



SAANICH POLICE

OFFICE OF THE CHIEF CONSTABLE

DATE: November 18, 2022

TO: Saanich Council

FROM: Saanich Police Board

RE: 2023 SAANICH POLICE PROVISIONAL BUDGET

Please accept this memo as the Saanich Police Board's 2023 provisional budget including the operating budget and equipment replacement projects.

EXECUTIVE SUMMARY

The Saanich Police Department (SPD) 2023 operating budget requires an increase of 4.64% or \$1,800,544 to meet the funding needs arising from negotiated wage increases and increases to committed operating expenses. Similar to the 2022 budget process, the 2023 provisional budget once again focusses heavily on a multi-divisional service review of business practices to determine where service delivery efficiencies can potentially be realized. The senior leadership team continues to undertake service delivery reviews to improve overall efficiency and effectiveness. The resulting budget increase is one that the Board feels is both reasonable and prudent, considering the high level of public safety service the Department provides at a cost that is much lower than the provincial average. This position is supported by a high public satisfaction rating and the most recent Ministry of Public Safety and Solicitor General Police Services Division, "*Police Services in British Columbia, 2020*", report (Figure 1 – p.6) which calculates the cost for policing in Saanich at \$286 per capita compared to the municipal average of \$419, and the cost of other police agencies in BC ranging from \$273 - \$530 per capita.

2023 PROVISIONAL BUDGET DETAILS

Table 1 (p.2) sets out the cost of the resources required to meet identified needs for the Saanich Police Department in 2023. Table 1 is followed by the general budget report including: *Introduction, Fundamental Cost Drivers, One-Time Funding Requests, Capital / Transfers from Reserves (Table 2), Concluding Remarks and Comparisons, Recommendations.*

Table 1: 2023 Provisional Budget

Net Operating Increase			
1. 2023 Net Operating Budget		40,606,532	
Less: 2022 Net Operating Budget		-38,805,988	
			1,800,544
Details of Increases	2022 Budget	2023 Budget	Increase
2. Salaries increase for Police			
Contingency & Increments	34,460,307	35,878,429	1,418,122
3. Operating Increases	3,425,924	3,663,681	237,757
4. Integrated Unit Increases	919,757	1,064,422	144,665
Net Increase	38,805,988	40,606,532	1,800,544

Line 1 sets out the provisional 2023 net operating budget. This section also shows the 2022 actual budget and the net increase for 2023.

Line 2 reflects \$1,418,122 required funding increases for wages, benefits, and contingency.

Line 3 reflects \$237,757 in increases to existing operating costs, including standing service agreements and contracts.

Line 4 reflects a \$144,665 increase to regional policing costs. Specifically, these relate to the increased salaries and wages due to anticipated collective agreement settlements.

INTRODUCTION

The 2023 provisional budget represents the funding required to provide police services for the Municipality of Saanich. The Board is mindful of Council's and the Municipality's financial pressures and need to minimize the tax increase for the citizens of Saanich. With this in mind, the 2023 budget is limited to increases for the anticipated Police Association and negotiated CUPE labour settlements, non-discretionary increases to operating expenses and budgets for integrated police units.

The Saanich Police Department provides high quality professional police services to the Municipality and the surrounding region. Although the investment required to maintain an adequate level of police services is increasing, Saanich Police continues to cost less than other comparable police departments, while still enjoying significant community support.

- The most recent provincial figures (2020) report Saanich Police costing \$286 per capita compared to the municipal police average of \$419, and compared to the cost of urban police departments ranging from \$477 - \$530 per capita.
- Through the stakeholder consultation process leading up to the development of the 2018 - 2022 Strategic Plan, survey and focus group results showed the Saanich Police provide effective and efficient services with a high level of community engagement.
- In the category of "Safety", survey results showed that 94% of respondents felt safe in their community, 95% felt safe in their neighbourhood, and 97% felt safe in their homes.

- In the category of “Customer Satisfaction”, of the respondents who had contact with the Saanich Police within a five-year time period, 90% indicated they were either “very satisfied” or “satisfied” with the service they received, 6% were neutral, and 4% were unsatisfied or very unsatisfied.

A primary focus of the 2018 - 2022 Saanich Police Strategic Plan is to provide progressive, effective and efficient police services to our community. Strategies such as efficiency/service reviews, hiring civilian employees, and balancing an integrated and community approach to policing, help reduce budget pressures and meet increasing demands for service.

