



2018 POLICE PROVISIONAL BUDGET

BACKGROUND:

In 2017, the Police Department represented approximately 23% of the City of Victoria's budget for operating and capital contributions. Similarly policing represented 19.4% of the Township of Esquimalt's budget. Whereas some municipal functions have more than one funding source, policing is funded almost entirely from property taxation. As a result, for both the Township of Esquimalt and City of Victoria policing represents a significant portion of the property tax bill. The impact of our budget on the municipalities is therefore an important consideration each year. In preparing the budget the Department must balance the desire to keep budget requests low with competing pressures such as:

- The impact of the opioid crisis, mental health issues and homelessness
- High proportion of the region's crime is in VicPD's jurisdiction (core area)
- Increasing demand for policing services from the community (calls for service)
- Increasing development within the downtown area
- Risks identified in the Information Management and Efficiency & Effectiveness Reviews
- Maintaining wage increases for police officers that are consistent with other police wage rates in BC

Budget Targets:

We receive budget targets each year from the municipalities. No specific targets were identified by the Township of Esquimalt but the City of Victoria has indicated a target of tax increases not to exceed inflation plus 1%. According to Statistics Canada consumer prices in British Columbia rose 2.0% from August 2016 to August 2017.

POLICE OPERATING BUDGET - OVERVIEW

The Senior Command Team (SCT) was requested to present the Chief with core budgets reflecting zero based budgeting. Separately they were requested to assess their staffing needs and present staffing resource requests based on the gaps between their needs and staffing levels.

Core Budgets:

The Core budget represents the cost of providing police services with no changes in staffing. This provides a comparison of costs to the previous year to show the impact of wage increases and inflation.

Mental Health Officers:

In 2017 a pilot project was approved for 2 additional officers for an expansion of Mental Health Integration program. The cost for these officers has been included in both the 2017 and 2018 budget numbers as a separate item for comparative purposes. In 2017 the City of Victoria funded the positions from 2016 surplus and passed a resolution to reconsider the positions in the 2018 budget process to be funded from 2017 surplus. The Department is working with academia to perform an evaluation of the project with the intent that, if deemed successful, permanent funding for the positions would be requested in the 2019 Budget process.

Additional Items to Improve Service Levels:

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

Information Management Strategy:

In 2017 an Information Management (IM) Strategy was developed with the assistance of an outside consultant. The Department is now beginning to implement this strategy. The IM strategy calls for the creation of 3 positions within the organization representing a net increase of 2. An existing vacant position will be converted to fill one of these positions in 2018. A request for an additional staff member will likely be put forward for consideration, on completion of the Foundation Phase, for the 2019 budget.

Growth Strategy:

At the August 15th Board meeting staff presented a briefing note outlining growth in the region, using various metrics. The Police Board directed staff to bring back a report, outlining the resource needs for a Growth Strategy to ensure adequate policing that matches growth within the region. Annual staffing increases to maintain the same front-line response strength to match this growth is estimated at 1.5 additional police officers, plus the necessary administrative support and infrastructure. Each 3 additional police officers typically require 1 administrative support person to provide records management, transcription and other clerical support services.

Growth Strategy Staffing Requests:

Additional Police Officers:

The Provisional Budget provides for an additional 6 police officers. The cost per officer, including the costs for an additional civilian employee for each 3 police officers and the required equipment and training, is \$145,000 for 2018. Two of these officers represent staffing required to maintain service levels for expected growth for 2018, based on 10 year average growth rates identified in the Growth Strategy. The remaining 4 represent minimum increases required to provide adequate front line policing for growth that has already occurred and where human resource gaps have been identified.

Administrative Support Staff:

In addition to the positions recommended in the IM and Efficiency reviews, the Senior Command Team (SCT) submitted 6 staffing resource requests for consideration by the Chief and Deputies. These requests have not been included in the Provisional Budget and are presented for information purposes only.

