

MEMORANDUM FOR CITY COUNCIL



ISC: Unclassified

SUBJECT:	RESPONSE TO NOTICE OF MOTION EC2024-1138 (ASSESSING THE EFFICIENCY AND FINANCING REQUIREMENTS OF THE POLICE SERVICE: THE COMMUNITY SAFETY INVESTMENT FRAMEWORK AND THE CALGARY POLICE SERVICE'S PROPOSED SHOOTING RANGE)
DATE:	NOVEMBER 14, 2024
PURPOSE:	FOR INFORMATION
REVIEWED/APPROVED BY:	SHAWN CORNETT, COMMISSION CHAIR

REASON FOR THIS MEMORANDUM

On October 30, 2024, Council passed a motion directing that the City of Calgary Administration:

1. Request the Calgary Police Commission, with support from City Administration, to provide a report to Community Development Committee, to be scheduled at the Call of the Chair prior to 2024 Mid-Cycle Budget Adjustments, in collaboration with the Calgary Police Commission and the Chair of Community Development Committee on:
 - a. A report accounting for funding allocations, or unallocated carry-over, for the Community Investment Framework, aggregated by year for 2021, 2022, 2023, 2024, and future allocations committed in 2025, and 2026 from both the City of Calgary and the Calgary Police Service;
 - b. The status and quality of the 2023 estimate for the Calgary Police Service's proposed \$10 Million Shooting Range, as submitted in the 2023 Calgary Police Service capital budget request; and
 - c. An updated estimate that accounts for the 130% increase in capital costs for the Calgary Police Service's proposed Shooting Range;
2. Present and prepare the Calgary Police Service's operating and capital budget as a separate and distinct discussion after the lunch break on November 19 during the Mid Cycle Adjustments deliberations;
3. Send a letter to Calgary Police Commission requesting the Calgary Police Commission consider, in the preparation of their budget submission to Council, contributing \$8 Million - the base CSIF contribution from the CPS budget - to the

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City of Calgary for use in the Community Safety Investment Framework, resulting in a \$16 Million base budget for the Community Safety Investment Framework to be fully administered by City of Calgary, as was originally proposed by the Calgary Police Service upon the initial development of the Community Safety Investment Framework in their 2020 budget submission to Calgary City Council;

4. Review, update, and report to Community Development Committee in Q2 2025 the Terms of Reference and governance framework of the Community Safety Investment Framework to better reflect the principles of anti-racism and community based preventative care to ensure that CSIF dollars are more appropriately allocated to ensure the safety of Indigenous, Black, and Diverse Racialized Calgarians, as was originally intended in The City of Calgary and the Calgary Police Service’s commitment to dismantling systemic racism; and
5. Request the Police Commission to report to Community Development Committee in Q1 2025 with an update on the status of the Wittman Report recommendations “accepted in principle,” while providing updated use of force statistics over the last 5 years that incorporates disaggregated race-based data, use of lethal force, and use of less-than-lethal force.

The Calgary Police Commission sent a letter to Council on November 4, 2024, (included in this document as Attachment 1) advising that the Commission would respond to this motion in writing. This memorandum is the promised written response.

AGGREGATED COMMUNITY SAFETY INVESTMENT FRAMEWORK (CSIF) FUNDING

The Commission has obtained the following information from the Calgary Police Service (CPS) and the City of Calgary Administration around CSIF funding allocations:

Calgary Police Service CSIF Budget

YEAR	ANNUAL BUDGET	PRIOR YEAR CARRY-OVER	TOTAL BUDGET	SPENT/ COMMITTED*	VARIANCE
2021	\$8,000,000	\$0	\$8,000,000	\$3,505,190	\$4,494,810
2022	\$8,000,000	\$4,494,810	\$12,494,810	\$8,287,285	\$4,207,525
2023	\$8,000,000	\$4,000,000	\$12,000,000	\$10,645,589	\$1,354,411
2024	\$8,000,000	\$1,354,411	\$9,354,411	\$3,848,518	\$5,505,893
2025	\$8,000,000	N/A	\$8,000,000	\$3,848,518	\$4,151,482
2026	\$8,000,000	N/A	\$8,000,000	\$3,848,518	\$4,151,482

