



"PROVIDING INDEPENDENT CIVILIAN OVERSIGHT, GOVERNANCE, AND STRATEGIC LEADERSHIP TO THE VANCOUVER POLICE DEPARTMENT, REFLECTING THE NEEDS, VALUES AND DIVERSITY OF VANCOUVER'S COMMUNITIES."

November 30, 2020

Members of City Council
c/o Mr. Sadhu Johnston, City Manager
City of Vancouver
453 West 12th Avenue
Vancouver, BC V5Y 1V4

MAYOR KENNEDY STEWART, CHAIR

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FRANK CHONG, MEMBER

WENDY JOHN, MEMBER

MERRILEE ROBSON, MEMBER

RACHEL ROY, MEMBER

FAYE WIGHTMAN, MEMBER

Dear City Councilors:

Re: Vancouver Police Department 2021 Operating Budget

The Vancouver Police Board considered the three scenarios outlined in the 2021 VPD Operating Budget submission and passed the following resolution at today's meeting:

THAT the Vancouver Police Board (Board) approves the VPD's 2021 Operating Budget totalling \$322,069,316 for submission to City Council under Section 27(1) of the *Police Act*.

Section 27 of the *Police Act* states:

(1) On or before November 30 in each year, a municipal police board must prepare and submit to the council for its approval a provisional budget for the following year to provide policing and law enforcement in the municipality.

(2) Any changes to the provisional budget under subsection (1) must be submitted to council on or before March 1 of the year to which the provisional budget relates.

This amount will ensure that the VPD can continue with its existing service and staffing levels (i.e. base funding to maintain current operations) and includes reversing the City-imposed budget reduction for vacancy savings, as well as increased funding for Community Policing Centres (\$350,000). This equates to a 2% increase from the VPD's 2020 Operating Budget.

The Board recognizes the financial impact on the City from the COVID-19 pandemic, and that the Board will need to control expenses in order to support the City in 2021. The Board shares the responsibility to ensure that scarce

VANCOUVER POLICE BOARD

resources are allocated prudently and will continue to maximize budget savings where possible, in support of the City of Vancouver's ongoing financial mitigation measures.

Countless letters of support have been received from businesses, organizations, and individuals, representing thousands of people who live, work and play in Vancouver. These letters echo the sentiment that public safety must be maintained in order to facilitate a vibrant, safe, and livable city for all.

Attached for your information is the letters of support received by the Board, the Finance Committee's Report to the Board, as well as the VPD's report to the Board, setting out the details of the 2021 Operating budget.

We trust this is in order.

Sincerely,

A handwritten signature in black ink that reads "Stephanie Johansson". The signature is fluid and cursive, with a large initial 'S'.

Stephanie Johansson
Executive Director, Vancouver Police Board

Cc: Chief Constable Adam Palmer, Vancouver Police Department
DCC Steve Rai, Vancouver Police Department
Mr. Sadhu Johnston, City Manager, City of Vancouver



VANCOUVER POLICE BOARD

PROVIDING INDEPENDENT CIVILIAN OVERSIGHT, GOVERNANCE, AND STRATEGIC LEADERSHIP TO THE VANCOUVER POLICE DEPARTMENT, REFLECTING THE NEEDS, VALUES AND DIVERSITY OF VANCOUVER'S COMMUNITIES.

November 30, 2020

BOARD REPORT # 2011F03

Regular

TO: Vancouver Police Board
FROM: Vancouver Police Board Finance Committee
SUBJECT: 2021 Vancouver Police Department (VPD) Operating Budget

FINANCE COMMITTEE'S RECOMMENDATION:

The Finance Committee (Committee) has considered the three budget scenarios provided by the Chief and Vancouver Police Department (VPD) management and recommends the following:

THAT the Vancouver Police Board (Board) approve the VPD's 2021 Operating Budget submission to City Council for **\$322,069,316**.

This amount will ensure that the VPD can continue with its existing service and staffing levels (i.e. base funding to maintain current operations) and includes reversing the City-imposed budget reduction for vacancy savings, as well as increased funding for Community Policing Centres (\$350,000). This equates to a 2% increase from the VPD's 2020 Operating Budget.

BACKGROUND:

In 2017, the Board and City Council approved the findings of an independent Operational Review. The Review determined that the public safety service gaps that remained after implementing all possible internal efficiency changes could be most effectively addressed through the addition of 120 sworn officers and 52 civilian staff over a two-year period (from 2018-2019). City Council and the Board agreed to spread staffing additions over a longer, four-year, and then ultimately five-year period (2018-2022) to minimize the funding impact to the City of Vancouver (City). These staffing recommendations were approved on the basis of ensuring adequate and effective policing, as required by the *Police Act* (Appendix 1).

In December 2019 year three of the five year staffing plan was approved for the 2020 budget, and the VPD has now returned to staffing levels dating back over a decade. The upcoming 2021 budget year (year four of the five year staffing plan) recommends an additional 20 sworn officers and 10 civilian members. However, City staff is supporting an imposed 1% budget reduction of \$3.1m related to vacancy savings. This vacancy reduction would bring staffing levels below those of 2009, despite a significant increase to calls for service, and a large increase to the Vancouver, and surrounding population since that time.