- Administrative Assistant – Community Engagement Division (annual cost \$69,000)
- RPT Administrative Assistant – Exhibit Control & Purchasing (annual cost \$38,000)
- Administrative Clerk – FOI & PSS (annual cost \$50,720)
- Temporary Archive Clerk – Information Management (annual cost \$74,000)
- Temporary Technical Writer – Information Management (annual cost \$74,000)
- Strategic Analyst – Community Services Division (annual cost \$104,200)

Impact of R vs. Jordan:

The recent Supreme Court of Canada decision in R. vs. Jordan implemented fixed timelines for criminal trials, resulting in the need for greater disclosure of information before charge approval by the Crown, among other things. This requires more work during the initial stages of a file, affecting not just the Investigative Services Division but all divisions conducting investigations and may result in additional resources. The prioritization of civilian hires will need to account for the urgency of these changes.

Provisional Core Budget:

The following is an overview of Police Department's provisional 2018 core budget:

2017 Budget **\$52,428,744**

Increases to Core Budget:

Salary and Benefits	922,332
Overtime ¹	76,800
Integrated Services	12,475
Transfers to Capital	26,000
Training	47,400
Information management project	35,000
Recruitment	15,000
Insurance	10,850
Building and equipment maintenance costs	44,700
CREST radios	20,000
Net Increase in all other Operating Costs	97,687

Increase to Mental Health Integration Pilot 13,698

Additional Items:

Increase to Special Events Funding	160,000
Real Time Intelligence Unit	143,668
Growth Strategy – 6 Police Officers, 2 Civilians	870,000

Provisional 2018 Budget \$54,924,354

Increase to Provisional Budget **\$2,495,610** **4.76%**

(1% = \$524,287)

1. Represents increased usage of the Emergency Response Team over the last 3 years

POLICE OPERATING BUDGET - EXPLANATION OF CHANGES***VICTORIA POLICE DEPARTMENT
2018 PROVISIONAL BUDGET***

<i>Description</i>	<i>2017</i>	<i>2018</i>	<i>Increase/(Decrease)</i>	
	<i>Budget</i>	<i>Provisional</i>	<i>\$</i>	<i>%</i>
Salaries and Benefits	42,186,648	43,122,678	936,030	2.2%
Overtime	2,016,900	2,093,700	76,800	3.8%
Integrated Units ¹	553,025	565,500	12,475	2.3%
Other Operating Costs	6,567,171	6,837,808	270,637	4.1%
Contingency	500,000	100,000	(400,000)	-80.0%
	51,823,744	52,719,686	895,942	1.73%
TRANSFER TO RESERVE FUNDS	1,430,000	1,456,000	26,000	1.8%
TRANSFER FROM RESERVE FUNDS	(500,000)	(100,000)	400,000	-80.0%
REVENUE	(325,000)	(325,000)	-	0.0%
INCREASE TO SPECIAL EVENTS FUNDING		160,000	160,000	
REAL TIME INTELLIGENCE UNIT		143,668	143,668	
ADDITIONAL STAFF - GROWTH STRATEGY		870,000	870,000	
NET EXPENDITURES	52,428,744	54,924,354	2,495,610	4.76%

1. Excluding Vancouver Island Integrated Major Crime Unit & Regional Domestic Violence Unit

1. SALARIES AND BENEFITS:

Police

The collective agreement with the Victoria City Police Union (VCPU) was ratified for 3 years, providing for pay increases of 3.5% (2016), 2.5% (2017) and 2.5% (2018).

Budgets are prepared based on authorized strength and the staff allocated to each unit or division at the time the budget is prepared. Movements of personnel occur throughout the year to meet operational requirements, causing variations from year to year between units.

CUPE:

The collective agreement with CUPE expired December 31, 2016 and negotiations are ongoing. Budgets were estimated based on projected outcomes.

Exempt:

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

Benefits:

Benefits include CPP, EI, Pension, Extended Health, Dental, Group Life Insurance and WCB premiums. The benefits, as a percentage of salaries, is remains at 24.0%

2. OVERTIME:

The increase in overtime is represented by the increasing costs for Emergency Response Team activations within our jurisdiction, which has increased dramatically in 2017. Consequently the budget includes \$100,000 to represent the costs of responses within our jurisdiction based on a 3 year average.

3. INTEGRATED UNITS

The budgets for the integrated units had not been presented to the Area Chiefs and at this time the budgets were prepared. The budget therefore represents estimated increases.