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City of Calgary Community Strategies CSIF Budget

YEAR	ANNUAL BUDGET	PRIOR YEAR CARRY-OVER	TOTAL BUDGET	SPENT/ COMMITTED*	VARIANCE
2021	\$8,000,000	\$0	\$8,000,000	\$5,896,277	\$2,103,723
2022	\$8,000,000	\$2,103,723	\$10,103,723	\$10,476,051	(\$372,328)
2023	\$8,000,000	(\$372,328)	\$7,627,672	\$8,113,168	(\$485,496)
2024	\$8,000,000	(\$485,496)	\$7,514,504	\$7,683,718	(\$169,214)
2025	\$8,000,000	(\$169,214)	\$7,830,786	\$6,477,196	\$1,353,590**
2026	\$8,000,000	\$1,353,590**	\$9,353,590	\$6,477,196	\$2,876,394**

* Spent refers to money in previous years while committed refers to current and future years

** This funding may still be committed in its original budget year

In 2021, the CPS funded 26 programs inside and outside the CPS to promote equity, racial justice, and better supports for Calgarians in crisis. The largest grants went towards:

- Doubling the number of Police and Crisis Teams (PACT) from six to twelve, providing 22 hour per day coverage, seven days a week. These teams pair a police officer with a mental health clinician to support people in crisis. The CSIF funding was used to fund the added mental health clinicians while the CPS funded the additional officers from its base budget.
- Adding five additional teams to the Alpha House Society's HELP Team to create more capacity to respond without the police to street-level substance use.
- Contracting civilian investigators in the CPS Professional Standards Section to enhance police accountability by clearing the backlog of investigations into alleged misconduct and improving timelines. In 2023, the CPS absorbed these investigators into its base budget.
- Expanding the Mobile Response Team (MRT), which provides police officers with 24/7 remote access to Alberta Health Services mental health professionals. The program allows officers at a crisis call to get mental healthcare and addiction advice specific to the person they are helping. A policy change was also made at the CPS to require frontline officers to call the MRT when they may potentially take someone into custody under the *Mental Health Act*, resulting in increased calls and a need for additional MRT staff.

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Many of the funded initiatives experienced delays in implementing their projects due to hiring and training challenges, so could not spend their funds by the end of 2021. To ensure these initiatives could continue despite the delays, the CPS carried over approximately \$4.5 million to allow these funded projects to continue into 2022.

In 2022, funding was continued to 21 projects and two new initiatives were added. The largest grants in that year were:

- Continuing the annual funding to PACT, MRT and the Alpha House HELP team.
- Funding for the Alexandra Community Health Centre to pilot a program where teams from their organization would attend non-emergency crisis calls.
- Funding the co-location of Distress Centre 211 call centre staff and Calgary 9-1-1 call centre staff. This change allows for non-emergency crisis calls to 9-1-1 to be seamlessly transferred to 211 crisis call takers, who can both de-escalate a crisis by phone and connect people with the community-based supports they need.

By mid-year, several of the initiatives were experiencing similar (or continued) implementation challenges as in the prior year. To ensure these initiatives could continue despite the delays, the CPS carried over \$4 million to allow these funded projects to continue into 2023.

In 2023, informed by learnings from the first two years of CSIF, CPS adjusted its approach to CSIF grants to focus on five initiatives with the entire \$12 million of CSIF funding (\$8 million in annual funding plus the \$4 million carry over):

- Mobile Response Team (MRT) received \$1.5 million
- PACT received \$0.1 million (which is significantly less than prior years after Alberta Health Services absorbed the cost of all but one mental health clinician)
- 211/9-1-1 co-location received \$0.9 million
- Alpha House HELP Team received \$1.9 million
- Launching ReachUp YYC received \$7.6 million

The pilot with the Alexandra Community Health Centre came to an end and was not continued as a permanent program. It achieved some of its desired goals and provided many important lessons for how a similar initiative could better succeed in the future.

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However, the initiative was not able to scale up as hoped and sustainably provide a city-wide response over the long term.

