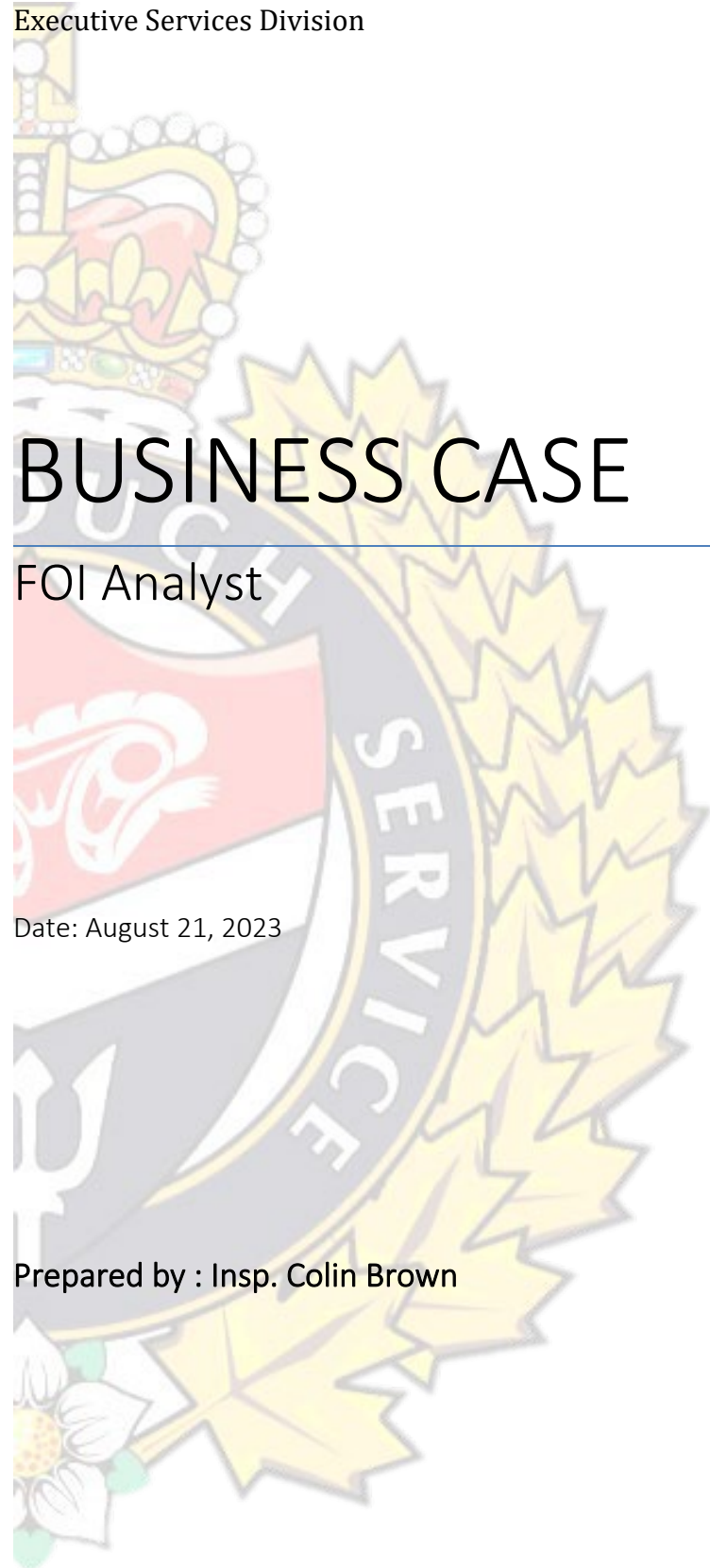
Option 1 is recommended as it addresses all risks outlined in the problem statement. Option 1 would align the Victoria Police Department with the rest of the province as numerous other agencies are also in the process of increasing strength within ICE units.

## Resource Requirement

The recommended option will require an additional officer to be hired, as it is unlikely that this position can be reallocated from within the Victoria Police Department due to resourcing shortages. Therefore, the cost would be the yearly salary of a Constable plus applicable training.

## X. Business Case – FOI Analyst

Executive Services Division



# BUSINESS CASE

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FOI Analyst

Date: August 21, 2023

Prepared by : Insp. Colin Brown

## The Strategic Context

Within VicPD's Executive Services Division is the Information and Privacy Section (the "Section"). The Section is comprised of 3.5 full-time employees and manages all information requests and privacy reviews in the department. The Section fields requests from individuals, media, and outside agencies.

## Problem Statement

The Section has been comprised of an Information and Privacy Manager, and Senior Analyst, and a Junior Analyst since 2005. A half-time Administrative Coordinator was added in 2019. The complexity and volume of the Section's work has increased exponentially since 2005 and has increased by 30% since 2019 alone. In addition, the Information and Privacy Commissioner recently mandated public bodies to conduct a Privacy Impact Assessment ("PIA") for any new project or initiative with a potential privacy component. The Section will have to assist with these new PIAs.

## Business Need Summary

The Section requires an additional full-time Senior Analyst to meet its workload.

## Background

The Section is overseen by the Information and Privacy Manager who provides strategic advice and direction to the OIC of Executive Services, the Chief and Deputies, and the Board. The Senior Analyst reviews and reports on all privacy issues and larger information requests. The Junior Analyst reviews and reports on less-complicated information requests. The half-time Administrative Coordinator oversees intake, conducts research, and supports less-complicated requests.

With the exception of the half-time Administrator Coordinator, the Section has not had an increase in staffing since 2005. Requests for information and privacy reviews have increased significantly since 2005. One of the largest increases to the Section's workload since 2005 has been the steady rise in processing digital media requests (videos, photographs). In addition to the increasing complexity of requests, the volume of requests has increased by 30% since 2019. The section processed 3,440 requests in 2019 and 4,526 requests in 2022.

## Current State

The Section is currently running beyond capacity, and this does not include the increase in work that will result from the increase in PIAs. Currently, each position undertakes unique tasks and there is little ability for staff members to cover each other's work in times of absence. When a staff member is away, particularly the Senior Analyst, they return to a significant amount of work and usually require overtime to reduce their backlog to a manageable level.

## Drivers for Business Need

As noted above, the drivers for this request include a staffing plan which has not kept pace with the Section's increase in the volume and complexity of work coupled with the increased workload that the

Section will undertake as a result of the PIAs and the Office of the Privacy Commissioner requirements under the Privacy Management Program.

## **Risk Assessment**

Information and privacy issues, particularly those involving police records, is an increasing concern for the public. Failure to properly manage our information and privacy responsibilities would undermine the public's confidence in the VicPD. Our information and privacy responsibilities are also mandated by statute, and the VicPD, as a police department, is expected to meet its legal obligations in this regard.

Given the increase in workload and the lack of increase in staff, there is risk in our staff wellness and the risk of burnout within the section.

## **Recommendations**

Option 1: Do nothing. The Section will continue to manage as best as it can with limited staffing.

Option 2: Hire a new Senior Analyst to allow the Section to meet its current workload and legal obligations.

## **Recommended Option**

Option 2

## **Resource Requirement**

For 2024 the Senior Analyst position would be \$113,680 per year including benefits (\$87,445 plus benefits).





# GREATER VICTORIA PUBLIC LIBRARY

November 14, 2023

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

Dear Mayor Alto and Council:

## **Re: Greater Victoria Public Library 2024 Budget and Five-Year Financial Plan**

The Greater Victoria Public Library Board respectfully submits its 2024 Operating Budget and Five-Year Financial Plan for 2024-2028. As per the terms of the Library Operating Agreement, approval by council resolution is required by May 1, 2024.

The overall system-wide municipal contribution amount increase requested for 2024 is 5.99%.

The City of Victoria's share of the 2024 requisition, based on converted assessment values and population of your municipality, including rental adjustment, is \$5,685,915. A detailed breakdown of each member municipality's individual contribution, including per capita increases for your municipality is provided on pages 4 and 5 of the budget package attached. Budget drivers include salaries and benefits, library materials, building occupancy costs and other factors which are described in the attached 2024 budget notes.

GVPL's libraries are vibrant community hubs that not only provide access to resources and learning that residents are seeking, but also foster connection, belonging, and empowerment. Serving ten municipalities and 369,756 citizens, we deliver library services at our twelve branch locations, online and through community outreach initiatives. We are committed to working with our municipal and community partners to deliver responsive library services to support informed and inclusive communities. This is reflected in the GVPL's [2021-2023 Strategic Bridging Plan](#), and [GVPL Annual Report 2022](#),

Thank you for your support as we work together to build strong and vibrant communities.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Andrew Appleton'.

Andrew Appleton  
Board Chair

A handwritten signature in black ink, appearing to read 'Maureen Sawa'.