4. OTHER OPERATING COSTS:

Increases to operating costs represent for the most part incremental costs to meet ordinary inflation. The net increase includes the following items that exceed the normal rate of inflation:

- a. Training costs: An increase is required to accommodate increased training costs from the Justice Institute and meet increasing training standards. This includes an additional \$20,000 to fund succession training to plan for a smooth transition in leadership roles.
- b. Information Management Strategy Implementation: The IM Strategy foundation phase is now underway. These funds will allow us to implement initiatives from its implementation.
- c. Recruitment costs: As our workforce ages we expect an increase in the annual attrition rate over the next few years. The additional funding will allow recruitments to match expected attrition rates.
- d. Insurance: Insurance costs continue to increase at a rate greater than inflation

Employee Benefit Obligation (EBO)

In 2012 the annual transfer to the EBO was \$800,000. Since then the transfer has been reduced to \$400,000. This fund is still in a good financial state but is still in an overall deficit position relative to the liability. An incremental increase should be made to ensure the EBO is fully funded but given the significant challenges with this year's budget we do not propose to increase the contribution for 2018.

5. CONTINGENCY

In 2017 a contingency line item was established in the amount of \$500,000 for a planned investigation. An amount of \$100,000 has been included in the 2018 budget for any residual investigation costs.

6. TRANSFER TO RESERVES

A moderate increase has been included in the core budget to represent normal inflation. There is however a significant IT infrastructure gap that will require additional funding in the near future. We are currently reviewing our long term capital needs and developing an asset management plan for future consideration.

In 2017, we are implementing a key management system for the fleet that will allow us to collect data on the usage of our fleet as well as the ability to pool resources. This information will be used in order to re-evaluate our fleet capital plan for the 2019 budget process. At this time the capital reserve balances are healthy but the long term sustainability of those reserves needs to be assessed once these initiatives have been implemented.

7. POLICE REVENUE

Revenue expectations were reduced in the 2017 budget and now reflect realistic levels. No adjustment is therefore proposed to police revenue for the 2018 budget.

VICTORIA POLICE DEPARTMENT
Revenue Budget

Description	2018
Special Duties	
	100,000
Protective Services	
Taxi Permits	15,000
Special Occasion Permits	0
Police Reports	36,000
Records Permits and Searches (Criminal Information Checks)	<u>140,000</u>
Total Protective Services	191,000
Jail Operations	
Province	30,000
Immigration	<u>4,000</u>
Total Jail Operations	34,000
TOTAL REVENUE	325,000

VICTORIA POLICE DEPARTMENT
2018 Budget Allocation - Including Mental Health Officers, Excluding Additional Requests

	2017	2018	Increase	
			\$	%
Township of Esquimalt	7,707,025	8,073,880	366,855	4.76%
City of Victoria	44,721,719	46,850,474	2,128,755	4.76%
Total Budget	52,428,744	54,924,354	2,495,610	4.76%

Increase	2,495,610
Percentage	4.76%

Cost Allocation based on Framework Agreement¹

Esquimalt (**14.7%**)

Victoria (**85.3%**)

Notes:

1. Allocation reflects the percentages in the Framework Agreement for 2018. The proposed Growth Strategy would result in a different funding formula for core vs. additional budget items

VICTORIA POLICE DEPARTMENT
2018 PROVISIONAL BUDGET - Summary by Section

Section	2017 Budget	2018 Provisional	Increase/(Decrease)	
			\$	%
Expenditures				
Executive Services	3,628,620	3,621,350	-7,270	-0.2%
Integrated Units	2,087,078	2,305,142	218,064	10.4%
Crime Prevention Services	1,398,527	1,392,474	-6,053	-0.4%
Crime Reduction Division	3,412,640	3,380,960	-31,680	-0.9%
Patrol Division	16,383,601	16,998,517	614,916	3.8%
K9	786,288	803,198	16,910	2.2%
Community Services Division	2,728,492	2,596,141	-132,351	-4.9%
Investigative Services Division	5,854,306	5,928,113	73,807	1.3%
Traffic Enforcement and Crash Investigations	1,381,180	1,372,543	-8,637	-0.6%
Communications center - 911	3,180,201	3,196,107	15,906	0.5%
Centralized Corporate Costs	1,736,200	1,919,700	183,500	10.6%
Support Services	8,849,502	8,662,187	-187,315	-2.1%
Jail Operations	797,109	943,254	146,145	18.3%
TOTAL EXPENDITURES	52,223,744	53,119,686	895,942	1.72%
TOTAL REVENUE	-825,000	-425,000	400,000	-48.5%
CAPTIAL TRANSFER	1,030,000	1,056,000	26,000	2.5%
ADDITIONAL ITEMS				
Growth Strategy Staffing - 6 Officers, 2 Civilian Support Staff		870,000	870,000	1.7%
Special Duties Funding		160,000	160,000	0.3%
Real Time Intelligence (RTIC)		143,668	143,668	0.3%
Net Budget	52,428,744	54,924,354	2,495,610	4.76%