The Finance committee recognizes the financial impact on the City from the COVID-19 pandemic, and that the Board will need to control expenses in order to support the City in 2021. The Board shares the

responsibility to ensure that scarce resources are allocated prudently. **The Finance Committee believes that the Board could support the City's budget constraints by considering a delay to year four of the staffing plan under the Operational Review.**

The Committee recognizes the complex social issues in the City, and competing priorities for funding. The Committee agrees that the mental health and homelessness crisis needs to be addressed, and appropriately funded. Over the past ten years, the Board and the VPD have been highlighting these issues, and supporting partnerships with mental health services to collaborate on various treatment plans and approaches to reduce harm in the community (Appendix 2). Improving health outcomes for the people of Vancouver requires an integrated multi-government and multi-agency health focused approach involving long term strategy through coordination. Any discussion to reallocate funds from the VPD to alternative services must consider the adequacy and availability of necessary support structures and systems to ensure public safety.

The Committee acknowledges the difficulty in achieving the City's imposed 1% vacancy reduction for the upcoming budget, which would result in the delay of hiring approximately 34 police officers to the following year (2022). Regardless of the financial climate, the Board and the VPD have a legal obligation to maintain public safety, prevent crime, apprehend offenders, and advance investigations. The VPD is an essential and core service that operates 24/7, and has been unable to cease or curtail its operations during this pandemic. Any imposed reduction could bring the VPD below 2009 officer staffing levels, directly resulting in longer response times, officer burnout, and could impact the support of Community Policing Centres, public schools, and other VPD outreach programs that support the community.

DISCUSSION:

The Committee has considered the following three budget scenarios as outlined in the VPD's 2021 Operating Budget Report to the Board:

Scenario 1: \$318,575,648 is currently supported by City staff and meets City Council's motion to keep the property tax increase to a maximum of 5%. However, included in this scenario is a city-staff imposed 1% reduction of \$3.1m related to vacancy savings to address the City's financial challenges as a result of the pandemic. This is a direct budget cut and will impact existing staff and service levels as this will result in the delay of 34 sworn officer hires.

Scenario 2: \$321,719,316 includes items listed in scenario 1, and, reversing the 1% city-staff imposed budget reduction. This funding amount will ensure that the VPD can continue with its existing service and staffing level but does not include the implementation of Year 4 (of 5) of the Operational Review recommendation to hire an additional 20 police officers and 10 civilian professionals, or additional funding for Community Policing Centres (CPCs) or other items listed in scenario 3. VPD management recommends this scenario as the 2021 Operating Budget.

Scenario 3: \$326,586,354 is scenario 2 plus all VPD priority initiatives for funding increases based on prioritized ranking by VPD Management as outlined in the VPD's Operating Budget report.

Excluded from each of the three scenarios are budget adjustments for the 2021 benefit rate increases and expired collective agreements as these are reviewed with City staff and adjusted as a mid-year budget transfer, if and when the amounts are determined.

The Finance Committee reviewed the three scenarios provided by VPD management and took into consideration the Board's obligation towards public safety, the growing scope of the VPD's responsibilities, the consideration of calls to reallocating funding from the VPD, the health and wellbeing of VPD staff, as well as the immense financial pressures that the City is facing, and is recommending that the Board approve budget scenario 2 at \$321,719,316, plus \$350,000 towards funding for the 11 CPCs.

Funding for Community Policing Centres:

The CPC initiative was started by the VPD in 1994, as a collaboration between the VPD and the community, in order to work together towards addressing crime and creating a safer, stronger City. This community-based policing model looks beyond immediate issues, and searches for realistic longer term answers to complex community issues and concerns, through ongoing dialogue and building trust.

The CPC's are critical organizations, with an invaluable day to day connection with people and businesses in neighborhoods throughout the City. Each year, CPC staff and volunteers are in contact with tens of thousands of Vancouverites and visitors, and work with some of the most vulnerable people in their respective communities. Key contributions by CPC staff and volunteers include but are not limited to: recording and addressing community complaints, improving road safety, receiving found property, delivering food to the elderly and marginalized, providing cultural awareness training, addressing homeless and mental health issues, cleaning up graffiti and litter, providing interpretation and translating services, developing crime prevention initiatives, and supporting and promoting major community partners. Together with the VPD and other stakeholders, CPCs develop programs and projects that are designed to provide community members with varying abilities and skills, the opportunity to contribute to a thriving community by furthering public safety.

Last year, the volunteers from all 11 CPCs contributed over 60,000 hours. Using the gaming grant standard of \$20/hr for in-kind value, this brings the **CPC volunteer contribution to just over \$1.2 million annually.** Additional funding of \$350,000 to be distributed equally amongst all CPCs, would result in an immeasurable contribution to community safety during this extraordinary time of uncertainty and concern.

In 2019, the CPCs presented to the Board as a unified group, to relay financial challenges as a result of increased rents, utilities, and providing staff with a living wage. In a time where policing is turning towards a more community focused approach, it is absolutely essential to support, and adequately fund CPCs so that they have the resources available to continue their indispensable work, in partnership with the VPD. There is currently one VPD officer assigned to each CPC.

CONCLUSION

The Finance Committee is recommending that the Board approve the VPD's 2021 Operating Budget submission to City Council for \$322,069,316 to ensure that the VPD can continue with its existing service and staffing levels (i.e. base funding to maintain current operations) while also supporting increased funding for Community Policing Centres.

The Finance Committee recognizes the fiscal challenges before the City due to COVID-19 and understands the need for the Board to do its part to mitigate the resulting financial implications from this pandemic. As such, the recommended budget does not include the implementation of year four of the Operational Review staffing plan.