Maureen  
Sawa CEO

cc: Jocelyn Jenkyns, CAO, City of  
Victoria  
Suzanne Thompson, Director of Finance, City of Victoria  
Paul McKinnon, Director, Finance & Facilities, Greater Victoria  
Public Library



**GREATER VICTORIA  
PUBLIC LIBRARY**

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# **2024 Budget and 2024-2028 Five Year Financial Plan**

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**Review / Approval Dates:**

**Review - Finance Committee: August 22,**

**2023 Review – Finance Committee:**

**September 19, 2023**

**Approved - Board of Trustees: October 24,**

**2023**



**BUDGET AT A GLANCE**

	<u>2024</u>	<u>2023</u>
Operating Budget <sup>1</sup>	\$ 23,897,109	\$ 22,271,858
Operating Budget Increase (Decrease) <sup>2</sup>	7.74%	8.58%
Capital Budget	\$ 1,794,952	\$ 1,695,560
Capital Budget Increase (Decrease)	5.86%	(15.86%)
Total Budget - Funded <sup>3</sup>	\$ 23,529,061	\$ 21,867,418
Total Budget Increase (Decrease)	7.60%	6.18%
Municipal Contribution - Total	\$ 1,170,296	\$ 1,097,197
Municipal Contribution - Increase	5.99%	5.95%
Municipal Contribution - Increase (%)	\$ 56.00	\$ 53.89
Cost per Capita <sup>4</sup>	\$ 3.17	\$ 3.03
Cost per Capita Increase <sup>5</sup>	369,756	362,553

Note 1 – Operating budget consists of operating expenses only  
Population (Member Municipalities)

<sup>6</sup> Note 2 – Net of Amortization

Note 3 – Total budget funded is equal to Expenses (Operating budget) less amortization (non-funded expense) + capital budget

Note 4 – Municipal Contribution Total divided by Population

Note 5 – Municipal Contribution Increase divided by Population

Note 6 – As per BC Stats, 2022 Sub-Provincial Population Estimates



# GREATER VICTORIA PUBLIC LIBRARY

## 2024 Budget and Five-Year Financial Plan

	<u>2023</u>	<u>2024</u>	<u>Change</u>	<u>Change%</u>	<u>Notes</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Revenues									
Municipal Contributions-	\$ 19,537,497	20,707,793	\$ 1,170,296	5.99%	1	21,861,095	22,635,776	23,517,812	24,350,000
Operating Municipal	-	-	\$ -		2	-	-	-	-
Contributions - Start-up Provincial	642,339	676,339	\$ 34,000	5.3%	3	642,339	642,339	642,339	642,339
Grants	-	-	\$ -	0.0%	4	-	-	-	-
Federal Grants	218,400	218,400	\$ -	0.0	5	218,400	218,400	218,400	218,400
Fines, Fees and Printing	32,890	32,890	\$ -	%	6	32,890	32,890	32,890	32,890
Contracts for Service	85,000	150,000	\$ 65,000	0.0%	7	150,000	150,000	150,000	150,000
Investment Income	85,000	248,324	\$ 163,324	76.5%	8	261,601	302,386	236,997	180,458
Donations and Other Grants	20,601,126	22,033,746	\$ 1,432,620	19.7%	9	23,166,325	23,981,791	24,798,438	25,574,087
Expenses (Operating Budget)				%					
Salaries and Benefits	16,546,276	17,718,861	1,172,585	7.1%	9	18,142,389	18,282,637	18,679,301	19,332,567
Library Materials	1,367,370	1,437,520	70,150	5.1%	10	1,466,270	1,495,596	1,525,508	1,556,018
Amortization	2,100,000	2,163,000	63,000	3.0%	11	2,163,000	2,163,000	2,163,000	2,163,000
Supplies and Services	876,869	1,238,620	361,750	41.3%	12	1,263,392	1,288,660	1,314,433	1,340,722
Building Occupancy	1,026,241	913,972	(112,269)	-10.9	13	932,251	950,896	969,914	989,313
Other Expenses	355,102	425,136	70,034	%	14	433,639	442,311	451,158	460,181
	22,271,858	23,897,109	1,625,251	19.7		24,400,942	24,623,101	25,103,313	25,841,800
				%					
Annual Surplus/(Deficit)	(1,670,732)	(1,863,363)	(192,631)	7.3%		(1,234,616)	(641,310)	(304,876)	(267,714)
Add back: Unfunded Amortization	2,100,000	2,163,000	63,000	11.5%	11	2,163,000	2,163,000	2,163,000	2,163,000
	429,268	299,637	(129,631)	3.0%		928,384	1,521,690	1,858,124	1,895,286
<b>Total Budget-Funded</b>	<b>21,867,418</b>	<b>23,529,061</b>	<b>1,661,643</b>	<b>8%</b>		<b>24,023,913</b>	<b>24,281,791</b>	<b>24,798,438</b>	<b>25,574,087</b>
<b>Municipal Contributions-Operating Increase</b>	<b>5.95%</b>	<b>5.99%</b>				<b>5.57%</b>	<b>3.54%</b>	<b>3.90%</b>	<b>3.54%</b>

	<u>2023</u>	<u>2024</u>	<u>Change</u>	<u>Notes</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
<b>Balance forward from Page 1</b>	429,268	299,637	(129,631)		928,384	1,521,690	1,858,124	1,895,286
<b>Capital Expenses</b>								
Library Materials - Operating	1,414,060	1,427,352	13,292	10	1,455,899	1,485,017	1,514,717	1,545,012
Hardware - Operating	101,500	200,000	98,500	15	204,000	208,080	212,242	216,486
Furniture and Equipment -	60,000	105,800	45,800	15	63,036	64,297	65,583	66,894
Operating Building Improvement -	120,000	61,800	(58,200)	15	63,036	64,297	65,583	66,894
Operating Vehicles - Operating	-	-	-		-	-	-	-
<b>Branch Start-ups:</b>								
Library Materials	-	-	-		-	-	-	-
	1,695,560	1,794,952	99,392		1,785,971	1,821,690	1,858,124	1,895,287
<b>Transfers</b>								
Transfer from Replacement Reserve	-	-	-	16	-	-	-	-
Transfer from Personnel Contingency	(430,000)	(600,000)	(170,000)	16	(300,000)	-	-	-
Reserve Transfer from Library Materials	(495,315)	(495,315)	-	16	(495,000)	(300,000)	-	-
Reserve Reserve ITS	-	-	-	16	-	-	-	-
Transfer to Contingency Reserve	-	-	-	16	-	-	-	-
Transfer from Contingency Reserve	(340,977)	(400,000)	(59,023)	16	(62,587)	-	-	-
Transfer to/(from) Reserves	(1,266,292)	(1,495,315)	(229,023)		(857,587)	(300,000)	-	-
Transfer to/(from) Accumulated Surplus	-	-	-		-	-	-	-
	(1,266,292)	(1,495,315)	(229,023)		(857,587)	(300,000)	-	-
<b>Financial Plan Balance</b>	<b>(0)</b>	<b>0</b>	<b>0</b>		<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>(0)</b>



# GREATER VICTORIA PUBLIC LIBRARY

## 2024 MUNICIPAL CONTRIBUTIONS

	2023		2024					
	Share 2023	Total Requisition n 2023	Share 2024	Operating Budget	Rent Adjustment <sup>1</sup>	Total Requisition 2024	Increase	
							\$	%
Central Saanich	5.19%	\$1,023,182	5.18%	\$1,072,664	\$9,169	<b>\$1,081,833</b>	\$58,651	5.70%
Colwood	5.04%	991,446	5.30%	\$1,097,513	7,112	<b>1,104,625</b>	113,179	11.40%
Esquimalt	5.24%	1,019,280	5.20%	\$1,076,805	<b>-4,602</b>	<b>1,072,203</b>	52,923	5.20%
Highlands	0.74%	145,571	0.74%	\$153,238	994	<b>154,232</b>	8,660	5.90%
Langford	12.22%	2,404,009	12.67%	\$2,623,677	17,142	<b>2,640,819</b>	236,810	9.90%
Metchosin Oak	1.51%	297,022	1.48%	\$306,475	1,965	<b>308,440</b>	11,418	3.80%
Bay Saanich	6.31%	1,227,493	6.22%	\$1,288,025	<b>-5,462</b>	<b>1,282,563</b>	55,070	4.50%
Victoria	32.75%	6,372,206	32.63%	\$6,756,953	<b>-25,015</b>	<b>6,731,938</b>	359,732	5.60%
View Royal	27.96%	5,460,213	27.47%	\$5,688,431	<b>-2,516</b>	<b>5,685,915</b>	225,702	4.10%
	3.05%	597,084	3.11%	\$644,012	1,213	<b>645,225</b>	48,142	8.10%
<b>Total</b>	<b>100%</b>	<b>\$19,537,497</b>	<b>100%</b>	<b>\$20,707,793</b>	<b>\$0</b>	<b>\$20,707,793</b>	<b>\$1,170,296</b>	<b>5.99%</b>

<sup>1</sup>The **Rent Adjustment** is calculated in accordance with Section 8.12 (a), (b) and (c) of the Library Operating Agreement and relates to portions of buildings used to benefit all member municipalities: the Collection and Technical Services section of the Juan de Fuca Branch building and the Administrative portion of the Central Branch building. Municipalities which did not contribute to the initial acquisition of such building or who did not subsequently purchase a portion of such building pays reasonable rent to those Municipalities that did.



# GREATER VICTORIA PUBLIC LIBRARY

## 2024 MUNICIPAL PER CAPITA CONTRIBUTIONS

2024					
	Total Requisition 2024	Population <sup>1</sup>	Cost Per Capita 2024	Increase per capita	increase
Central Saanich	\$1,072,664	18,689	57.40	\$3.14	\$58,651
Colwood	\$1,097,513	20,766	52.85	\$5.45	\$113,179
Esquimalt	\$1,076,805	19,155	56.22	\$2.76	\$52,923
Highlands	\$153,238	2,599	58.96	\$3.33	\$8,660
Langford	\$2,623,677	49,345	53.17	\$4.80	\$236,810
Metchosin Oak	\$306,475	5,142	59.60	\$2.22	\$11,418
Bay Saanich	\$1,288,025	19,211	67.05	\$2.87	\$55,070
Victoria	\$6,756,953	125,853	53.69	\$2.86	\$359,732
View Royal	\$5,688,431	96,390	59.01	\$2.34	\$225,702
	\$644,012	12,606	51.09	\$3.82	\$48,142
<b>Total</b>	<b>\$20,707,793</b>	<b>369,756</b>	<b>\$56.00</b>	<b>\$3.17</b>	<b>\$1,170,296</b>

<sup>1</sup> Source of population figures - BC Stats website: <https://www2.gov.bc.ca/gov/content/data/statistics/people-population-community/population/population-estimates>, 2021, accessed July 2023

General note: Percentage share of costs by municipality are determined based on 50% property assessment value and 50% population estimate. More detailed information on assessment values and population are available on request.

# Notes to the 2024 Budget and Five-Year Financial Plan

Approximately 90% of the GVPL operating budget is funded by our ten municipal partners. Consequently, a key objective is to balance and maintain municipal contribution increases against service delivery, rates of inflation and projected wage increases as negotiated through Greater Victoria Labour Relations Association. “Acceptable” increases are ultimately determined by Councils upon consideration of our budget requisition.

Because needs and opportunities change over time as we strive to best serve our communities, GVPL’s budget process allows reasonable flexibility for business areas to adapt and optimize their activities as events unfold, while still requiring system-wide financial planning and accountability.