VICTORIA POLICE DEPARTMENT
2018 PROVISIONAL BUDGET - Summary by Section

Section	2017	2018	Increase/(Decrease)	
	Budget	Provisional	\$	%
Expenditures				
EXECUTIVE SERVICES				
Office of The Chief Constable	841,774	886,342	44,568	
Executive Services, Policy and Professional Standards	1,591,191	1,515,042	(76,149)	
Esquimalt Administration	525,675	550,832	25,157	
Police Board	202,114	208,670	6,556	
Public Affairs	467,866	460,464	(7,402)	
	3,628,620	3,621,350	(7,270)	(0)
INTEGRATED SERVICES				
Vancouver Island Integrated Major Crime Unit	851,663	1,029,259	177,596	
Diversity Unit	2,882	3,500	618	
Integrated Mobile Crisis Response Team	110,611	95,609	(15,002)	
Regional Domestic Violence Unit	171,159	188,399	17,240	
Crowd Management Unit	23,108	30,500	7,392	
Tactical Liaison Officer	2,758	2,758	-	
Critical Incident Scribes	493	493	-	
Explosive Ordinance Disposal	7,708	7,708	-	
Victoria Integrated Community Outreach Team	379,012	397,875	18,863	
Dive Team	-	-	-	
Crime stoppers	57,681	57,681	-	
Mobile Youth Service Team	49,061	49,061	-	
Emergency Response Team	268,415	268,415	-	
Municipal Undercover Program	66,229	66,229	-	
Restorative Justice	40,000	40,000	-	
Crisis Negotiating	13,238	13,238	-	
PRIME tables	1,560	1,560	-	
Youth Camp	15,500	15,500	-	
Saanich Police Camp	-	11,357	11,357	
Canadian Intelligence Services British Columbia	26,000	26,000	-	
	2,087,078	2,305,142	218,064	0
CRIME PREVENTION				
Community Resource Officers	638,695	598,295	(40,400)	
School Resource Officers	377,237	396,375	19,138	
Community Programs	98,722	99,108	386	
Volunteer Program	257,373	272,196	14,823	
Reserve Program	26,500	26,500	-	
	1,398,527	1,392,474	(6,053)	(0)
CRIME REDUCTION DIVISION				
Strike Force	1,262,791	1,186,503	(76,288)	
Crime Reduction Unit	1,113,114	1,136,662	23,548	
Analysis and Intel	642,012	653,257	11,245	
Operational Planning	254,723	264,538	9,815	
Special Duties	140,000	140,000	-	
	3,412,640	3,380,960	(31,680)	(0)