ReachUp YYC (initially known as the Real-Time Integrated Mental Health and Addiction Centre, or RIMHAC), was intended to be a facility where health services, social services, and justice partners would co-locate to provide a one-stop location where people in crisis could be taken to simultaneously be connected with all the supports they require.

As the project grew and partners were consulted, the facility concept evolved into being a short-term stabilization facility where wrap-around supports would be provided to people in crisis. Overnight housing was going to be provided for people whose needs are too complex for existing shelters but not high enough to warrant hospital admission or admission to another facility. Conversations were also occurring around whether the facility could be a place where people who are unhoused could be discharged to from emergency rooms in cases where a person would normally be sent home.

The facility would have filled a significant need and, as such, the City of Calgary contributed \$1 million of additional one-time funding over two years through the Mental Health and Addiction Strategy for the CPS to lead the launch of ReachUp YYC.

The 2023 budget for the ReachUp YYC implementation was \$8.1 million, \$0.5 million of which was to come from the City's one-time funding and \$7.6 million of which was to come from CSIF. The rest was to be provided out of the CPS base budget. Due to the complexity of the project and difficulty securing a suitable facility, the bulk of the funding was not spent in 2023.

The Commission initially asked Council to approve a \$7.5 million CSIF carry over from 2023 to 2024 for ReachUp YYC. However, it was then decided to instead only request that \$1.35 million be carried over, with the rest of the unspent CSIF funds being provided to community organizations through an open call for funding applications.

The following organizations were provided one-time funding until the end of 2025:

- Carya Society of Calgary for the Older Adult Crisis Stabilization Outreach Team. The team provides older adults with complex needs that are experiencing homelessness, and mental health and addictions challenges with supports that allow them to transition to appropriate housing with wrap-around services.
- Centre for Suicide Prevention for Suicide Respite Care that diverts those in a suicide crisis from hospital and provides timely, accessible, person-centred care.

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- Immigrant Outreach Society for Immigrant Outreach Crisis Response, providing East African refugees with complex mental health and psychological challenges with a trauma-informed and culturally appropriate crisis response.
- Kindred Connections Society for Community Connect YYC, providing access to mental health and counselling supports to those experiencing crisis, including case management.
- The Children's Cottage Society of Calgary for Heartstrings Family Mental Health Crisis Support, providing parents experiencing a mental health crisis with timely support designed to meet the needs of the individual and family members.

In 2024, the CPS has continued the same approach of funding core initiatives, with the addition of an Indigenous Navigator in the CPS Missing Persons Unit to help the police better support and work with families of missing Indigenous community members.

The remaining funds (\$5.5 million) were set aside to continue launching ReachUp YYC.

As the ReachUp YYC concept evolved, the CPS was asked by partners to be the backbone agency responsible for running the facility – even though the services being proposed were moving farther and farther away from the mandate and expertise of the police. At the same time, a provincially funded and operated Navigation Centre was opened in Edmonton where social and government agencies co-located to provide supports and some short-term stabilization for people in crisis due to homelessness.

By the end of February 2024, the Commission had become increasingly uncomfortable with the CPS being the backbone agency tasked with opening and leading ReachUp YYC. While the Commission firmly supported the initiative and the need for the police to be partners in the facility, the Commission decided to withdraw the CPS as the lead agency and asked both the City of Calgary and Government of Alberta to consider taking over, because they have the appropriate mandates and expertise.

The Government of Alberta responded to the Commission's request by committing to open a Navigation Centre in downtown Calgary, completely funded and operated by the province. While the Navigation Centre does not provide all the same services envisioned for ReachUp YYC, it has met the need to have a one-stop location where people in crisis due to homelessness can go to be connected to all the various supports they require.

The CPS participated in an open call for grant applications mid-year 2024 to find other community initiatives to support using the CSIF funds no longer needed for ReachUp

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YYC. During the application process, it became clear that the CPS would not have the capital funding to complete the needed indoor firearms range. It also became clear that Council expected all City of Calgary services to remain within their previously approved budgets for 2025. Given other pressures on the police budget, the CPS determined that some unallocated CSIF funding may have to be reallocated to the higher-priority need.