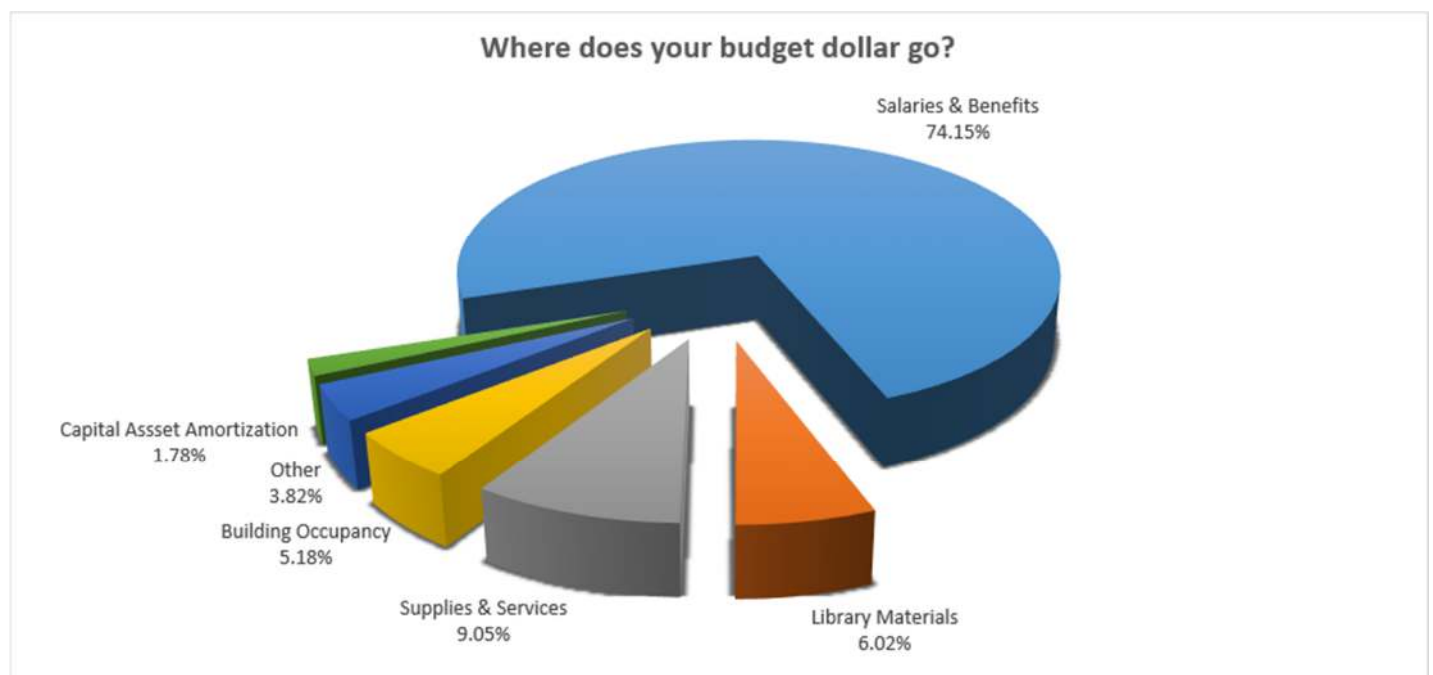
For 2024 inflationary pressures continue to be a focus with upward trends in labour and non-labour expenses. An increasingly complex operating environment has placed additional demands on operational and administrative staff support. Operational efficiencies through cost avoidance strategies will continue to be explored as with prior years, however the true costs of many inputs to deliver service are increasing. Lastly, the use of reserves has been approved to augment some unavoidable budget increases.

GVPL is committed to operating efficiently and effectively to deliver library services to 10 municipalities. The library system leverages more than 100 active community partnerships to expand programs and lifelong learning opportunities for Greater Victoria residents.

## Components of the 2024 budget include the following:

1. **Municipal Contributions – Operating**  
**Increase \$1,170,296**

The Greater Victoria Public Library budget is allocated as illustrated below. The majority (74.15%) is attributed to salaries and benefits which are jointly negotiated through the Greater Victoria Labour Relations Association (GVLRA). Salaries and benefits are the key cost driver for GVPL.





**2. Municipal Contributions – Start-up**  
**Nil**

This line item represents any funds made available within the operating budget specifically identified for a new branch or relocation of an existing branch. No such activities are planned or forecasted at this time. The last relocation of an existing branch was Esquimalt in 2022.

**3. Provincial Grants Increase \$34,000**

Regular Provincial funding (operating) for public libraries in British Columbia has remained frozen since 2009. This change does not represent a change in the regular Provincial Grant funding, but rather the allocated expense for a portion of the additional one time enhancement funding grant the Province allocated in 2023.

**4. Federal Grants**  
**Nil**

Federal grants are cyclical in nature and are dependent on specific programs planned during the operating budget year.

**5. Fines, Fees and Printing**  
**No Change**

Revenue relating to Fines, Fees and Printing is forecasted to remain static for the 2024 budget. Previous years saw a planned reduction in fines revenue to prepare for the final results of the organizational review of fines and fees. Fees associated with lost and paid for materials will remain a revenue source in the budget and five-year plan. Printing revenue is under review.

**6. Contracts for Service**  
**No Change**

This is an annual payment from the Capital Regional District for service delivery relating to the Juan de Fuca Electoral District. (Willis Point, Durrance, Malahat) Work is currently underway with the CRD and GVPL to review and renew the legacy agreement.

**7. Investment Income**  
**Increase \$65,000**

Investment revenue is conservatively estimated to reflect projected continuation of modest earnings in the Municipal Finance Authority bond fund and slight increases in returns for secured GIC's, and operating bank interest.

**8. Donations and Other Grants**  
**Increase \$163,324**

Donations and grants are cyclical in nature and are dependent on specific programs planned during the operating budget year. The increase in Donations and Other Grants for the 2024 budget represents a continuation of ongoing donations based on actuals from the prior years. New funding opportunities will continue to be explored.

**9. Salaries and Benefits**  
**Increase \$1,172,585**

Labour is budgeted at full schedule hours (which may differ from operating hours) meaning the budget is fully loaded to support full service, there are no anticipated changes because of any adjustment to open hours or Sunday Services at present. Contractually negotiated increases (projected) - \$500,000 including benefits

- Net Labour Increase ~ \$672,000
  - Labour ~ \$542,000
  - Benefits ~ \$130,000

This budget includes employee benefit costs and payroll withholding costs such as EI and CPP. A detailed benefit review occurs prior to the annual budget cycle and budget development. As a result of this year's analysis, we have determined that a modest increase of 0.3% to the rate of benefits will be implemented. This represents minor increases in services costs from benefits providers as provisioned under the Greater Victoria Labour Relations Association Trust.

**10. Library Materials (Expensed and Capital)**  
**Increase (Expense – eResources and Digital Assets)**  
**\$70,150 Increase (Capital – Physical Materials)**  
**\$13,292**

The library materials budget is split between Expenses for periodicals and eResources and Capital Expenses for books, audio visual and electronic materials which are capitalized as assets and amortized over 7 years.

Demand for digital resources continues to increase substantially. As a result, additional funds are being allocated to meet the ongoing needs.

Demand for both digital and physical remains high for popular titles and Fast Reads and Fast Views. Additional funding is being utilized through specific restricted library materials reserves (surplus funds and donations).

**11. Amortization**  
**Increase \$63,000**

This is the estimated amortization expense for tangible capital assets, in accordance with the Board's Tangible Capital Asset policy. Since this is an unfunded expense, it is added back to the budgeted annual surplus, and does vary year over year pending capital asset purchases and disposals.

**12. Supplies and Services**  
**Increase \$361,750**

Supplies and services include such items as telephone, networks, printer paper and other supplies and shuttle fuel. The primary driver for the increases in this area is related to higher IT related costs from third party suppliers (data connections), and IT service agreements (license fees), along with the ongoing strategic commitment of enhancing digital services and access. Additionally, higher costs associated with the provision and renewal of patron and staff equipment, and associated support licenses will continue to drive costs upward in this category.

**13. Building Occupancy**  
**Decrease \$112,269**

Building occupancy includes such items as building maintenance, security, recycling and refuse collection and utilities. Cost drivers in this category are directly related to service delivery costs for contracted services such as janitorial and in branch security. Service contract costs have increased due to higher contract costs (including minimum wage increases, contract renewal and additional service requirements).

The decrease is mainly due to realized hydro savings (as high as 35% in some locations) from branch LED lighting conversions, which are now being realized in the budget plus a lower than anticipated janitorial increase in 2023 for the two year contract.

**14. Other Expenses**  
**Increase \$70,034**

Other expenses include such items as insurance and employee recruitment costs, training, and business travel expenses. The increases in this budget area are a result of higher costs associated with institutional memberships, increased public printing costs directly related to supplies, and higher training costs and related business travel. Upward pressure on this category is expected in to continue due to industry wide increases for insurance coverage, and renewed business travel and higher training costs.

**15. Other Capital Expenditures (Hardware, Furniture and Equipment, Building Improvement)**  
**Increase \$86,100**

Other capital expenditures increased in 2024 are mainly due to increased IT hardware replacement costs, and higher replacement costs on furniture and equipment overall. This is consistent with ongoing renewal and enhancement of public spaces. This increase is offset in part as some smaller furniture and equipment no longer meets the criteria for capitalization and is now expensed.

**16. Transfer to/(from) Reserves**  
**Change in Net Transfer From Reserves \$229,023**

This change is the result of year-over-year differences in transfers to and from specific restricted reserve funds. Any transfers to and from these reserves are controlled and approved by the Board of Trustees. The figures below represent the net changes, specific detail including year over year comparison can be found on the Budget and Five-Year Financial Plan under 'Transfers'.