VICTORIA POLICE DEPARTMENT	2017	2018	Increase/(Decrease)	
2018 BUDGET - Summary by Section - Continued	Budget	Provisional	\$	%
K9	786,288	803,198	16,910	2.2%
PATROL - PRIMARY RESPONSE DIVISION	16,383,601	16,998,517	614,916	3.8%
FOCUSED ENFORCEMENT TEAM	2,728,492	2,596,141	(132,351)	-4.9%
INVESTIGATIVE SERVICES DIVISION				
Detective Division - Support	1,284,012	1,029,535	(254,477)	
Financial Crimes	431,616	452,696	21,080	
Integrated Tech Crime Unit	368,988	386,357	17,369	
Special Victims Unit	847,823	883,676	35,853	
Major Crimes	1,508,963	1,437,515	(71,448)	
Historical Case Review Unit	168,615	175,899	7,284	
Behavioural Assessment and Management Unit	279,489	570,379	290,890	
Forensic Identification	964,800	992,056	27,256	
	5,854,306	5,928,113	73,807	1.3%
TRAFFIC SECTION				
Traffic Enforcement and Crash Investigation	1,375,180	1,359,043	(16,137)	
Motorcycle Escort Team	6,000	13,500	7,500	
	1,381,180	1,372,543	(8,637)	-0.6%
COMMUNICATIONS CENTER - 911	3,180,201	3,196,107	15,906	0.5%
CENTRALIZED CORPORATE COSTS	1,736,200	1,919,700	183,500	10.6%
SUPPORT SERVICES				
Automotive	896,750	908,000	11,250	
Marine Response Unit	-	-	-	
Critical Incident Stress Management	16,000	16,200	200	
Legal Services and Freedom of Information	300,848	297,823	(3,025)	
Finance, Exhibit Control and Purchasing	3,080,798	2,753,781	(327,017)	
Human Resources, firearms and use of force training	1,787,662	1,885,296	97,634	
Records Management	1,690,113	1,700,398	10,285	
Information Systems	1,077,331	1,100,689	23,358	
	8,849,502	8,662,187	(187,315)	-2.1%
Jail Operations	797,109	943,254	146,145	18.3%
TOTAL EXPENDITURES	50,487,544	53,119,686	712,442	1.41%
Revenue				
Protective Services	(825,000)	(425,000)	400,000	
TOTAL REVENUE	(825,000)	(425,000)	400,000	-48.5%
Capital Transfer	1,030,000	1,056,000	26,000	2.5%
ADDITIONAL ITEMS				
Growth Strategy Staffing - 6 Officers, 2 Civilian Support Staff		870,000	870,000	1.7%
Special Duties Funding		160,000	160,000	0.3%
Real Time Intelligence (RTIC)		143,668	143,668	0.3%
NET BUDGET	52,428,744	56,844,054	2,495,610	4.76%



**VICTORIA
POLICE**

APPENDIX A: ADDITIONAL ITEMS

ADDITIONAL ITEM – Growth Strategy Staffing: \$870,000

See separate report: “Policing Requirements to Support Growing Communities”

DRAFT

ADDITIONAL ITEM – Increase to Special Duties Funding: \$160,000

Background:

The Department has traditionally provided policing for special events within the Township of Esquimalt at no cost and has absorbed the cost for the first 3 police officers for events within the City of Victoria. In addition the Department receives \$12,000 annually for Canada Day from the City of Victoria, compared to average annual policing costs of \$100,000. We also provide public safety services at other events for no cost to the event organizers, such as Victoria Day and military related events.

A budget has been set aside annually for \$40,000 to cover the costs of non-recoverable special events but the annual net cost to the Department has been on average \$200,000. In the past we have absorbed these costs within the operational budget but the costs and complexity for policing special events increases every year.

Increases in violent confrontations have resulted in more Emergency Response Team activations and an upward trend in injuries to police officers, leaving gaps in patrol shifts that need to be backfilled. It is therefore becoming increasingly difficult for us to provide this service under the current funding structure.

Rationale for increasing funding for Special Duties:

The current funding structure for providing public safety at community events is not sustainable. Many of these events are organized by local organizations and groups with limited funds, without the resources to pay for the Police Department to provide public safety. This is an important service to the public, and adequate funding would allow us to continue to provide this valuable service to keep the public safe for these important community events without putting the burden on community groups or affecting our ability to provide adequate policing.

Consequences if not approved:

The alternatives available to the Department are limited. Without sufficient funding the Department would need to re-examine the existing arrangements with the municipalities for cost recoveries or service levels provided.

ADDITIONAL REQUEST - Real Time Intelligence Centre (RTIC): \$143,668

Background:

The RCMP formed a unit, based on the mainland, to provide real time intelligence to front line officers. The goal is to provide crucial information in a timely manner to help officers solve crimes in that crucial 48 hour window after a crime has been committed. By sharing intelligence, information can be shared across jurisdictions and remove barriers to tracking suspects across jurisdictional lines.

In 2017 we were provided access by the RCMP to their alert system to determine its usefulness for our needs, with the intent for them to roll this out to Vancouver Island in 2018. The Area Chiefs agree that there is a need for this service. Whether that takes the form of a partnership with the RCMP or an integrated approach through local police agencies, we are requesting funds to establish a Real Time Intelligence function for the South Island.