Throughout 2022, the Senior Leadership Team continued to research and, where possible, implement new business practices and initiatives to improve overall efficiency and effectiveness, modernize police services, reduce operating costs, and improve staffing and deployment. Examples of this include the following:

- The establishment of the Community Safety Officer (CSO) Program - a tiered approach to effective service delivery which allows for the effective and efficient use of staff resources and reduces wage impacts for the police budget.
- The transfer of Animal Control duties to the District of Saanich Bylaw Services – an initiative that aligned SPD service delivery with other provincial police agencies and created new operational and administrative resource capacity for the organization.
- The establishment of the Special Investigation Section (SIS) – a comprehensive, progressive, trauma-informed approach to the investigation of incidents of sexual violence and exploitation in our community. The SIS was established through the consolidation of existing specialty resources, which significantly reduced the need for additional staff, to provide enhanced services to the community while mitigating potential budget impacts.

These and other initiatives have assisted in gaining efficiencies and optimizing service delivery. Efforts will continue in 2023 to effectively respond to ongoing challenges in relation to Provincial Policing Standards, technology, complexities in relation to investigation and disclosure, selection and recruitment challenges, training, and the overall cost of policing in the 21st century.

FUNDAMENTAL COST DRIVERS

The 2023 provisional budget includes the following specific cost drivers:

- Increases associated to settled and anticipated wage settlements, increments, and statutory holiday pay require an increase of 3.66% (\$1,418,122):
 - The Police Association collective agreement expires in December 2022; and
 - The CUPE collective agreement expires in December 2024.
- Increases to operating expenses including service contracts, building and fleet maintenance, result in a 0.61% (\$237,757) increase; and,
- Increases to operating budgets of integrated units result in a 0.37% (\$144,665) increase.

ONE-TIME FUNDING REQUESTS

One-time funding requirements do not impact the net operating budget. Council decides whether to fund these items depending on priority and availability of sufficient funds. There is one one-time funding request for 2023.

\$355,000 is requested to fund a one-time non-discretionary addition to the E-Comm levy. This specific increase is in relation to E-Comm’s newly introduced Business Transformation Plan which aims to address E-Comm’s ongoing service delivery issues and need for improved business continuity.

The E-Comm levy and its associated increases, including payment for the Business Transformation Plan is not optional. If this one-time request is not approved by Council, the Saanich Police Provisional Budget would need to be increased to \$40,961,532, or a 5.55% increase over 2022 to address this funding need.

CAPITAL / TRANSFERS FROM RESERVES

Table 2 sets out capital expenditures and identifies sources of funding; either core capital or transfers from reserves.

Table 2: 2023 Capital / Reserve Fund Expenditures and Funding Sources

2023 Capital	Source of Funds				Budget
	Core	Public Safety and Security Reserve Fund			
		IT Replacement	Fleet Replacement	PERF	2023
Annual Vehicle Replacement	287,171		56,829		344,000
Computer Hardware and Software	35,418	808,000			843,418
Office Equipment	40,000				40,000
Investigative Equipment	13,335				13,335
Officer and Public Safety Equipment	157,542			200,000	357,542
Justice Institute Cost Recovery				221,100	221,100
Total Capital Expenditures	533,466	808,000	56,829	421,100	1,819,395
2023 Reserve Funds		1,011,492	590,956	1,027,798	2,630,246
2023 Year-end Reserve Balance		203,492	534,127	606,698	1,344,317

a. Core Capital

Contained within the police budget is a core capital account used to fund capital expenditures, generally valued in excess of \$10,000, that are necessary for new equipment, or the replacement of existing capital items. Expenditures for 2023 include the initial funding for the annual fleet replacement, new computer hardware and software, and equipment for offices, investigations, and officer safety. Total capital expenditures amount to \$533,466.

b. Reserve Fund Capital Projects

Reserve accounts are funded through transfers from the police operating budget and any funding received through the Traffic Fine Sharing Program in excess of \$1.5 million, which varies in any given year. The 2022 year-end balance of the Public Safety and Security Reserve Fund for capital initiatives is estimated at \$1,810,228. Contributions for 2023 are estimated to be \$820,018, leaving \$2,630,246 available for 2023 projects. The Police Board has recommended expenditures in the amount of \$1,285,929 to be funded through reserve accounts, leaving a balance of \$1,344,317. This balance will be required for ongoing fleet and IT replacement, which are subject to high and low demand years.

i. IT Replacement

In 2023, IT projects amount to \$843,418:

- There is currently a balance of \$655,399 in this account.
- \$356,093 will be transferred into the account in 2023.
- Available balance for 2023 expenditures is \$1,011,492.
- \$808,000 of the purchases is considered inventory replacement and therefore will be funded through the IT Replacement Reserve Account.
- The remaining \$35,418 required for IT projects that are considered new, or outside of replacement, will be funded through the Core Capital accounts.