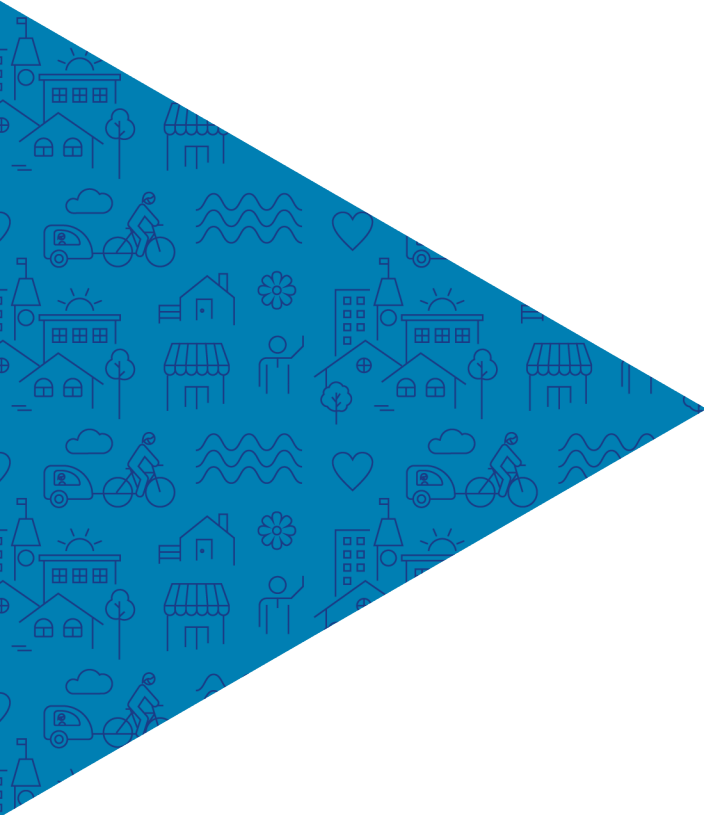
Net Changes to Reserve transfers are as follows:

- Transfer from Personnel Contingency Reserve – (\$170,000)
- Transfer from Contingency Reserve – (\$59,023)

2023

CITY OF VICTORIA

# 2024 - 2028 Draft Financial Plan



# Overview

- Guidance and Direction
- Background and Context
- Asset Management and Infrastructure Investment
- Proposed Funding Strategy

# Financial Planning Guidance and Direction

## Public Input/Consultation



## Strategies and Plans



**Examples:** Strategic Plan, Official Community Plan, Climate Leadership Plan, Neighbourhood Plans, Urban Forest Master Plan, Parks and Open Spaces Master Plan, GoVictoria Mobility Strategy, Accessibility Framework, asset master plans and condition assessments



Financial  
Policies



Financial  
Plan

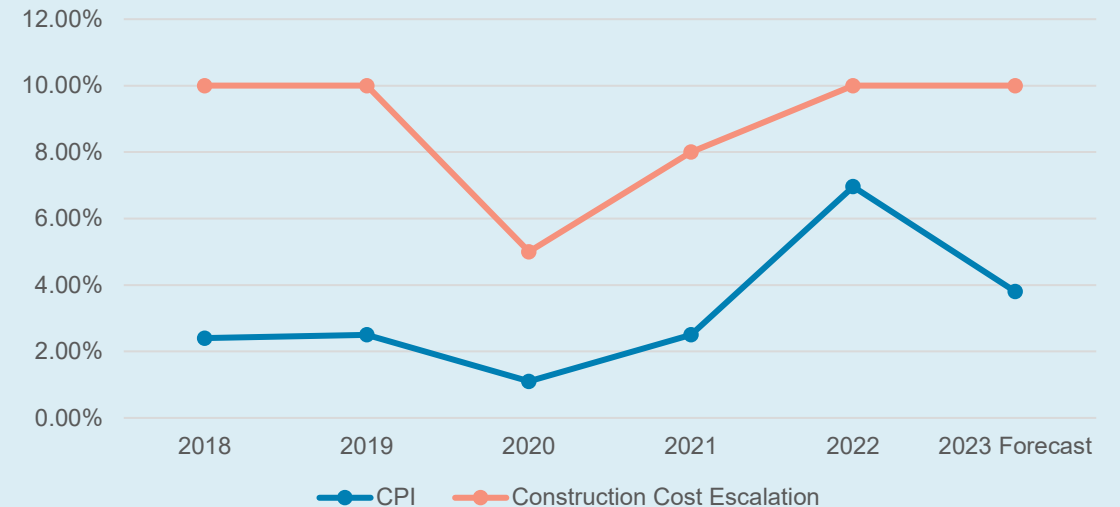


Council  
Motions

# Background and Context

- Like many municipalities in region and Province, cost pressures include:
  - Inflation and supply chain challenges
  - Construction cost escalation has totaled almost 55% for the past six years.
  - Climate events negatively impacting asset condition, necessitating earlier than planned renewal
  - Legislative and regulatory changes

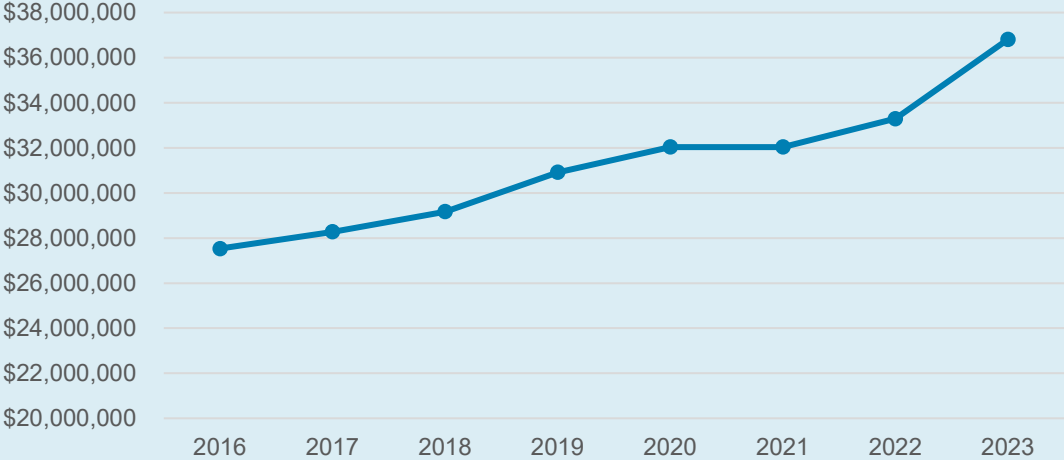
**CPI vs Construction Cost Escalation**



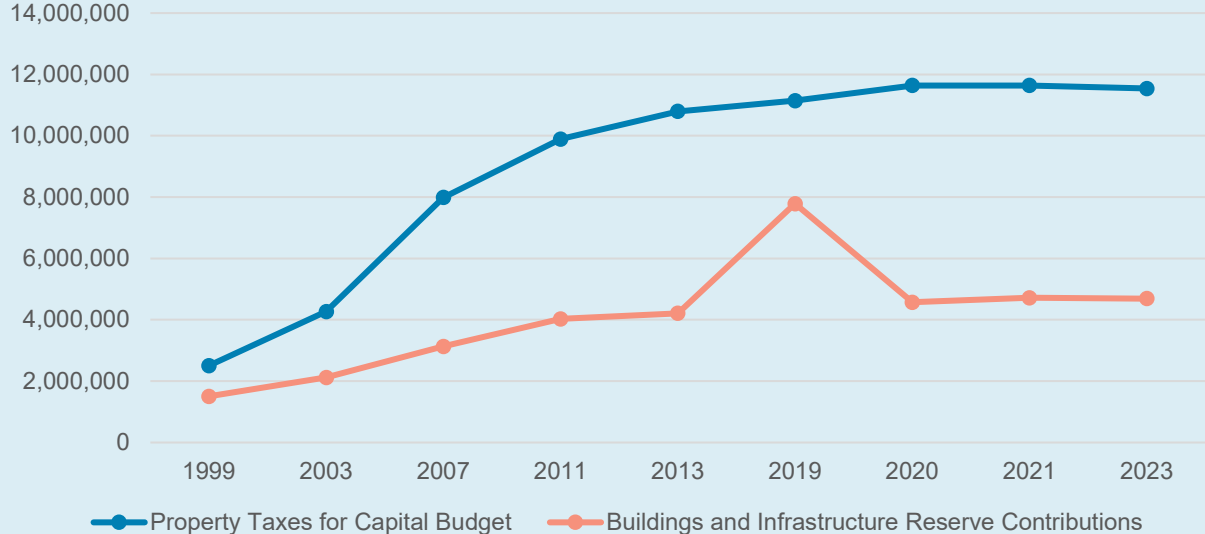
# Background and Context

- As asset management practices evolve, longer term picture of capital investment needs identified
- City has increased funding over time, to smooth impact to ratepayers