APPENDIX 1 – POLICE ACT LEGISLATION

Duties of a municipality – Excerpts from Section 15

1. Subject to this section, a municipality with a population of more than 5 000 persons must bear the expenses necessary to generally maintain law and order in the municipality and must provide, in accordance with this Act, the regulations and the director's standards,
 - a) policing and law enforcement in the municipality with a police force or police department of sufficient numbers
 - i) to adequately enforce municipal bylaws, the criminal law and the laws of British Columbia, and
 - ii) to maintain law and order in the municipality,
 - b) adequate accommodation, equipment and supplies for
 - i) the operations of and use by the police force or police department required under paragraph (a), and
 - ii) the detention of persons required to be held in police custody other than on behalf of the government, and
 - c) the care and custody of persons held in a place of detention required under paragraph (b) (ii).

1.1 The duties of a municipality under subsection (1) of this section include the duty set out in section 4.03 to use and pay for specialized services provided by a specialized service provider.

Estimates and expenditures – Excerpts from Section 27

1. On or before November 30 in each year, a municipal police board must prepare and submit to the council for its approval a provisional budget for the following year to provide policing and law enforcement in the municipality.
2. Any changes to the provisional budget under subsection (1) must be submitted to council on or before March 1 of the year to which the provisional budget relates.
3. If a council does not approve an item in the budget, the director, on application by the council or the municipal board, must
 - (a) Determine whether the item or amount should be included in the budget, and
 - (b) Report the director's findings to the municipal police board, the council and the minister.
4. Subject to subsection (3), a council must include in its budget the costs in the provisional budget prepared by the municipal police board.

APPENDIX 2 – BACKGROUND INFORMATION: PROJECT LINK

What is Project LINK:

Project LINK is a collaboration among the Vancouver Police Board, the Vancouver Coastal Health Board, and the Providence Health Care Board. Initiated in October 2011, its goal is to achieve improved outcomes for those living with mental illness and addiction.

BACKGROUND:

The initial impetus for Project LINK was the release of a 2008 VPD report entitled “Lost in Transition” which highlighted how lack of capacity in the mental health system was draining police resources and failing those suffering from mental illness and addiction.

In response, in 2011 the Vancouver Police Board and the Vancouver Coastal Health Board formed project LINK. Providence Health Care Board subsequently joined in 2015. A major first step was to enable the sharing of information across these police and health organizations. With that in place, LINK was able to make dramatic changes, including formation of the Assertive Community Treatment teams and the Assertive Outreach Teams. These teams have greatly reduced negative contacts with police, emergency room visits, victimization, and criminal justice involvement for those living with mental health and substance use issues. Other accomplishments and initiatives are outlined below.

ACCOMPLISHMENTS AND INITIATIVES:

Collectively, LINK has led significant change across both the public safety and health sectors. Accomplishments and initiatives include:

- Embedding police officers within Assertive Community Treatment (ACT) teams;
- Expanding the number of ACT teams in Vancouver from three to five, to support a larger and growing clientele base;
- Improved linkage with St. Paul’s Hospital/Providence Health Care to bridge ACT clients effectively who come into contact with healthcare professionals from different hospitals;
- Developing an information sharing agreement and Privacy Impact Assessment to enable the exchange of critical client information between the organizations, to facilitate the proper care for each individual client;
- Improved communication with the VPD Chronic Offenders Unit to deliver a coordinated approach that ensures appropriate mental health supports are directed to the most prolific criminal offenders;
- Improved collaboration with the mental health programming provided through the Downtown Community Court;
- The development of an ‘early warning system’ within the VPD Mental Health Unit to identify clients at risk and get them the supports they need, when they need them;
- The development of the Assertive Outreach Team (AOT), a collaborative partnership between the VPD and VCH to deliver short-term transitional support for more challenging mental health and/or substance use clients as they transition from hospital or corrections to primary care service providers (International Association of Chiefs of Police 2015 Weber Seavey Award for quality and innovation in policing);
- Cross-sector consultation to inform the 2016 VPD Mental Health Strategy (Canadian Mental Health Association BC: 2016 Mental Health Voices Award recipient);

- Establishment of a monthly meeting between police and hospitals to review wait times, ambulance wait times, and to foster better communication relative to serving mental health clients in the community;
- Assisting with the operationalization of the Saint Paul's Hospital (SPH) Emergency Department HUB (HUB ED) and Vancouver Police Foundation Transitional Care Centre (VPF TCC), officially launched in 2018. The HUB and the VPF-TCC joined the recently opened SPH's Rapid Access Addiction Clinic (RAAC) and the Overdose Prevention Site (OPS). These four components create a specialized, multi-faceted response model designed to meet people's individual needs;
- Assisting with the operationalization of VCH Access and Assessment Centre (AAC), opened in 2016, and providing 24/7 services for Vancouver residents with mental health and/or substance use, as an alternative to the Emergency department;
- Working with Fraser Health Authority to establish information sharing agreements with police of jurisdiction in the Fraser Region, based on Vancouver model; and,
- Advocating to the Provincial Government for mandated information sharing agreements.



VANCOUVER POLICE DEPARTMENT

REPORT TO THE VANCOUVER POLICE BOARD

REPORT DATE: November 12, 2020
BOARD MEETING DATE: November 30, 2020
BOARD REPORT # 2011F01
Regular

TO: Vancouver Police Board
FROM: DCC Steve Rai, Commanding Support Services Division
SUBJECT: 2021 Operating Budget

RECOMMENDATIONS:

THAT, the Vancouver Police Board (Board) receives this report for discussion on the various options of prioritized funding requests for the 2021 Operating budget for the Vancouver Police Department (VPD) ranging from \$318,575,648 to \$326,586,354, and,

THAT, the Board approve the 2021 budget for submission to City Council by November 30, per section 27 of the Police Act.