Rationale for increasing funding:

The amount identified in the budget represents the allocation to the Victoria Police Department under the RCMP's funding formula. The Area Chiefs will continue to examine the most efficient and effective way to deliver this service to our communities. Whether this service is delivered through the RCMP or through a South Island integrated unit, the benefits of a real time intelligence unit are an improved flow of information to front line officers, greater information sharing between police departments and improved tools to combat and solve crime.



APPENDIX B

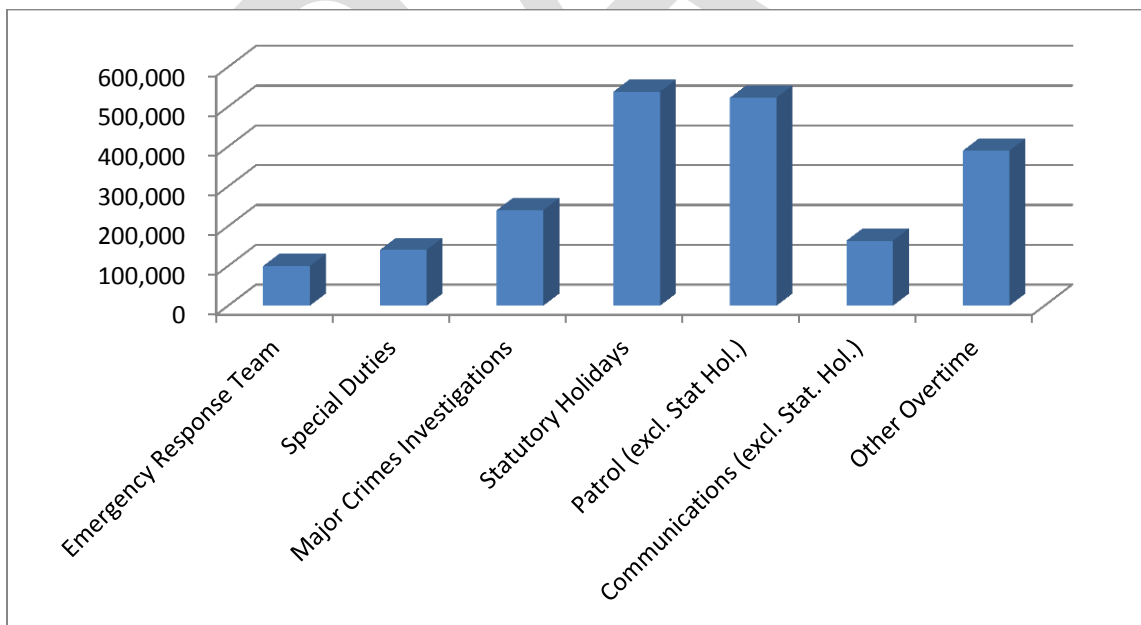
OVERTIME

Measures taken in prior years to minimize overtime costs:

- Each manger reviews the overtime incurred in their area of responsibility to ensure everything is being done to minimize overtime.
- Most transfers are done well in advance and effective the first of the year. Minimizing the transfers that occur during the year allows for better planning of leave and court dates. Transfers done on short notice can increase overtime because the member's work schedule will change, their leave is often already authorized and court dates are already set.
- Mangers are provided quarterly reports on over time usage and Senior Command reviews as a group