Utility Revenue 2016-2023



Capital Funding Changes 1999-2023



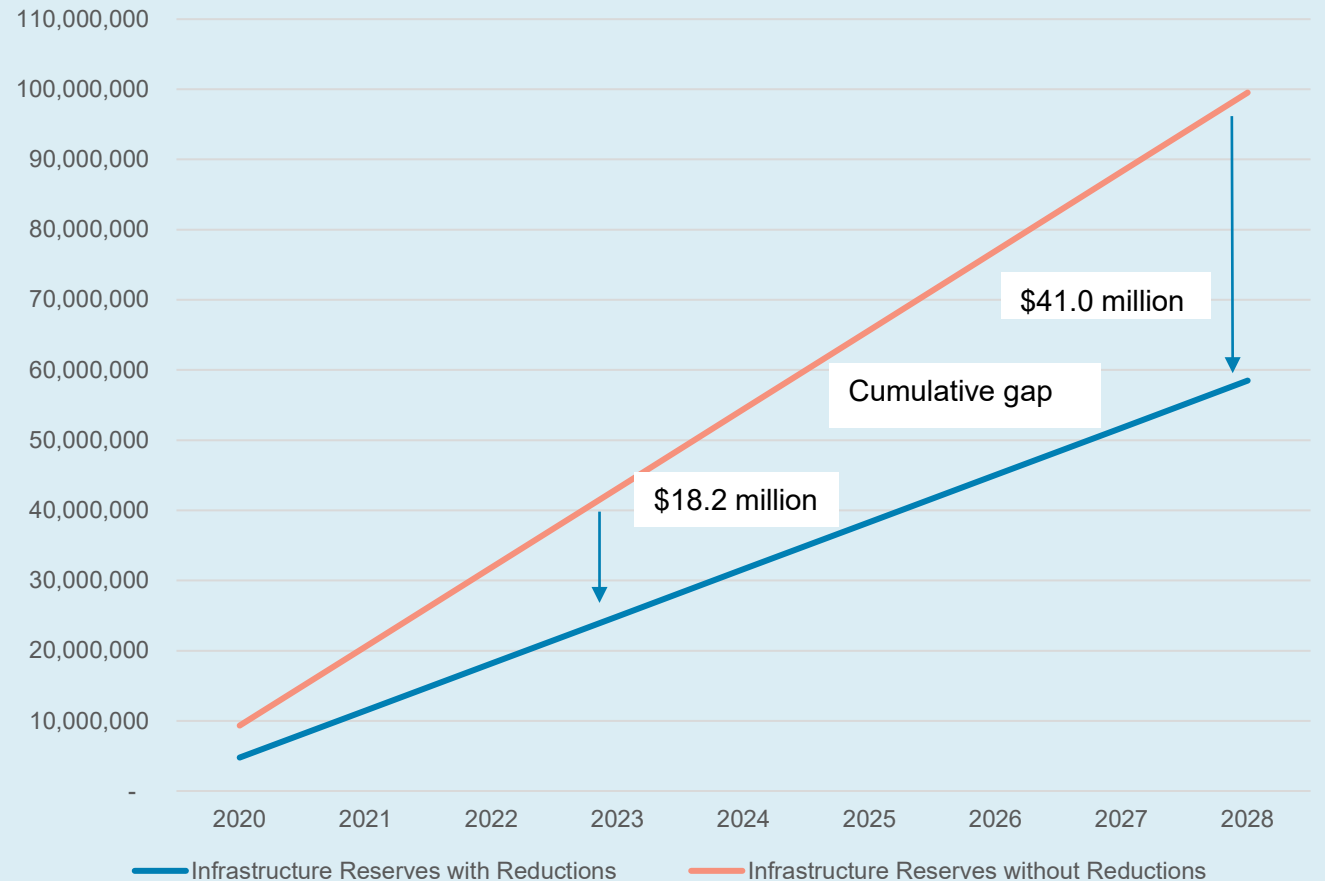


# Background and Context

Impacts of historical funding decisions:

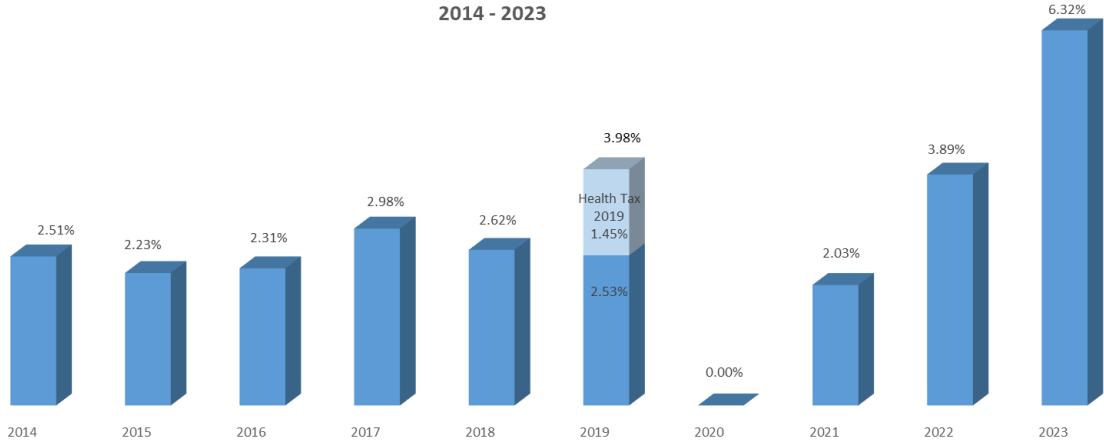
- Reserves are typically used to smooth tax increases needed for capital, however usage has exceeded contributions in recent years:
  - Multi-modal Corridor Improvements, Topaz Park Improvements, Dallas Road Seawall Ballustrade, Point Ellice Bridge life extension, Green Fleet Plan Implementation, property purchase at 926-930 Pandora
- Reduction in transfers to reserves in 2020 to achieve 0% tax increase; \$4.6 million ongoing reduction. Result - reserve levels are almost \$20 million less today.

### Cumulative Impact to Infrastructure Reserves of Annual Funding Reduction



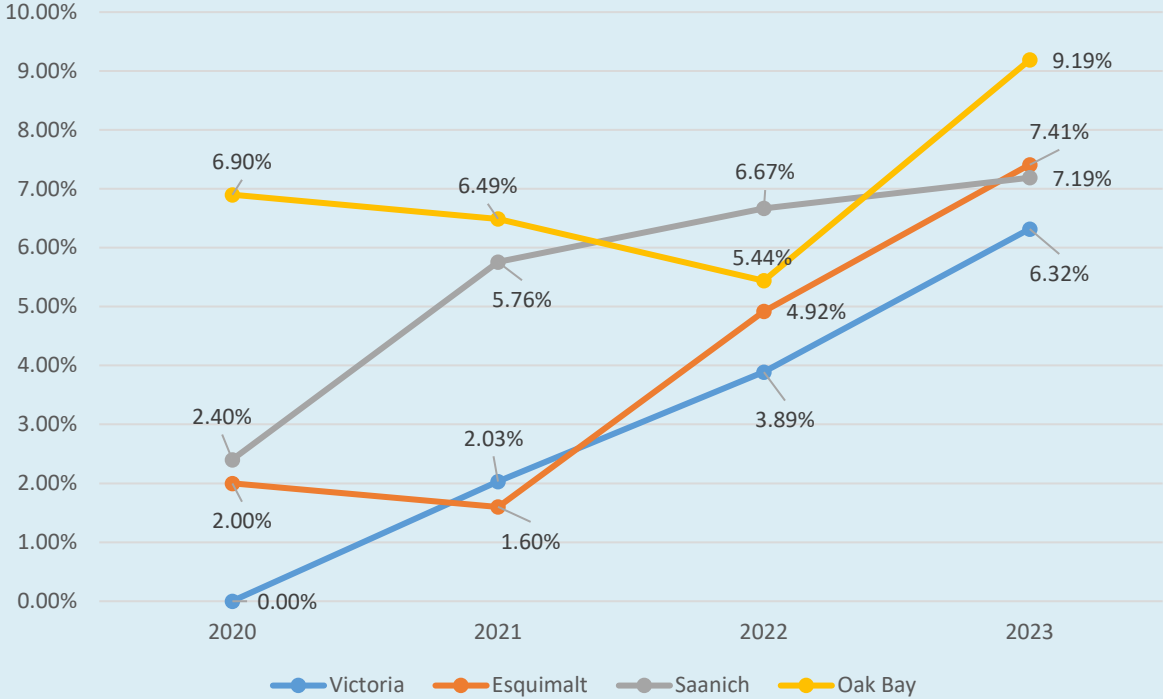
# Background and Context

Annual Overall Tax Increase 2014 - 2023



Historical tax increase lower than construction cost escalation

Property Tax Increases 2020-2023



# Background and Context

Proposed Capital Plan uses majority of funding in general purpose capital reserves, but additional funding is needed

	<b>Projected Balance Dec 31, 2024</b>	<b>Projected Balance Dec 31, 2025</b>	<b>Projected Balance Dec 31, 2026</b>	<b>Projected Balance Dec 31, 2027</b>	<b>Projected Balance Dec 31, 2028</b>
<b>General Purpose Capital Reserves</b>					
Equipment	1,726,574	905,574	143,574	364,574	571,574
Vehicles & Heavy Equipment	1,538,557	1,138,557	1,138,557	701,557	1,348,557
Buildings & Infrastructure	5,395,905	2,513,965	6,371,025	5,167,355	4,753,275
Canada Community-Building (Gas Tax)	<u>1,940,088</u>	<u>1,499,088</u>	<u>1,264,088</u>	<u>3,657,088</u>	<u>7,472,088</u>
	<u>10,601,124</u>	<u>6,057,184</u>	<u>8,917,244</u>	<u>9,890,574</u>	<u>14,145,494</u>

# Strengthening Our City: The Path of Progressive Asset Management

## Our Future Through Informed Stewardship

1. Introduction to Asset Management
2. Master Planning
3. Asset Highlights:
  - Roads
  - Underground Utilities
  - Retaining Walls
4. The Contrast and the Journey
5. Moving Forward Together



