



2020 PROVISIONAL BUDGET

January 20, 2020

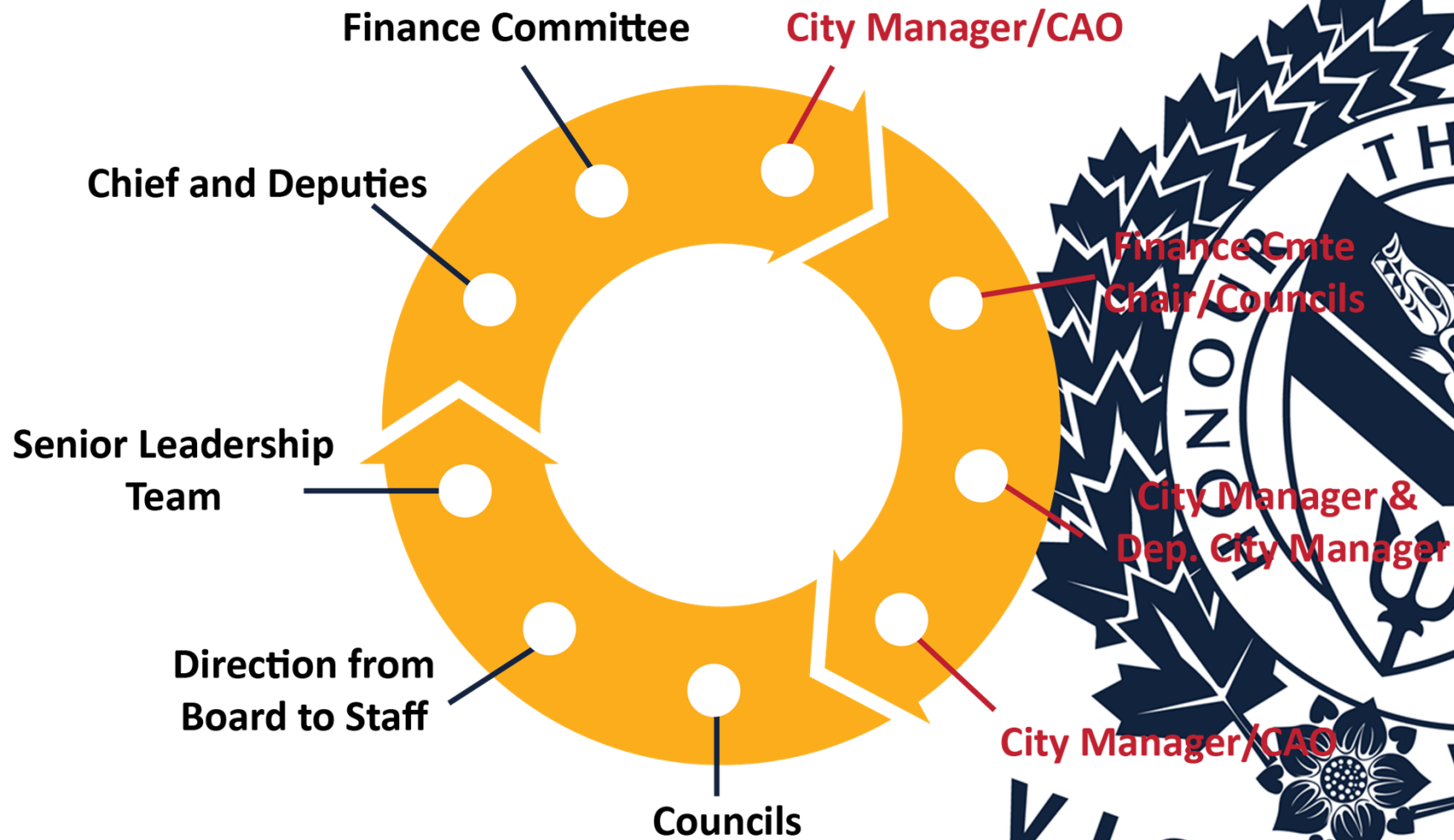
Esquimalt Council

Outline

- Board Budget Process
- Budget Inputs
- Transformation and Innovation
- Budget Overview



Our Rigorous Budgeting Process



(Items in red are new consultations added this year)

Approach and Considerations

- ❑ Zero-Based Budget Approach
- ❑ Consideration of Provincial Policing Authorities
- ❑ Extensive consultation with Council
- ❑ Process aided through our 2020-2024 Strategic planning process