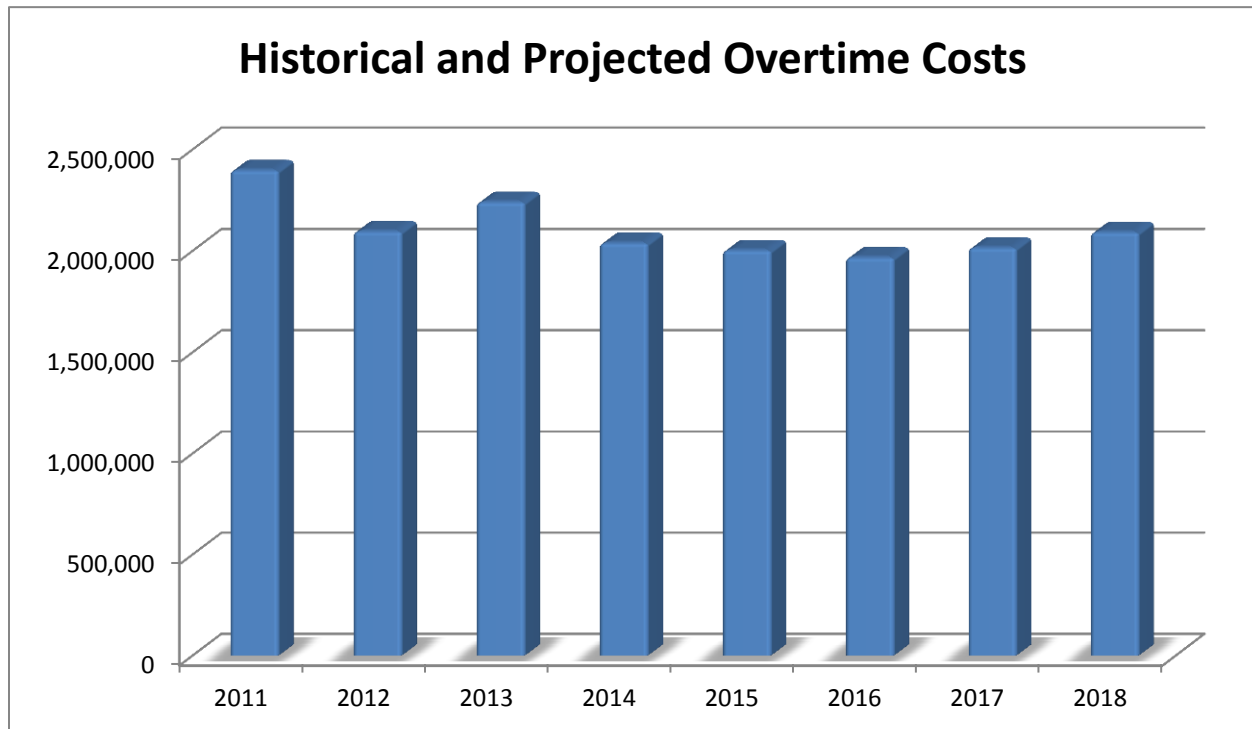
The increase in projected overtime for 2018 relates to increased usage of the Emergency Response Team within the VicPD jurisdiction, requiring an increase to the overtime budget. This reflects the changing nature of high risk situations that require a specialized response to protect the public and reduce the risk to our officers. Overtime for other areas of the Department remain stable and are manageable without requiring further increases.

Overtime Budget for 2018 by major category



Annualized Overtime costs:

The chart below shows the annualized cost of overtime (not including special events). The 5 year average is approximately \$2,025,000. The provisional budget for 2018 is \$2,093,700 representing a slight increase over historical averages. This aligns with the police pay increases we have experienced with the latest collective agreement.





**VICTORIA
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APPENDIX C

CAPITAL

The Police Department is responsible for capital costs for vehicles, computer hardware, computer software, furniture, telecommunications and communication's equipment. VicPD is also required to fund building capital costs such as painting, replacing of flooring, replacing air conditioning units, HVAC filtration system and backup power supplies.

Capital costs for fleet are minimized by implementing the following:

- Pooling the vehicles to maximize usage;
- Not increasing the number of vehicles in the fleet;
- Replacing a vehicle based on the mileage driven, mechanical evaluation, years of service, type of service, user input, annual maintenance costs and physical inspection of the overall condition;
- Following best practices for purchasing, thus ensuring a competitive process for vehicle and equipment acquisitions;
- Selecting the least costly vehicle that meets the users specifications and requirements; and,
- Transferring existing equipment from the vehicle that will be disposed to the new vehicle whenever possible
- Factory-installed lighting and equipment to reduce costs and standardize equipment

Initiatives and Major Projects for 2018:

Fleet and Vehicles:

Implement a Fleet Management Program based on vehicle pooling and data from the key management system

- Re-align the planned fleet with actual usage
- Continue to standardize vehicles and equipment where possible
- Amend the fleet replacement plan based on this with the goal of reducing the number of administration vehicles, maximizing the use of fleet to extend the useful life of assets and align vehicle standards with usage patterns