# Introduction to Asset Management

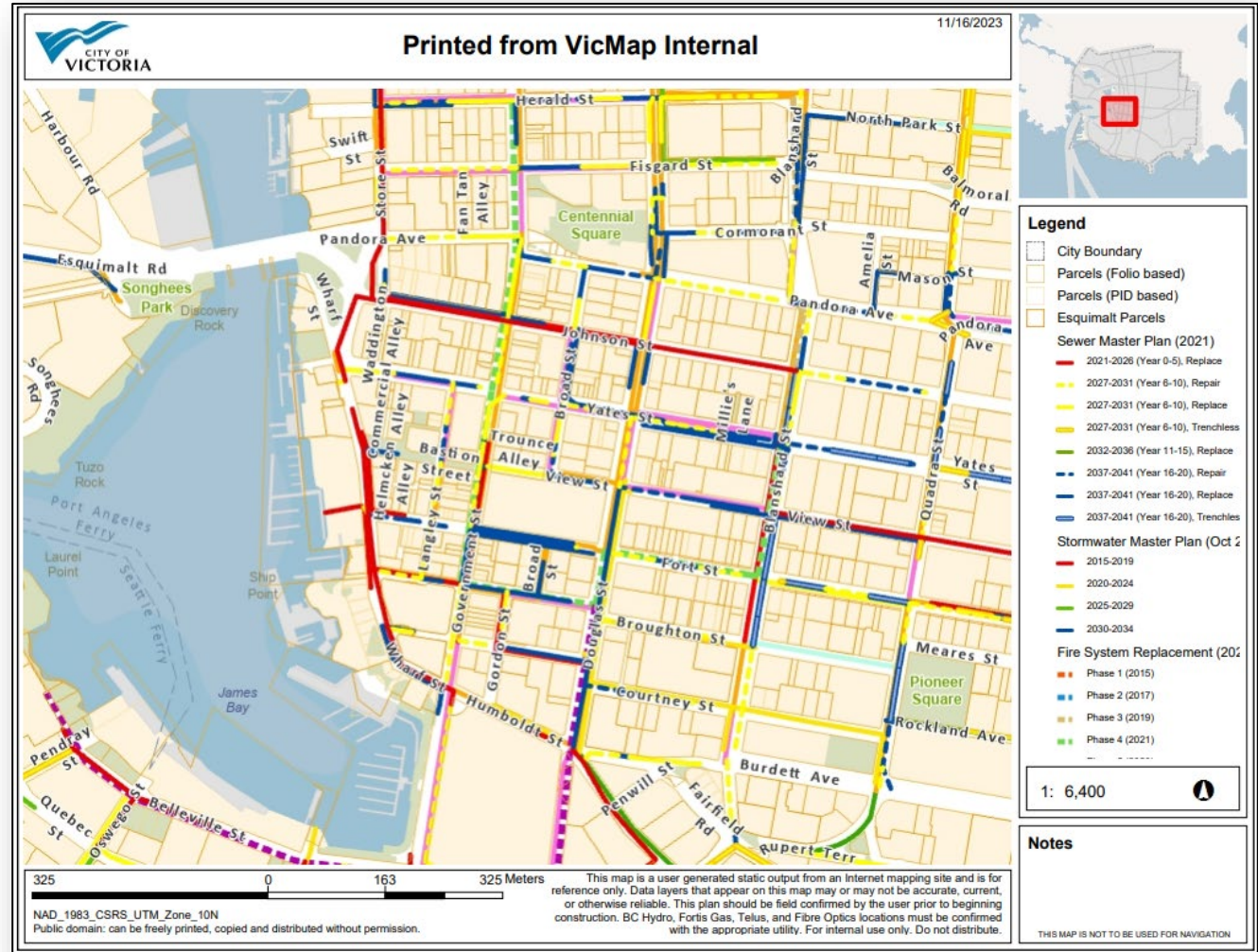
- Sustainable Service Delivery
  - Community service needs
  - Social, economic and environmental responsibility
  - Care for infrastructure
- Asset Management
  - Trade-offs between available resources and desired services



\*Source: Asset Management BC

# Master Planning

- Long-term guidance
- Flexible, living documents
- Based on data, models, deficiency & gap analysis, risk prioritization





# Asset Highlights

- City's diverse assets include:
  - Parks and natural assets
  - Underground utilities
  - Transportation network
  - Facilities

## Asset Highlights:

- Roads
- Underground utilities
- Retaining walls



*\*Image source: City of Vancouver*

# Roads

## Asset Risk



Anticipated over next 10 or 20 years

Major Roads

**MEDIUM**

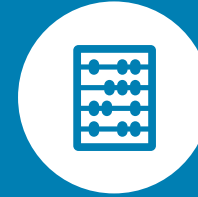
Minor Roads

**HIGH**

Traffic Signal

**MEDIUM**

## Asset Financial Health



Availability of funds for higher risk assets' replacement cost

Major Roads

**PARTIALLY FUNDED**

Local Roads

**UNDER-FUNDED**

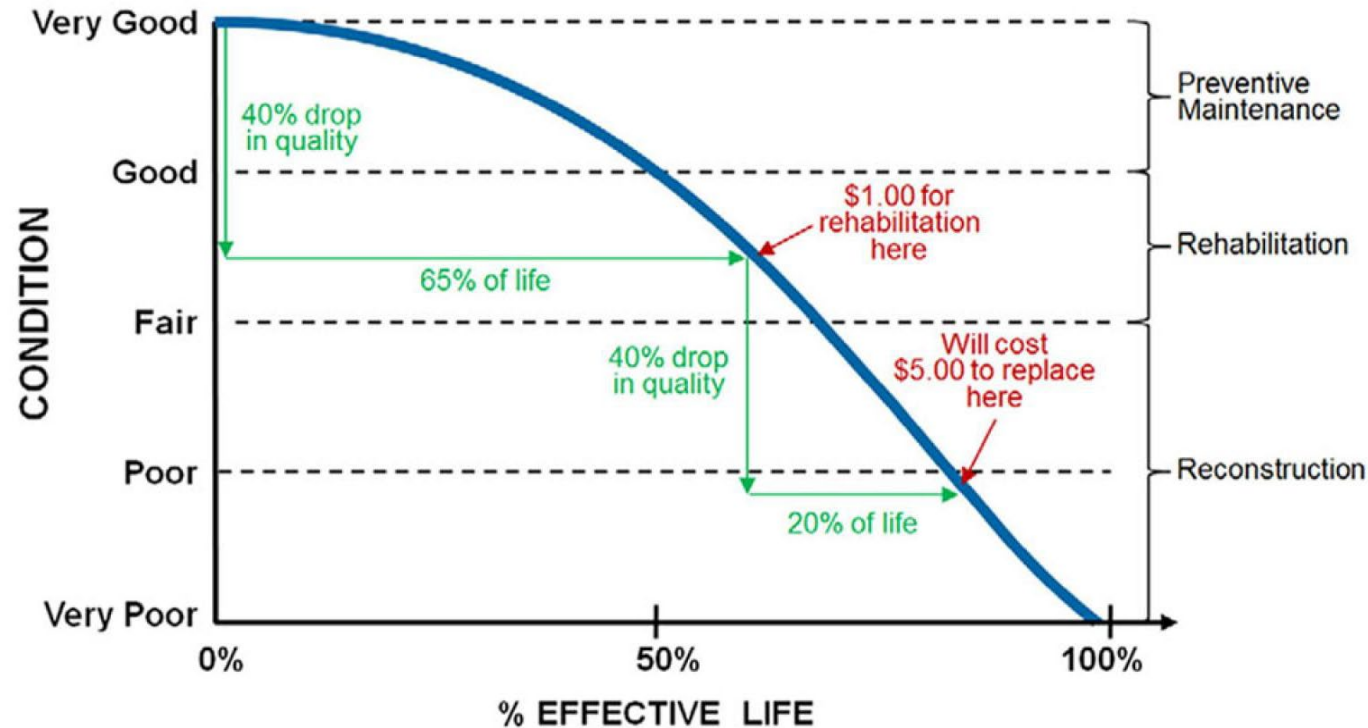
Traffic Signals

**PARTIALLY FUNDED**



# Roads Fail Predictably

Figure 2.4-1 Typical Asset Decay Curve

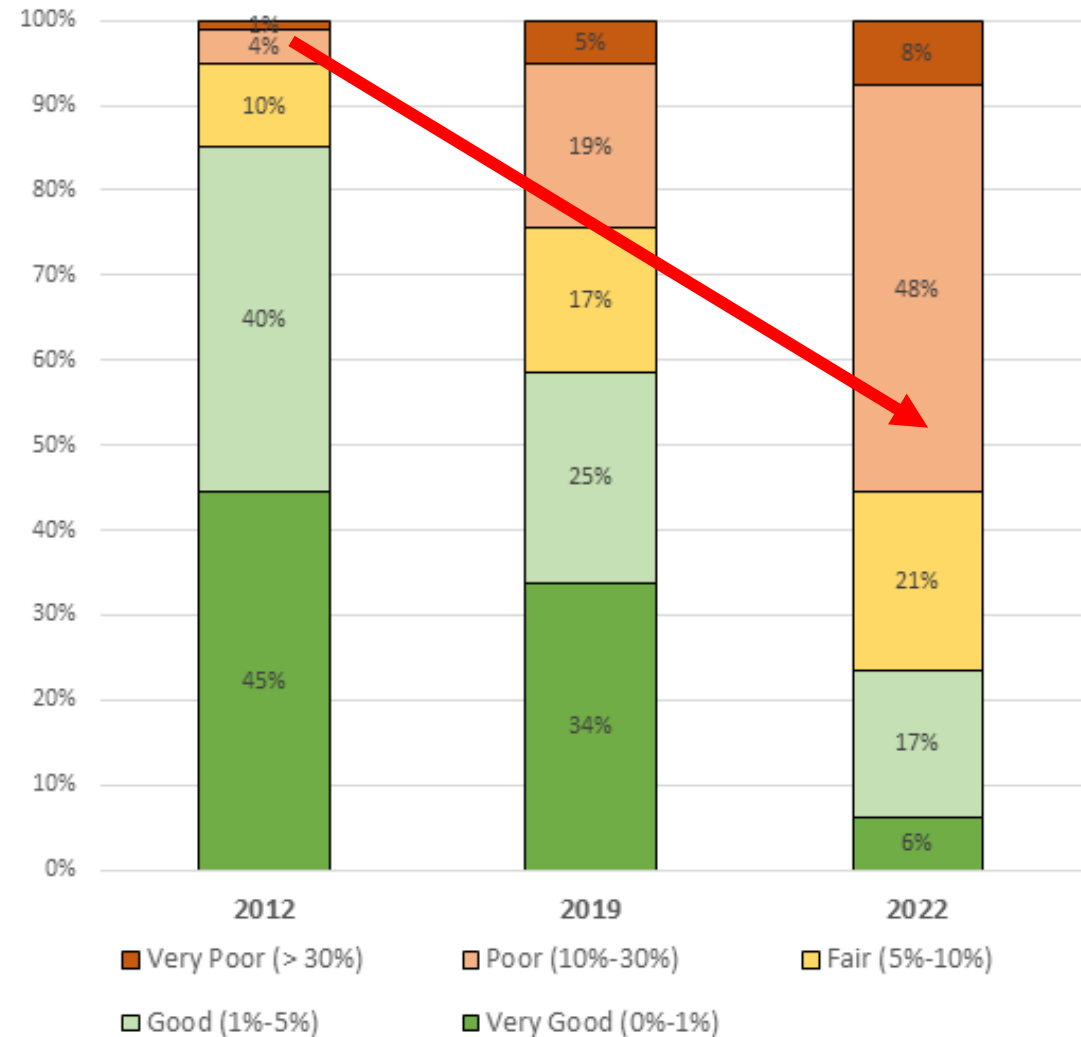


SOURCE: TRANSPORTATION ASSET MANAGEMENT PLAN (DECEMBER 2015)

Streets (and other assets) become exponentially more expensive to fix as condition decreases