Strategic Planning

- ❑ Extensive consultation with the community and councils
- ❑ New 2020 plan is designed to meet or exceed expectations
- ❑ Includes redrafting of indicators with a goal to keep councils/community up-to-date
- ❑ Official launch to occur in March 2020



Feedback from Councils

- Briefly, support for:
 - ▣ Preventative, proactive initiatives
 - ▣ Employee Wellness
- Concerns:
 - ▣ Costs of policing



Increased Transparency

- Detailed budget document provides greater detail
- Better alignment with municipal budget presentations
- More in-depth analysis shared in public documents
- Consultation with both Councils
- Consultations with CAO / City Manager



Organizational Pressures

- ❑ Investigational complexity and reporting standards
- ❑ Time loss from work-related injuries
- ❑ Employers' Health Tax
- ❑ Wage inflation and full-year costs of service officers (2018)
- ❑ Increasing costs and requirements of training



Efficiencies / Cost Savings

- ❑ In-house legal services, training and cost recovery
- ❑ 20,000 hours of Volunteer and Reserve time
- ❑ Fleet extension, pooling and replacement strategies
- ❑ Automated switchboard
- ❑ Pooling of portable radios
- ❑ Extending equipment life
- ❑ Funding – gang interdiction and drug trafficking



Administrative Reviews - Actioned

- Information Technology Review (2014)
- Efficiency Review (2017)
- Information Management Review (2014)
- Records Section Review (2018)
- Human Resources Review (2019)
- Financial Services Review (2019)



Administrative Reviews - Actioned

- ❑ Several reviews of various aspects of VicPD conducted
- ❑ Action items implemented, more planning
- ❑ Focus in on a highly efficient, effective and accountable organization



Shared Service Opportunities

- Discussions with City of Victoria
- Examined opportunities for further integration
 - ▣ Limited capacity at the City and limited resources
 - ▣ Internal process reviews indicated potential for improvements & efficiencies
 - ▣ Action items in progress to realize these efficiencies and make improvements in internal service delivery



Transformation Report

- ❑ Resource realignment to front line
- ❑ Investigation and Support Unit
- ❑ Call re-prioritization
- ❑ Review and pilot of Patrol Division work module
- ❑ Creation of Community Wellness Alliance



New Initiatives / Innovations

- Special Municipal Constable program
 - ▣ Provide relief to front-line officers by performing low-risk enforcement functions not requiring skills of full officer, at a lower pay grade
 - ▣ Pilot project proposed for 2020 consisting of 100 Municipal Constables
- Engage subject matter experts to assist in evaluating and updating wellness programs
- Pilot project to work with academia and private sector to explore evidence based staffing modeling software used in the U.S.