Other initiatives include:

- A re-evaluation of our software licenses and needs
- Implementation of the Information Management Strategy to reduce risk, improve efficiency and allow better usage and planning for IT infrastructure needs
- Plan for building needs once the 9-1-1- service has been transferred over to E-Comm
- Expand on condition rating and prioritization of building capital beyond paint and carpet to furniture & equipment

2018 - Capital Funding Plan

	\$	\$
Estimated - Opening Balance - January 1, 2017		1,525,563
2018 Capital Transfer From Police Operating Budget		1,056,000
Less 2017 Expenditures		
Vehicle replacement	650,808	
Computer Hardware Replacements	886,500	
Furniture and Equipment	77,000	
Communication's Equipment	50,000	
K-9	0	
Building Improvements	115,000	
Transfers out of capital		1,779,308
Closing Capital Fund Balance		802,255

Note: Excludes Integrated Unit transactions in and out of the Emergency Response Team Evergreen Fund. Capital transactions have been included in the City of Victoria Financial Plan but may appear differently due to differences in budget presentation format.

**Victoria Police Department
2018 Capital Plan**

Vehicles

Unit 559 - 2008 Suburban	53,602	
Unit 564 - 2010 Charger	53,071	
Unit 574 - 2012 E250	64,322	
Unit 575 - 2012 E250	64,322	
Unit 576 - 2012 E250	63,685	
Unit 584 - 2014 Tahoe	69,682	
Unit 588 - 2014 Charger	53,602	
MC1 - 2012 Motorcycle	32,161	
MC2 - 2012 Motorcycle	32,161	
ARV (2016 c/fwd on work remaining)	110,000	
Contingency for accidents/vehicle write off	54,200	
		650,808

Information Technology

IT Capital Replacement	686,500	
CCTV	200,000	
		886,500

Furniture and Equipment

Ergonomic Replacements \$3,000 x 10 assessments	30,000	
8 Workstations	32,000	
Chairs for public events	5,000	
Chairs - Departments	10,000	
		77,000

Building Upgrades

Flooring	15,000	
Paint (Priority based)	5,000	
Fume Hoods - Forensic Ident (3 x \$15,000)	45,000	
EOC or Atrium Renovation	50,000	
		115,000

Communications' Equipment

Switchboard	50,000	
		50,000

K9

0	0
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TOTAL

1,779,308

RESERVE FUNDS

The Victoria Police Department maintains three reserve funds:

1. Capital Reserve Account
2. Employee Benefit Obligation Account
3. Fiscal Stability Reserve Fund

Annual interest earned is allocated to each reserve account.

Capital Reserve Account

The Police department maintains a capital reserve account for the following capital costs:

1. Vehicle replacement
2. Computer hardware/software replacement/acquisition
3. Furniture, equipment and building upgrades
4. Communication's equipment

A 20 year capital plan is prepared annually.

Employment Benefit Obligation Account (EBO)

The EBO account is an employee liability account that is required to ensure liabilities for items such as banked annual leave and sick leave are fully funded. As of January 1, 2017, the liability was estimated to be \$7,275,808. The current balance is \$6,698,926, comprised of \$6,319,173 in the EBO Reserve and \$379,753 in pension contributions, leaving a funding deficit of \$576,882.

Fiscal Stability

It is recognized that the Police Department may have an unanticipated event that was not contemplated at the time of budget preparation. One event could be a complex murder investigation. In order to have a contingency for these types of events, both municipalities agreed to a maximum contingency amount of 2.5% of net budget. The current reserve balance is \$1,244,821, however the 2017 budget includes a planned drawdown of \$500,000 for a major crimes investigation. The Police Board must approve all expenditures from this account.

BALANCE OF RESERVE FUNDS**Summary of Reserve Funds**

	Opening Balance	Net Transactions	Closing Balance
Capital Fund (estimated for Jan 1 st , 2018)	1,956,039	(430,476)	1,525,563
Employee Benefit Obligation	6,500,524	198,402	6,698,926
Fiscal Stability Reserve	1,233,105	11,716	1,244,821
	9,689,668	(220,358)	9,469,310