SUMMARY:

The VPD is a core and essential service with an expanding scope and increasing complexity such that it will continue to face escalating public safety and budget challenges. The impacts of the pandemic have put pressures on both the VPD and the City's budget such that full funding is not likely for all of the VPD's requests. As a result, the Board Finance Committee was presented with three different budget scenarios for their review and then their recommended endorsement to the Board. The three scenarios provided for consideration are as follows:

<u>Budget Scenarios</u>	<u>Total 2021 budget</u>	<u>Incremental from 2020 restated budget</u>	<u>% increase</u>
1: Supported by City staff, 1% city-staff imposed reduction	\$318,575,648	\$2,962,445	0.9%
2: Scenario 1, plus, reverse 1% city-staff imposed reduction	\$321,719,316	\$6,106,113	1.9%
3: Includes all VPD initiatives	\$326,586,354	\$10,973,151	3.5%

Scenario 1: \$318,575,648 is currently supported by City staff and balances City Council's motion to keep the property tax increase to a maximum of 5%. However, included in this scenario is a city-staff imposed 1% reduction of \$3.1m related to vacancy savings to address the City's financial challenges as a result of the pandemic. The VPD and Board did not agree or support this reduction. This is a direct budget cut and will impact existing staff and service levels as this will result in the delay of 34 sworn officer hires.

Scenario 2: \$321,719,316 includes items listed in scenario 1, and, reversing the 1% city-staff imposed budget reduction. This scenario will ensure that the VPD can continue with its existing service and staffing level (i.e. base funding to "keep the lights on") but does not include the implementation of Year 4 (of 5) of the Operational Review recommendation to hire an additional 20 police officers and 10 civilian professionals, or additional funding for Community Policing Centres (CPCs) or other items listed below in scenario 3. VPD Management recommends this scenario as the 2021 Operating Budget.

Scenario 3: \$326,586,354 is scenario 2 plus all VPD priority initiatives for funding increases based on prioritized ranking by VPD Management:

- (1) reverse 1% city-staff imposed budget reduction
- (2) Year 4 of the Operational Review,
- (3) funding for eleven CPCs,
- (4) Impending Provincial Digital Evidence Management system implementation,
- (5) additional resources for social issues,
- (6) increase for mandatory training, and
- (7) contractual increases for jail nursing services.

Excluded from each of the three scenarios are budget adjustments for the 2021 benefit rate increases and expired collective agreements as these are reviewed with City staff and adjusted as a mid-year budget transfer, if and when the amounts are determined.

For further details of the three scenarios, please refer to Appendices 1 to 3.

POLICY:

The Vancouver Police Board (Board) must prepare and submit a budget to provide policing and law enforcement in the municipality. The Vancouver Police Board Finance Committee is to assist in fulfilling the Board's oversight responsibilities.

Section 27 of the Police Act states that:

- (1) On or before November 30 in each year, a municipal police board must prepare and submit to the council for its approval a provisional budget for the following year to provide policing and law enforcement in the municipality.
- (2) Any changes to the provisional budget under subsection (1) must be submitted to council on or before March 1 of the year to which the provisional budget relates.
- (3) If a council does not approve an item in the budget, the director, on application by the council or the municipal board, must
 - (a) Determine whether the item or amount should be included in the budget, and
 - (b) Report the director's findings to the municipal police board, the council and the minister.
- (4) Subject to subsection (3), a council must include in its budget the costs in the provisional budget prepared by the municipal police board.

DISCUSSION:

The VPD is a core and essential service and with an expanding scope and increasing complexity, the VPD will continue to face escalating public safety challenges.

Having to meet additional demands has led to a decline in police service, including: slower response times to emergency calls, reduced service levels to citizens and businesses, limited ability to respond to non-emergency calls, greater risk of unsolved crimes and cases being lost in court, and increased rates of officer burnout. Throughout the course of the 2020 year, added public safety challenges included pipeline protests, anti-Asian hate crime incidents, increase in violent crime and weapons seizures, gang conflict, COVID-19 pandemic, encampments, and growing increase in disorder and crime, especially in the north- half of the City (Downtown core, Granville Street, Davie Village, the West End, Strathcona, Chinatown and Yaletown).

To address the public safety challenges, in 2016, the VPD launched a comprehensive 1.5-year long Operational Review that was led by independent criminologists. The staffing needs identified in the Operational Review for an additional 120 sworn officers and 52 civilian professionals were recommended to be implemented over four years (2018-2021). However, recognizing the associated financial impacts, the VPD agreed to a five-year implementation plan, which City Council approved in 2017.

The VPD's operating budget is funded through city property tax revenues. In July 2019, City Council approved a motion to limit the annual tax increase not to exceed more than 5% in any given year. Depending on the tax increase, it will affect the available funding city-wide, impeding on the necessary funding items for the VPD. City staff developed various tax scenarios with a 5%, 4.3% and 3% property tax increase that was presented to Council on November 4 for consideration. At the 5% scenario, the VPD's budget is impacted with a reduction of 1% for vacancy savings, which will result in the VPD having to delay the hire of 34 police officers for attrition and will hinder existing staff and service levels. Any further reduction of the property tax rate will result in fewer police officers, to which the VPD and the Board do not support. Council will make their final deliberation and approval on December 8, 2020.