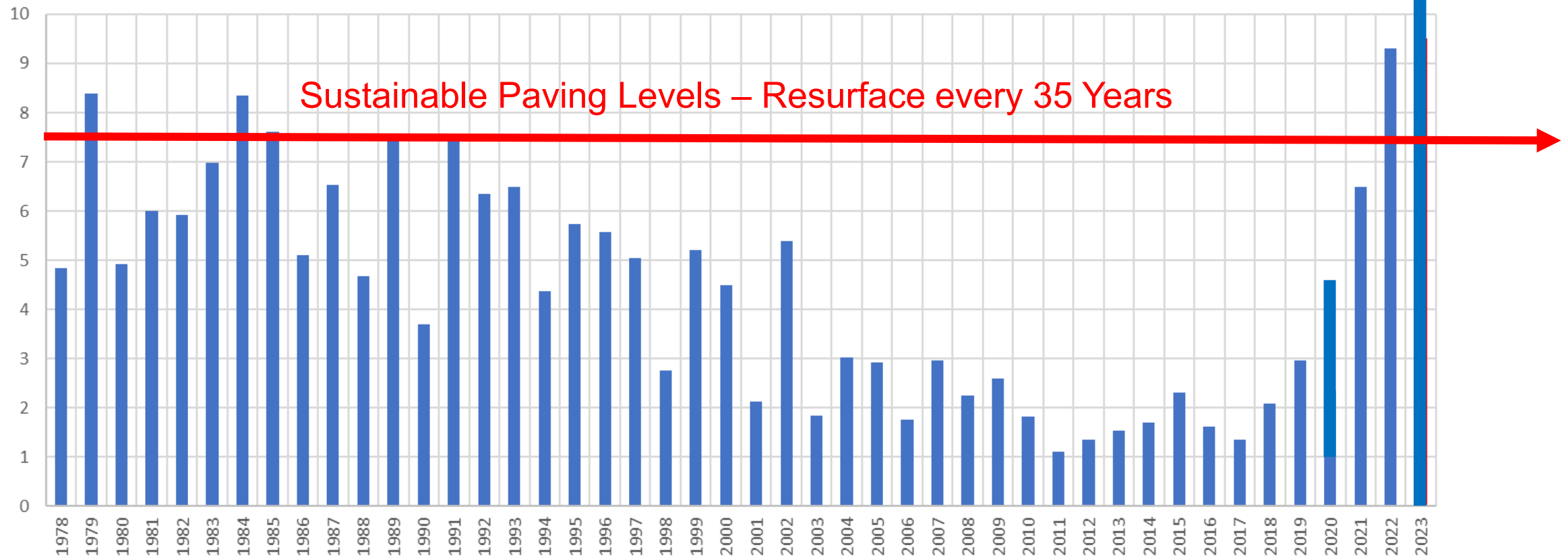
# Decline in Road Condition

- Roads are failing due to underinvestment and poor maintenance over the past 30 years
- Roads are not resilient to increasing snow events and temperatures



# Insufficient Paving to Maintain Condition

KMs of Road Paved Per Year



# Proposed 2024 Funding will Slow, but not Reverse Rate of Failure

**Minor Roads - \$4,600,000**  
 Network Condition continues to degrade

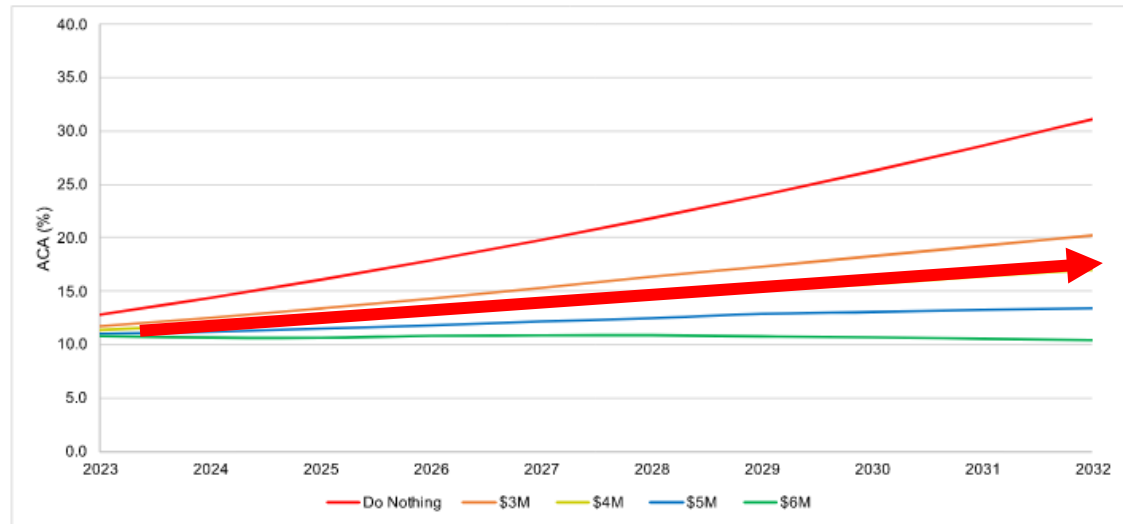


Figure 6: Future Pavement Condition on Various Annual Capital Budget Scenarios - Local Road

**Major Roads - \$7,000,000**  
 Condition may begin to improve in 10 years

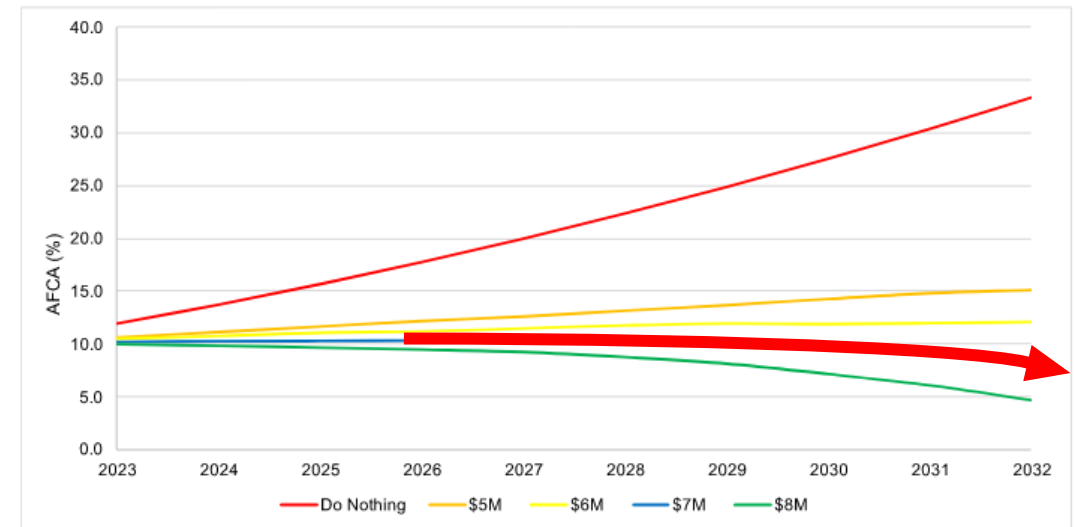


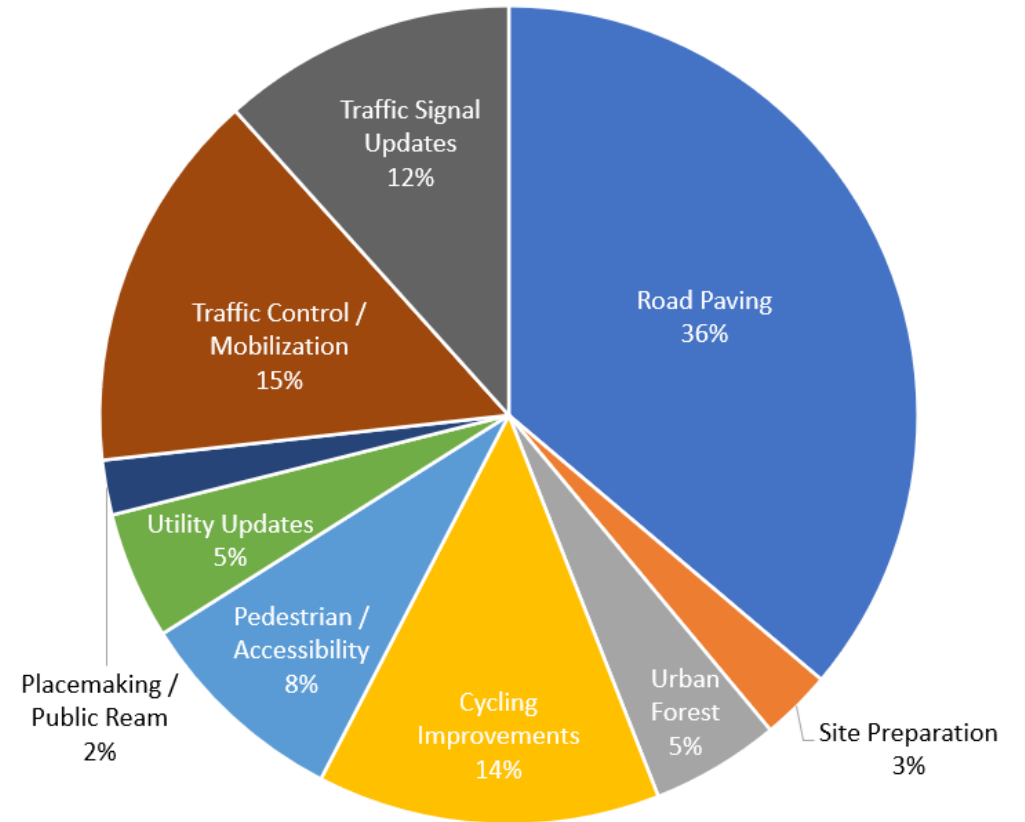
Figure 4: Future Pavement Condition on Various Annual Capital Budget Scenarios - Major Road