ii. Fleet Replacement

In 2023, the Department is scheduled to replace 5 police vehicles. The funding to replace these vehicles comes through a combination of the Department's core capital budget and the Fleet Replacement Reserve Fund. The first \$287,171 will be funded from Core Capital, with the remaining \$56,829 being funded through the Fleet Replacement Reserve Fund.

iii. Police Equipment Replacement Fund

The Police Equipment Replacement Fund (PERF) is funded through transfers from the Police Department budget (\$253,648 with a 2% increase per annum). The Board is responsible for deciding on the appropriate use of PERF and making recommendations to Council for their approval.

For 2023, two projects have been identified to be funded through the Police Equipment Replacement Fund. The total commitment is \$421,100, which will leave approximately \$606,698 remaining in the fund at 2023 year-end.

1. \$200,000 is required for the replacement of police officer personal protective equipment for frontline operations, as the inventory for this specific equipment will reach the end of its useful service life in 2023.
2. \$221,100 is required to address Justice Institute of BC (JIBC) Police Academy's introduction of new funding model for recruit police officer training following the withdrawal of Provincial Government financial support. This new funding model is intended to address the JIBC's resulting structural operating deficit in the Police Academy and sustain the current service delivery model.

CONCLUDING REMARKS AND COMPARISONS

The Saanich Police Department provides high quality professional police service to the Municipality and the surrounding region. Although the investment required to maintain an adequate level of police service is increasing, the Saanich Police Department continues to cost less than other comparable police departments, while still enjoying significant community support.

Figure 1 below contains an excerpt from *The Police Resources in British Columbia 2020* report.

Figure 1: 2020 Independent Municipal Police Departments Resources

MUNICIPAL POLICE DEPARTMENTS ⁵									
Municipality	Population	Auth. Strength	Adjusted Strength ²	Pop. Per Officer	CCC Offences	Crime Rate	Case Load	Total Costs ⁴	Cost Per Capita
Abbotsford Mun ^{3,5}	161,708	213	220	735	8,193	51	37	\$57,007,747	\$353
Central Saanich Mun	18,353	23	23	798	474	26	21	\$5,108,122	\$278
Delta Mun ^{3,5,13}	112,259	194	197	569	4,624	41	23	\$41,313,691	\$368
Nelson City Mun	11,557	18	18	642	942	82	52	\$3,928,767	\$340
New Westminster Mun ³	82,590	113	115	716	5,250	64	46	\$26,082,910	\$316
Oak Bay Mun	18,918	23	23	823	541	29	24	\$5,170,257	\$273
Port Moody Mun ³	35,156	52	53	661	979	28	18	\$12,268,461	\$349
Saanich Mun	125,107	166	166	754	5,086	41	31	\$35,744,794	\$286
Vancouver Mun ³	698,946	1,348	1,348	519	49,226	70	37	\$333,352,791	\$477
Victoria Mun ¹⁴	113,430	249	249	456	12,992	115	52	\$60,149,374	\$530
West Vancouver Mun ^{3,5}	47,068	79	81	580	2,144	46	26	\$16,994,093	\$361
Total	1,425,092	2,478	2,494	571	90,451	63	36	\$597,121,007	\$419

The comparison highlights Saanich Police costing \$286 per capita and a population to officer ratio of 754:1, compared to the provincial average cost of \$419 per capita and a population to officer ratio of 571:1.

When comparing to Abbotsford, Delta and Victoria, which are similar sized departments, Saanich has the highest population per officer ratio and lowest cost per capita of its municipal police comparators.

Municipality	Population Per Officer	Cost Per Capita
Abbotsford	735	\$353
Delta	569	\$368
Victoria	456	\$530
Saanich	754	\$286

The Saanich Police Board appreciates Council's ongoing investment in community and police officer safety and wellbeing. The primary goal of the 2023 provisional budget, in line with the 2022 budget process, is to maintain existing levels of service. The Executive Leadership Team has taken a creative and innovative approach to address existing demands, including assessing positions and services to determine a balanced and proportionate number of civilian support staff to effectively fulfil key duties and responsibilities that do not require a sworn police officer, internal restructuring and modernization of services, integrating services with other regional police partners, and implementing strategies and initiatives to ensure efficient and effective business practices continue to relieve existing budget pressures and increased / changing demands for service.

RECOMMENDATION

That the approved 2023 Saanich Police Board Budget be endorsed as presented.

Respectfully submitted for your consideration and approval,

The Saanich Police Board

End of Report