2021 Operating Budget (Appendices 1 to 3)

In consideration of City's overall financial pressures, the VPD is presenting three budget scenarios to the Board for consideration, recommendation and submission to City Council.

Scenario 1: Current budget supported by City Staff \$318,575,648

In order to maintain the overall tax increase at 5%, City staff have supported a 2021 operating budget for VPD totalling \$318,575,648, which is a net increase of \$2,962,445 or 0.9% from the restated 2020 budget. While cognizant of the city's overall financial pressures, scenario 1 would hinder existing staff and service levels if the 1% vacancy reduction were not reversed. This would result in officer burnout and longer response times, and would also result in the delay of hiring approximately 34 police offices to the following year (2022). This is contrary to the Board's directive to hire additional staff members as recommended by the Operational Review.

The associated budget increases and reductions for this scenario are as follows:

Budget Increases– total \$6,106,113

- \$2,545,789 for sworn and civilian salaries and benefits pursuant to collective agreements,

- \$2,202,472 for 2020 Operational Review hires for their full year salaries, benefits, and related ongoing costs for the third year implementation of the 5-year Operational Review. In 2020, funding was partially provided based on when the new employees were hired in the year. As a result, the 2020 budget does not include a full year's salary and this 2021 increase is to top up that partial funding to reflect a full year's salaries,
- \$489,549 for fleet and fuel,
- \$761,335 for City Allocations, which are costs from other City departments that manage certain expenses on behalf of the VPD, such as buildings maintenance, radio maintenance, as well as the E-Comm 911 (for radio and dispatch) and Police Records Information Management Environment (PRIME) levies that are charged to the VPD. The VPD receives a budget allocation and the annual charges equal the budgeted amounts, so there should not be any budget risk for these items. Including these items in the VPD budget presents a more complete cost of policing,
- \$106,967 for rent, insurance, utilities and other expenditures.

Budget Reductions – total (\$3,143,668)

- Included is an imposed reduction of 1% of the VPD's net 2020 budget for vacancy savings. This citywide imposed budget reduction was directed by Council as a budget saving strategy to partially manage the City's budget deficit as a result of the COVID-19 pandemic. This reduction was not approved or supported by VPD Management and the Board. As policing services did not stop and were not reduced during the pandemic, vacancy savings were not realized. This is a true budget cut on existing VPD service levels.

Scenario 2: Reverse 1% imposed reduction \$321,719,316

Scenario 2 represents a total of \$321,719,316, which is an increase of \$6,106,113 or a 1.9% from the restated 2020 budget. This would provide funding for fixed costs such as compensation for existing staff members, as outlined in scenario 1, as well as reverse the 1% city-staff imposed vacancy reduction. It does not include funding for new hires as recommended from Year 4 of the Operational Review or additional funding for the CPCs, or other initiatives listed in Scenario 3 below.

This scenario will allow the VPD to continue operations at status quo staffing levels (i.e.: "keep the lights on") and is VPD Management's recommendation to support this scenario, at a minimum, for the 2021 Operating Budget. Cognisant of the citywide financial pressures, while this scenario does not include any additional new hires, it does ensure that there is no service or staffing impact to the VPD's current operations. .

Scenario 3: Request for all VPD initiatives \$326,586,354

As part of the budgeting process, the VPD submitted various 2021 funding initiatives for Council approval. If the VPD could receive approval for items submitted in scenario 1, as well as all other funding initiatives submitted, the VPD's 2021 operating budget would be \$326,586,354, which is a net increase of \$10,973,151 or a 3.5% increase from the VPD's restated 2020 budget. In addition to the items outlined in scenario 1, the following are the remaining funding initiatives submitted to Council and ranked in priority by VPD Management:

1. Reverse 1% city-staff imposed budget reduction – increase \$3,143,668
This vacancy savings reduction was not approved or supported by VPD Management and the Board.

2. Year 4 Operational Review new hires – increase \$1,978,297
For 2021, per the recommendations of the Operational Review, an additional 20 sworn officers and 10 civilian members and related resources were scheduled to be hired.
3. Community Policing Centres (CPC) – increase \$350,000
There are 11 CPC's in Vancouver and nine of the 11 CPC's are operated, staffed, and governed by members of the community. Each year, CPC staff and volunteers are in contact with tens of thousands of citizens and work with some of the most vulnerable people. The CPCs require additional funding to provide various initiatives for crime prevention and addressing neighbourhood crime issues that are currently being impacted because of increased costs related to items such as a living wage rate to its employees and increases to rent. These examples are essentially eroding their ability to assist with community issues. The request is for \$350,000 that has been submitted for funding through the *Increase Focus on Equity and Critical Social Issues*, Council Priority, of which, \$200,000 of the request is ranked as first priority and is supported by city staff, such that if Council approves the funding related to this council priority, it may be funded. The remaining \$150,000 is ranked as second priority.
4. Provincial Digital Evidence Management (DEM) – estimate \$740,000
The British Columbia Public Safety and Justice System has developed a province-wide comprehensive and integrated digital evidence management and disclosure system that will enable evidence collection and management by police, disclosure and prosecution services, which is scheduled to be fully implemented in 2021.
5. Additional resources for social issues – increase of \$600,000
Since 2017, there has been an increase in demand for policing as result of social issues in areas such as the downtown eastside (DTES), and expanding into the North-half of Vancouver including Yaletown, Granville Street, and Strathcona Park.
6. Evolving Mandatory Training Standards – increase of \$750,000
Over the past 10 years, the mandatory training budget has not changed, considering policing has become more complex and members require relevant training to meet legislated new standards, emerging best practices, recommendations from Commissions of Inquiry, lessons learned from partnering agencies, new investigative techniques and technological advances, to name a few.
7. Jail Nursing Services – increase of \$448,741
The VPD manages the Vancouver Jail and all detainees upon entry require medical assessment, treatment, and assistance and are monitored until their release. The Board approved a new 3-year contract, effective September 1, 2020.