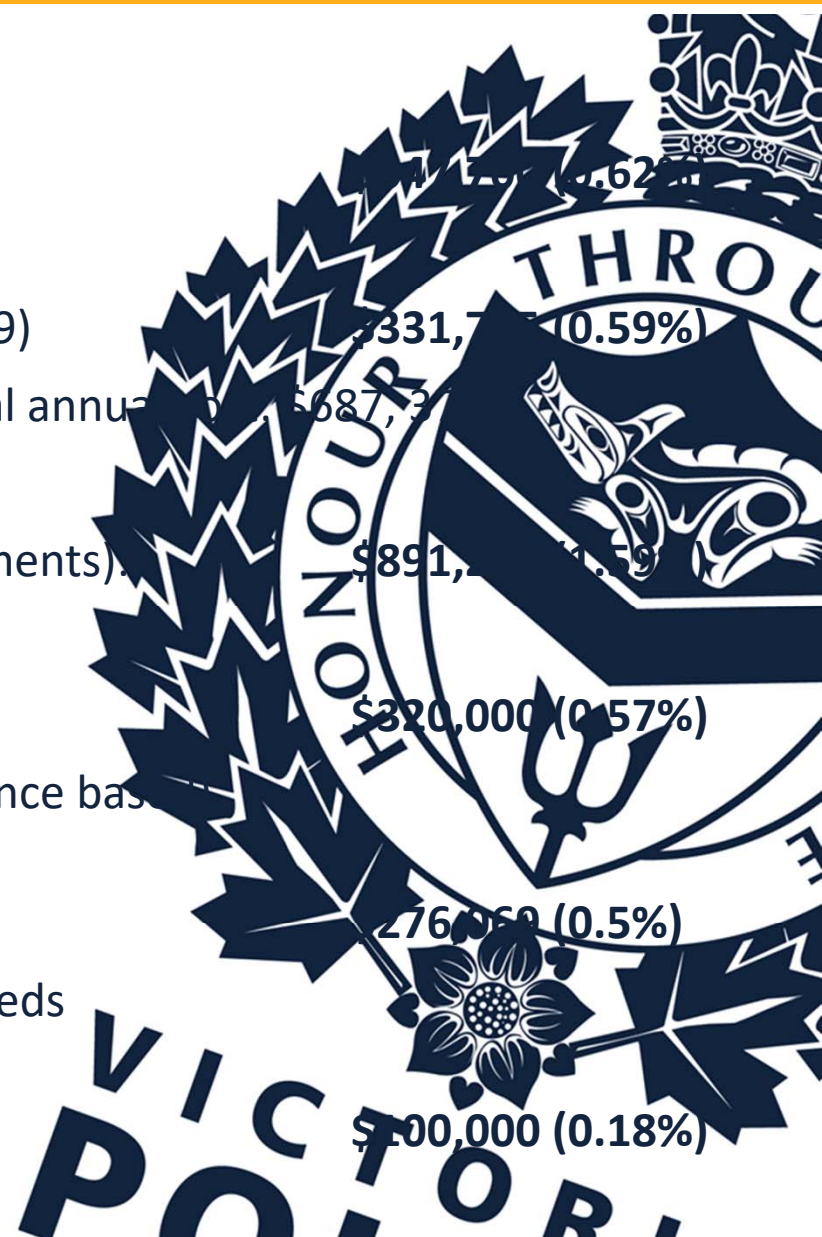


Provisional Budget at a Glance

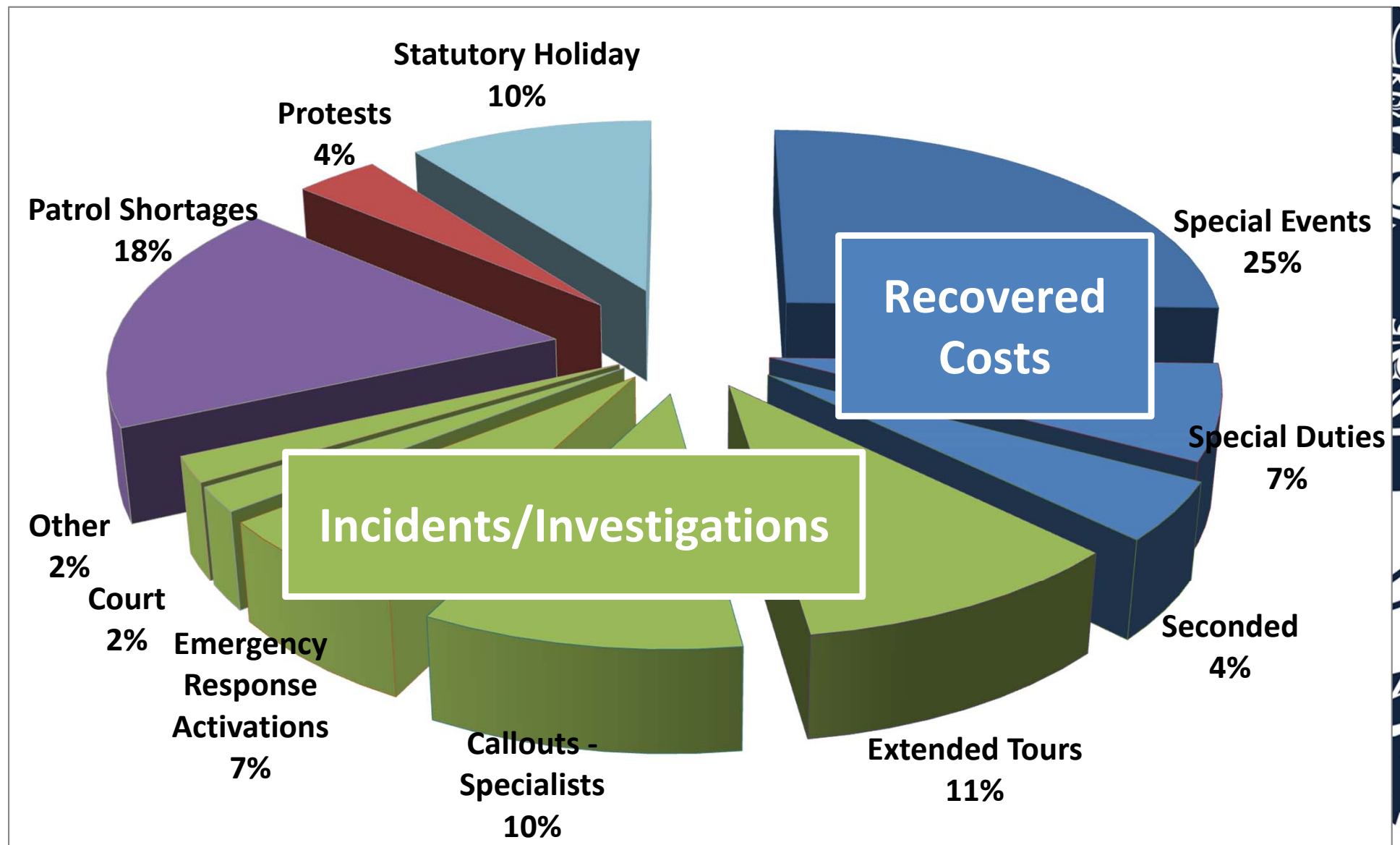
<i>Description</i>	<i>2019</i>	<i>2020</i>	<i>Increase/(Decrease)</i>	
	<i>Budget</i>	<i>Provisional</i>	<i>\$</i>	<i>%</i>
Salaries and Benefits	44,039,502	44,518,266	478,764	1.1%
Overtime	2,851,631	2,807,674	(43,957)	-1.5%
Other Operating Costs	8,793,403	9,018,604	225,201	2.6%
Contingency (Salary & Benefits)	907,724	1,798,987	891,263	98.2%
	56,592,260	58,143,530	1,551,270	2.74%
TRANSFER TO RESERVE FUNDS	845,200	1,120,000	274,800	32.51%
TRANSFER FROM RESERVE FUNDS	(750,000)	(100,000)	650,000	-86.67%
REVENUE	(916,100)	(922,440)	(6,340)	0.69%
NET CORE BUDGET	55,771,360	58,241,090	2,469,730	4.43%
Core Budget Allocation				
Esquimalt (14.7%)	8,198,390	8,561,440	363,050	4.43%
Victoria (85.3%)	47,572,970	49,679,650	2,106,680	4.43%

Significant Cost Drivers for 2020 Budget

- ❑ Overall Increase: **4.43%**
- ❑ Special Municipal Constable Program (pilot):
- ❑ 6 Officers (increase in officer complement from 2019)
 - ▣ Full year cost (2019 amount was \$355,600 – total annual cost \$331,700 (0.59%)
- ❑ Estimated pay increments (expired collective agreements):