\*Funding levels from graphs are based on 2022 dollars

# Multi Modal Corridors – Coordinated Asset Renewal



Fort Street East Construction  
Budget \$11.7M  
Includes \$3.6M federal grant



# Underground Utilities

## Asset Risk



Anticipated over next 10 or 20 years

Water Distribution **MEDIUM**

Sanitary Sewer **MEDIUM**

Stormwater **LOW**

## Asset Financial Health



Availability of funds for higher risk assets' replacement cost

Water Distribution **SUSTAINABLY FUNDED**

Wastewater **SUSTAINABLY FUNDED**

Stormwater **PARTIALLY FUNDED**

# Retaining Walls

## Asset Risk



Anticipated over next 10 or 20 years

20% of Walls

**HIGH**

80% of Walls

**MEDIUM** or **LOW**

## Asset Financial Health



Availability of funds for higher risk assets' replacement cost

Major, intermediate and Minor Walls\*

**PARTIALLY FUNDED**

*\*Excludes Private retaining walls adjacent to sidewalk which are the responsibility of the landowner.*





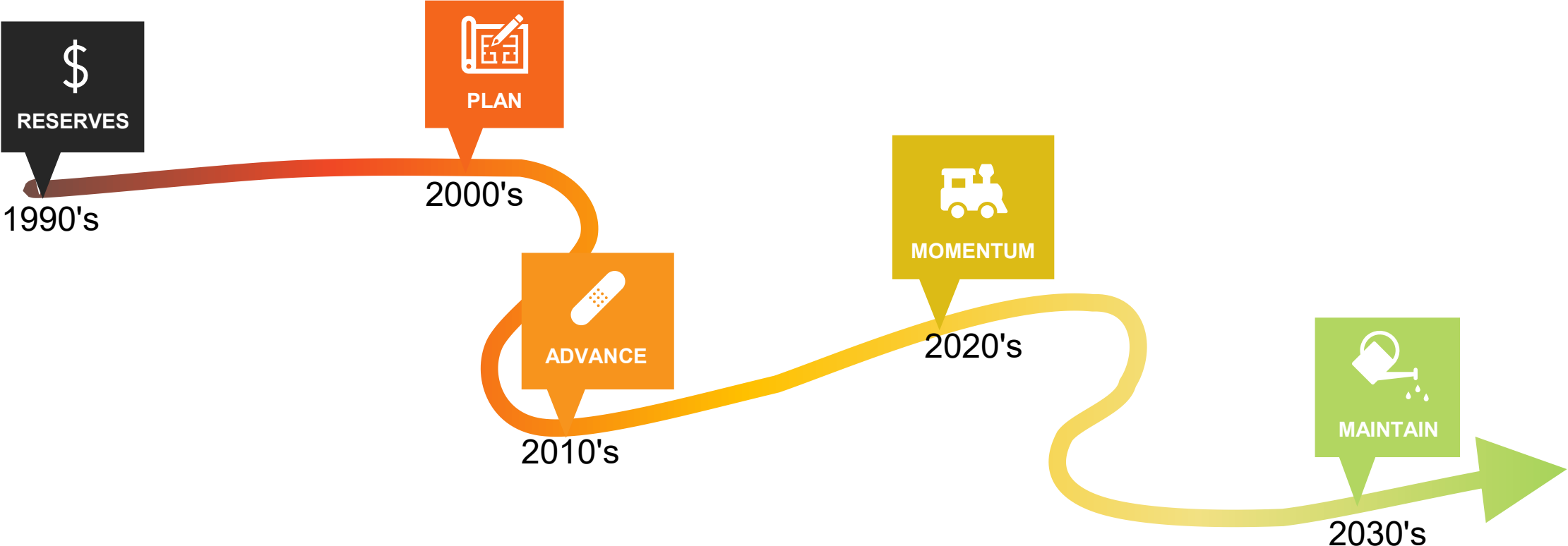
Examples of wall in Failed Condition



# The Contrast and the Journey

	Underground Utilities	Roads	Retaining Walls
Asset Planning Maturity	<b>ADVANCED</b>	<b>ADVANCED</b>	<b>MODERATE</b>
Predominant Condition	<b>GOOD / FAIR</b>	<b>FAIR / POOR</b>	<b>FAIR / POOR</b>
Asset Risk	<b>MEDIUM / LOW</b>	<b>MEDIUM / HIGH</b>	<b>MEDIUM / HIGH</b>
Funding Status	<b>SUSTAINABLY FUNDED</b>	<b>PARTIALLY FUNDED</b>	<b>PARTIALLY FUNDED</b>

# Moving Forward Together

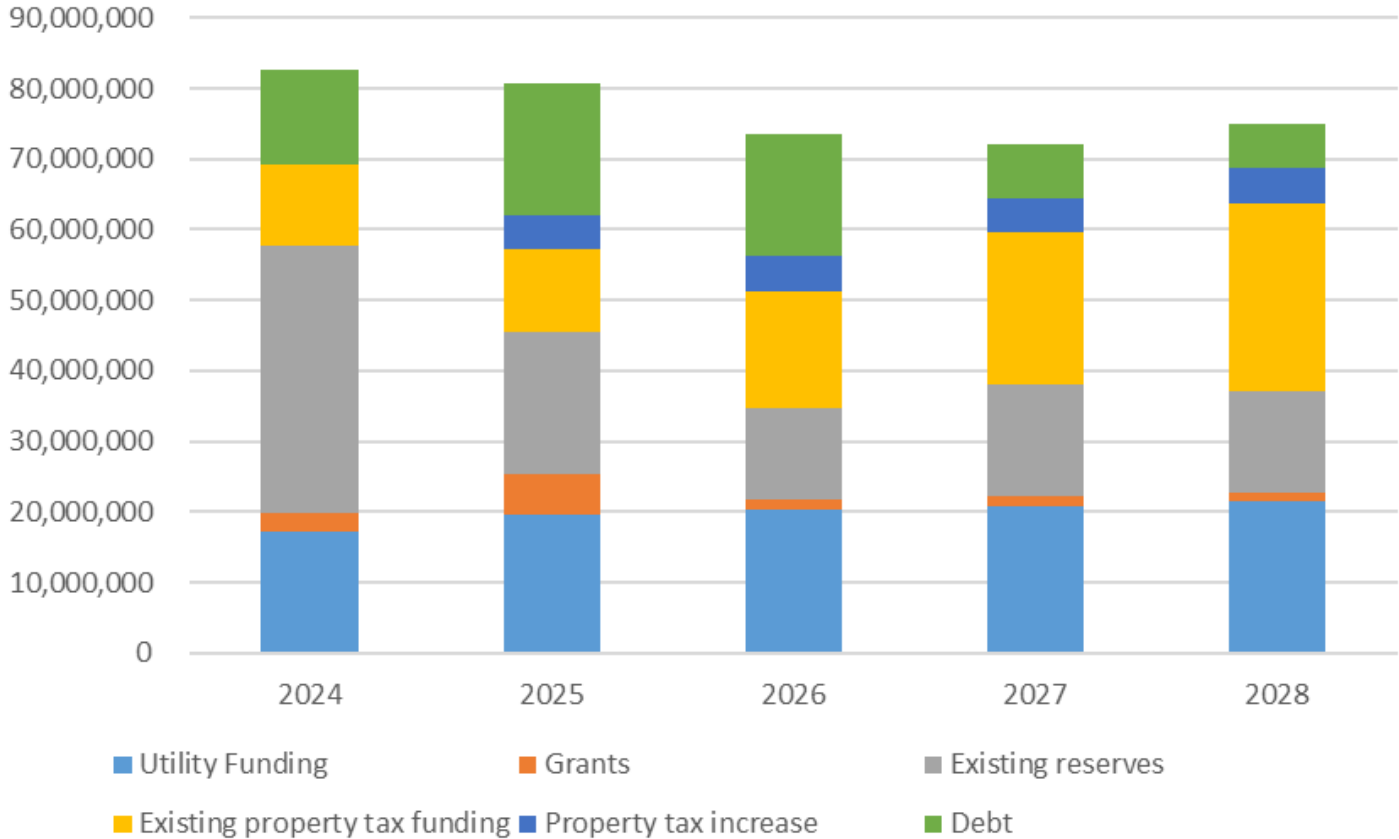


# Proposed Funding Strategy

- If approved, would result in sufficient ongoing funding for required asset life-cycle upgrades by 2030, based on current information
- Supports delivery of priority projects earlier:
  - Likely would avoid eroding buying power through use of debt
  - Cost escalation is expected to exceed interest costs incurred on debt
- Components:
  - 3% annual tax increase specific for capital - \$5 million per year 2025-2030
  - External debt in alignment with Financial Sustainability Policy:
    - Green Fleet Plan Implementation \$10.71 million
    - Multi-modal Corridor Implementation \$26.96 million
    - Government Street Refresh \$4.7 million
    - Park Redevelopment Program \$17.69 million
    - Public Washroom Improvements \$2.96 million

# Proposed Funding Strategy

Draft Capital Funding 2024-2028



# Proposed Funding Strategy

	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Capital Funding	0.00%	3.00%	2.96%	2.95%	2.94%
Repayment of Borrowing	0.00%	0.99%	1.27%	0.91%	0.49%
Remaining	5.97%	3.70%	2.92%	2.64%	2.35%
	5.97%	7.69%	7.15%	6.50%	5.78%
VicPD*	2.40%	2.40%	2.40%	2.40%	2.40%
	8.37%	10.09%	9.55%	8.90%	8.18%

\* VicPD 2025-2028 held at same level as 2024; no projections provided

# Proposed Funding Strategy

	2024 Property Tax Increase	Average Household	Typical Business
Capital budget	0.00%	\$ -	\$ -
Repayment of borrowing	0.00%	-	-
Inflationary, contractual cost and revenue increases	5.86%	174	448
Re-instated reserve funding	0.90%	27	69
Canada Day	0.15%	4	11
Bike Valet	0.18%	5	14
Music Strategy grant	0.09%	3	7
Proposed parking rate and fine increases	-1.00%	- 30	- 76
Proposed unchanged downtown beautification budget (OUR DWTN)	<u>-0.21%</u>	<u>- 6</u>	<u>- 16</u>
	5.97%	\$ 177	\$ 457
VicPD	2.40%	71	183
	<u>8.37%</u>	<u>\$ 248</u>	<u>\$ 640</u>

# Next Steps

January 15, 2024 Special Committee of the Whole

- Continued budget discussions and decisions

# Recommendation

That Council direct staff to bring forward water, sewer, storm drain and solid waste rate bylaws to the December 7, 2023 daytime Council meeting