Excluded from each of the three scenarios are potential increases for expired collective agreements and 2021 benefit rate increases. The 2021 benefits budget is calculated using an estimated 2021 rate. At the time of this report, the City has funded a portion of benefits related to the increase number of staff and further discussion is required with City that when the 2021 benefit rates are released and if that results in an overall increase, the VPD will receive a mid-year budget adjustment in 2021. This practice is consistent with previous years. Likewise, all various collective agreements at the VPD expired on December 31, 2019 and if the collective agreements are settled, the associated dollar increase will be addressed with City staff in 2021.

VPD Specific Reserve

The City has a reserve policy that outlines the conditions required for creating and using funding from reserves. In 2013, the City created a VPD-specific reserve. Subject to the Police Board's and City's approval, the VPD can draw upon this reserve if the costs of policing an unforeseen major incident or large-scale event would cause the VPD to go into deficit for the year. This means that although the 2021 budget does not include a provision for these types of events, such as sporting event playoffs, or large protests, the risk is mitigated up to the total reserve amount, which is \$1,987,068.

In addition to major incidents or events, a portion of this VPD-specific reserve is also intended for up to \$253,000 of the costs to police the Granville Entertainment District. The City has committed that should the VPD be in an overall year-end deficit position, the deficit will be offset by up to \$253,000 from the VPD's reserve mentioned above.

Other Items

Although, the 2021 budget has increased, similarly to the past few years, there has been a minimal general inflation provision included for some expenditure budgets.

Additionally, as with prior years, the City does not allocate directly to the VPD's budget, City's share of the Provincial traffic fine revenues under the Traffic Fine Revenue Sharing program, which is a Provincial program to assist municipalities in ensuring community safety and addressing community specific strategic priorities. Revenues are generated from issuing various traffic violation and red light camera tickets.

The nature of policing is largely reactive. Situations can occur in the community that may negatively affect budgeted line items. Items such as the Criminal Investigation Fund (CIF), an allocation specifically for crime investigations and the related overtime, as well as addressing the impacts of the COVID-19 pandemic, and increase in street disorder related calls from the public.

Management will continue to prioritise available funding to maximize efficiencies and work with our partners at the City and other partnering agencies to address unforeseen or emerging items.

2022-2026 Outlook

As the nature of policing is highly reactive, and continues to expand, the VPD will continue to be cognisant of the emerging challenges and increasing complexity in the community and policing.

There are many factors that can change the policing climate such as, technological advances, changes in investigative standards and to the criminal code, decisions by other levels of government and Commissions of Inquiry, as well as the potential review of policing in British Columbia can affect how the VPD uses its resources and how it adapts to change. While the VPD must be flexible to the potential changes in policing, VPD staff must continue to address hate crimes, cybercrime, new illicit drugs, social issues such as the downtown eastside and encampments, the web of international organized crime and gang activities continue to necessitate additional resources, and increasing deployments for large events, protests, and demonstrations.

Subject to approved funding in 2021, by the end of 2023, the VPD is striving towards an increased workforce of an additional 120 police officers and 52 civilian members as a result of

the recommendations from the 2017 Operational Review, which will assist with overall employee wellness, as members experience high physical and mental demands. The VPD will continue to expand upon its employee wellness initiatives through its Employee Wellness Unit and Committee.

Surrey City Council is currently in the process to establish a Surrey municipal police department. Effective policing in the region is highly dependent on collaboration and cooperation across municipal jurisdictions and police departments. While the creation of another large urban municipal department in the Lower Mainland has significant implications for the entire region, it may also present opportunities for additional collaboration to further the public safety interests of Vancouver residents.

The below table provides the projected annual budget increase for the next 5 years based on each scenario. The VPD's budget is averaging a projected increase of approximately 3.0% from 2022-2026 to account for estimated salary and benefit cost increases related to the Operational Review, attrition, and potential future collective agreement wage increases.

Total Net Budget (in millions)

Scenario	2020	2021	2022	2023	2024	2025	2026
1		\$318.6	\$330.3	\$342.6	\$352.3	\$360.6	\$370.7
2		\$321.4	\$333.2	\$345.5	\$355.2	\$363.6	\$373.7
3	<u>\$315.6</u>	\$326.6	\$338.4	\$350.7	\$360.4	\$368.8	\$379.0

% increase

Scenario	2020	2021	2022	2023	2024	2025	2026
1		0.9%	3.7%	3.7%	2.8%	2.4%	2.8%
2		1.9%	3.7%	3.7%	2.8%	2.4%	2.8%
3		3.5%	3.6%	3.6%	2.8%	2.3%	2.8%

CONCLUSION:

The VPD's 2021 operating budget ranges from \$318,575,648 to \$326,586,354, subject to approval by the Board and City Council. VPD Management's recommendation is to support an Operating Budget of at least \$321,719,316 (scenario 2) to ensure that existing staff and service levels are not impacted. Management is constantly reviewing priorities to meet service demands, and will take necessary actions to work within the budget allotment.