 - ▣ \$687,300 (0.62%)
- ❑ Estimated pay increments (expired collective agreements):
 - ▣ \$891,200 (0.59%)
- ❑ Increase to Worksafe Premiums
 - ▣ 35% increase (law enforcement group & experience based) \$320,000 (0.57%)
- ❑ Reinstatement capital funding:
 - ▣ Reinstatement funding to address IT infrastructure needs \$276,060 (0.5%)
- ❑ Partially reinstate retirement funding:
 - ▣ \$100,000 (0.18%)



10 Week Review of Police Overtime



Employee Benefit Obligation Funding

- ❑ Contractual obligation for sick, annual leave, retirement allowance payouts
- ❑ Historical average paid out \$622,706/year
- ❑ Average projected payment \$782,000/year
- ❑ Current fund balance \$7,251,959 (funded through surplus)
- ❑ Framework Agreement considerations



Funding – Section 27 Process

- Following 2019 budget items are under Section 27(3) review
 - ▣ Cyber Crimes Sergeant (\$160,477 or 0.29%)
 - ▣ Research Analyst (\$107,942 or 0.19%)
 - ▣ Assertive Community Treatment Officers (\$267,462 or 0.48%)
 - ▣ Total Impact if approved \$535,881 or 0.96%



Closing Remarks

- Finance Committee Chair



Questions & Discussion

