

**HAMILTON POLICE SERVICES BOARD**

Board Members

Nancy DiGregorio, Chair
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12 April, 2011

Office of the City Clerk
City Hall
71 Main Street West, First Floor
Hamilton, Ontario L8P 4Y5

**Attention: Rose Caterini
City Clerk**

Re: 2011 Police Budget

At its meeting of March 28, 2011, the City of Hamilton General Issues Committee resolved that the 2011 Hamilton Police Service Budget be referred back to the Police Services Board requesting further consideration to meet the City's target. Upon review of council's request, the Board can advise as follows:

The Hamilton Police Service's 2011 Budget was approved by the Police Services Board at its meeting of January 19, 2011 and was presented to the General Issues Committee on February 25, 2011. The 2011 Budget of \$130,752,220 represents a 4.97% or \$6.1 million increase over the 2010 Budget. As you are aware, the primary budget pressures for 2011 include salary and benefits enhancements related to the settlement of the collective bargaining process (\$3.5 Million, or 2.84%), the OMERS 1% pension contribution rate increase (\$1.2 Million, or 0.99%), and recommended staffing increases resulting from the Chief's restructuring review of the organization (\$0.7 Million, or 0.57%), and increases in other expenditures such as fuel and insurance (\$0.7 Million, or 0.57%).

The Hamilton Police Service's 2011 Budget process began in the early stages of 2010 with the Chief and Deputy Chiefs working with the management team to assess organizational priorities and to develop a budget to meet those priorities. The process of developing and deliberating the budget included a number of layers of review from the Divisional level up to the Chief. This review resulted in more than \$500,000 in budget reductions from the original 2011 budget submissions.

After the Chief's final approval, the budget was presented to the Police Services Board where it was debated and approved. Upon the Board's approval of the budget, the Chief engaged in a consultative process with the community by holding several town hall meetings.

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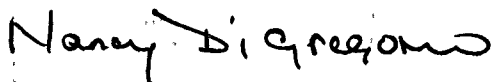
From the Board's point of view, the cost of policing is an ongoing issue, not an issue that is dealt with just once a year. Accordingly, the Board has a strong commitment to ensuring the delivery of sustainable police budgets. This commitment is demonstrated by the consistency of the Police levy as a percentage of the total City budget over the past eight years. In 2003, the Police levy was 18.54% of the total City levy while comparatively, in 2010, the Police levy represented 18.51% of the total City levy. Over the period of 2003 to 2010, the Police levy ranged between 18.43% and 18.65% of the total City levy. This consistency speaks to the importance that the Board, the Chief, and staff, place on delivering fiscally responsible budgets.

The Hamilton Police Services Board takes its governance role, including the oversight of the Police budget, very seriously. Section 31(1)(b) of the *Police Services Act* states that a board is responsible for the provision of adequate and effective police services in the municipality and shall generally determine, after consultation with the chief of police, objectives and priorities with respect to police services in the municipality. Notwithstanding this important governance role, section 31(4) of the Act is clear that the board shall not direct the chief of police with respect to specific operational decisions or with respect to the day-to-day operation of the police service. It is in the context of this statutory framework that the board and the chief of police work collaboratively to establish a fiscally responsible budget estimate.

Members of the Hamilton Police Services Board met on Friday, April 8 and, upon due consideration, the Board unanimously stands by its recommendation for a 4.97% budget increase in 2011 as presented by Chief De Caire to the General Issues Committee at its meeting of February 25, 2011. As a result of a thorough review process, it is the opinion of the Board that the 2011 Budget addresses the statutory requirements set out in section 4 of the *Police Services Act* for the provision of adequate and effective police services in the City of Hamilton.

As you know, the budget process is outlined in section 39 of the *Police Services Act*. Upon reviewing the budget estimates, the municipal council shall establish the overall budget and council is not bound to adopt the estimates submitted by the Board [section 39(3)]. However, if the Board is not satisfied that the budget established for it by council is sufficient to maintain an adequate number of police officers or other employees of the police service or to provide the police service with adequate equipment and facilities, the board may request that the Ontario Civilian Police Commission (O.C.P.C) determine the question after a hearing [section 39(5)]. The Hamilton Police Services Board is committed to the maintenance of public safety through the delivery of the highest quality of policing services while maintaining financial stability and accountability.

Yours very truly,



Nancy DiGregorio, Chair
Hamilton Police Services Board

cc. Members, Hamilton Police Services Board
Chief Glenn DeCaire