Author: Melissa Lee Telephone: [REDACTED] Date: Nov. 12, 2020

Submitting Executive Member: Nancy Eng

(signature)

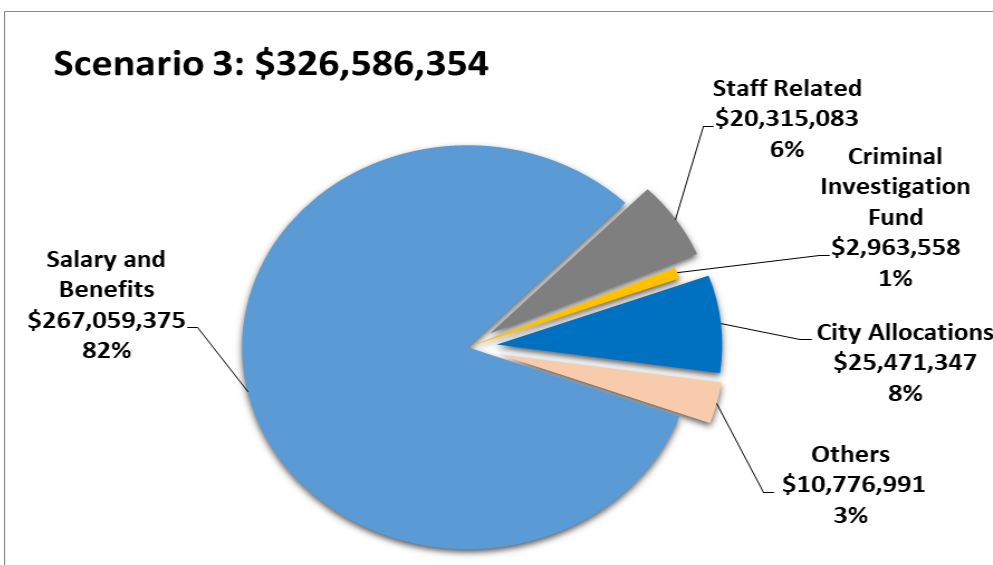
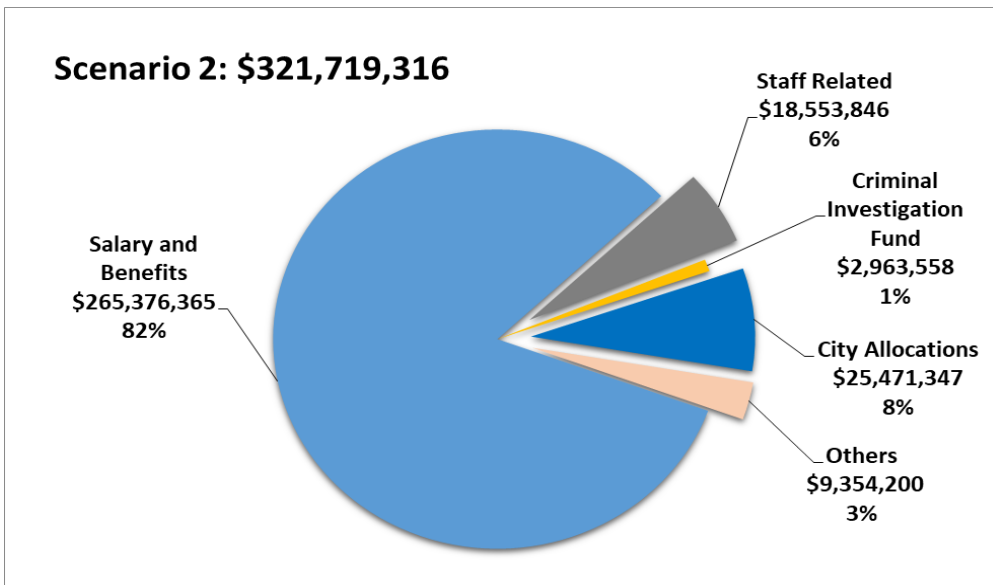
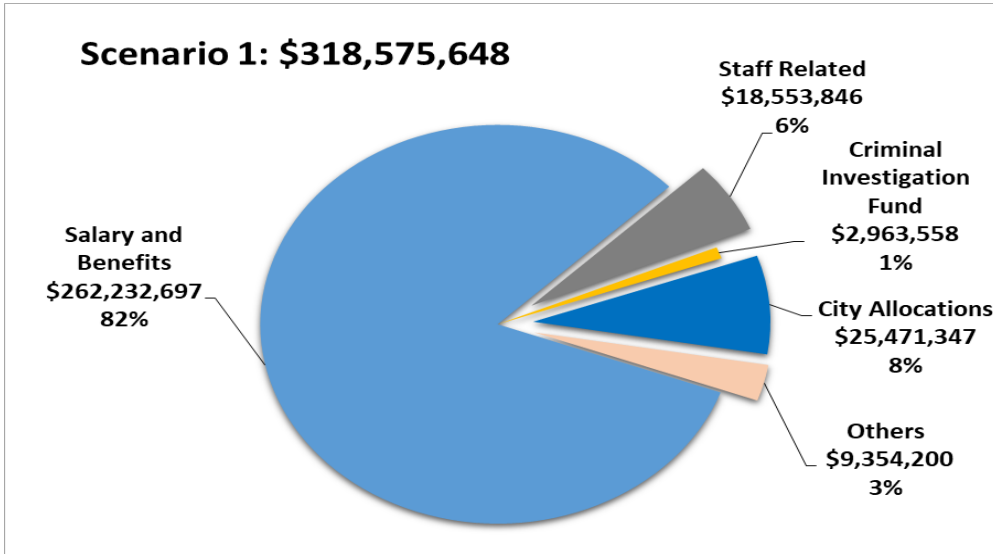
Date: November 12, 2020

**Vancouver Police Department
2021 Budget Summary
in millions (\$'000s)**

	\$ Change	\$ Cumulative Change	2021 Budget	% Change	% Property Tax Increase
2020 Restated Budget, estimate			<u>\$315.61</u>		
Items supported by City staff					
Sworn and Civilian salaries, and benefits	\$2.55				
Year 3 - Operational Review annualized salaries & other costs	\$2.20				
Fleet & Fuel, insurance, rent, cost allocations	\$1.36				
1% Vacancy savings - city wide imposed reduction	(\$3.14)				
Scenario 1: VPD's current 2021 budget supported by City staff	<u>\$2.96</u>	<u>\$2.96</u>	<u>\$318.58</u>	0.9%	0.35%
Reverse Imposed reduction					
1) Reverse City imposed reduction	\$3.14				
Scenario 2: 2021 minimum budget required for day to day operations	<u>\$3.14</u>	<u>\$6.11</u>	<u>\$321.72</u>	1.9%	0.72%
Other Initiatives - prioritized ranking by VPD Management:					
2) Year 4 Operational Review new hires	\$1.98	\$8.08	\$323.70	0.6%	
3) Community Policing Centres	\$0.35	\$8.43	\$324.05	0.1%	
4) Provincial Digital Evidence Management	\$0.74	\$10.52	\$326.14	0.2%	
5) Additional resources for social issues	\$0.60	\$9.03	\$324.65	0.2%	
6) Evolving Mandatory Training Standards	\$0.75	\$9.78	\$325.40	0.2%	
7) Jail Nursing Services - contractual increase	\$0.45	\$10.97	\$326.59	0.1%	
Total Other Initiatives	<u>\$4.87</u>	<u>\$10.97</u>	<u>\$326.59</u>		
Scenario 3: 2021 Operating Budget, inclusive of all initiatives		<u>\$10.97</u>	<u>\$326.59</u>	3.5%	1.29%

**Vancouver Police Department
2021 Operating Budget**

	2021 Budget			2020 Budget	\$ Change		
	Scenario 1	Scenario 2	Scenario 3		Scenario 1	Scenario 2	Scenario 3
RECOVERIES							
Program Fees	\$ (2,081,000)	\$ (2,081,000)	\$ (2,081,000)	\$ (2,081,000)	\$ -	\$ -	\$ -
Parking	(155,300)	(155,300)	(155,300)	(155,300)			0
Cost Recoveries, Grants & Donation	(22,078,594)	(22,078,594)	(22,078,594)	(22,544,733)	466,139	466,139	466,139
Other Recoveries	(207,100)	(207,100)	(207,100)	(207,100)			0
TOTAL RECOVERIES	\$ (24,521,994)	\$ (24,521,994)	\$ (24,521,994)	\$ (24,988,133)	\$ 466,139	\$ 466,139	\$ 466,139
EXPENDITURES							
Salaries & Benefits	\$ 283,535,891	\$ 286,679,559	\$ 288,362,569	\$ 282,689,137	\$ 846,754	\$ 3,990,422	\$ 5,673,432
Building Occupancy & Maintenance	2,500,853	2,500,853	2,695,053	2,526,494	(25,641)	(25,641)	168,559
Professional Fees	3,622,431	3,622,431	4,154,522	3,622,431			532,091
Equipment & Fleet	15,748,663	15,748,663	16,716,000	15,152,186	596,477	596,477	1,563,814
Other Expenses	8,973,494	8,973,494	10,136,094	8,770,409	203,085	203,085	1,365,685
Supplies & Materials	3,566,044	3,566,044	3,574,944	3,451,747	114,297	114,297	123,197
City Allocations	25,471,347	25,471,347	25,471,347	24,710,012	761,335	761,335	761,335
TOTAL EXPENDITURES	\$ 343,418,723	\$ 346,562,391	\$ 351,110,529	\$ 340,922,417	\$ 2,496,306	\$ 5,639,974	\$ 10,188,112
TRANSFERS							
Transfers to Reserves	\$ 126,910	\$ 126,910	\$ 126,910	\$ 126,910	\$ -	\$ -	\$ -
Transfers from Reserves	(447,990)	(447,990)	(129,090)	(447,990)			318,900
TOTAL TRANSFERS	\$ (321,080)	\$ (321,080)	\$ (2,180)	\$ (321,080)	\$ -	\$ -	\$ 318,900
TOTAL BUDGET, net	\$ 318,575,648	\$ 321,719,316	\$ 326,586,354	\$ 315,613,203	\$ 2,962,445	\$ 6,106,113	\$ 10,973,151



Staff related costs include:

- Fleet
- Equipment
- Uniform, Drycleaning, Firearm/Ammunition
- Travel and training

Other costs include:

- Community Police Centres
- Jail Nursing Services
- Facility Rents
- Contracts, Consultant
- Computer, various miscellaneous & supplies
- All other budget line items

City Allocations include:

- Building cost allocation
- IT support allocation
- 311 Cost allocation
- ECOMM allocation
- Radio maintenance