Approximately \$5.5 million of the 2024 CSIF funding was held back at that point so that the Commission and Council could consider whether this reallocation is necessary.

Looking forward, approximately half (\$3.85 million) of the CSIF funding for 2025 and 2026 is already committed to five initiatives:

- MRT
- PACT
- 211/9-1-1 co-location (through the Distress Centre Calgary)
- Alpha House HELP Team
- CPS Missing Persons Indigenous Navigator

TRANSFERRING CSIF FUNDING TO THE CITY OF CALGARY

The Commission has received Council's request that the annual \$8 million of CSIF funding in the police budget for 2025 and 2026 be transferred to the City of Calgary. After considering all the factors, the Commission does not support reducing the police base operating budget by \$8 million per year so that the City of Calgary can administer all \$16 million of CSIF funding.

It is important that the CPS maintain the ability to make targeted investments into partnerships that will directly change how the police interact with marginalized members of the community. The CPS has the expertise and operational knowledge to know where targeted investments and partnerships are possible to best meet this goal.

Additionally, approximately half of the CPS' CSIF funding for 2025 and 2026 has already been committed, and the Commission is confident that the CPS can distribute any remaining funding into the community moving forward.

2023 CAPITAL ESTIMATE FOR NEW INDOOR FIREARMS RANGE

The CPS followed the City of Calgary's capital budgeting and procurement process to develop the 2023 Class 5 Estimate for the needed new indoor firearms range. The City

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defines a Class 5 (Rough Order of Magnitude) Estimate as being accurate to within minus 50 per cent and plus 100 per cent.

There are very few recently built comparators for the facility that the CPS needs. Some other police services in Canada have built new larger training facilities that included indoor ranges. Private ranges have also been built, but they were not designed to meet the training needs of law enforcement.

To ensure that no potential service provider has an unfair advantage in the City of Calgary procurement process, the CPS was also restricted from consulting any firms with expertise in building ranges until after the project was approved and requests for proposals could be issued.

Due to these challenges, the \$10 million estimate was based on the estimated capital replacement cost of the existing range, with some additional funds added for anticipated new safety measures based on the limited comparator information available.

The original estimate, like many other City of Calgary capital projects, also did not anticipate the sustained and substantial inflation that occurred following the end of the COVID-19 pandemic.

UPDATED CAPITAL ESTIMATE FOR NEW INDOOR FIREARMS RANGE

Following the Commission and Council approving the indoor firearms range as a capital project for the 2023-2026 budget cycle, a team was formed that includes facilities and procurement staff from both the CPS and City of Calgary. External engineering, architecture, range design, and construction costing firms could also be procured to design and more accurately cost the new facility.

The design and costing process has produced a \$23 million Class 4 Estimate, which the City of Calgary defines as being accurate to within minus 30 percent and plus 50 per cent. However, the costing consultant believes that estimate is actually accurate within plus or minus 20 per cent.

The main sources of the cost increase are:

- A need for more effective lead mitigation (HVAC) and sound attenuation to improve occupant safety and lengthen the time people can train in the facility
- Inflation of materials and services required to build the facility since the pandemic

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- The addition of a contingency fund in line with City of Calgary standards
- Design adjustments to meet the National Energy Code for Buildings (NECB) and City of Calgary Climate Mitigation and Sustainability Standards
- Being allowed to procure expert consultants to provide more accurate costing

The next phase of the project is the Design RFP Evaluation, which will further refine the design and costing and prepare the project for the construction procurement phase. As the project progresses to more detailed specifications, the costing will be further refined. The current budget request of \$23 million is based on the recent feasibility study, which includes costs based on technical specifications and preliminary drawings.

As the project team continues to work through the details, confidence levels in the current \$23 million estimate continue to increase (± 20 per cent). The current design phase is anticipated to conclude in early 2025 and will result in a Class 2 or Class 3 Estimate, with a potential completion of construction by early 2027.

DECISION TO USE CSIF FUNDS FOR THE NEEDED INDOOR FIREARMS RANGE

In the attached budget submission (Attachment 2), the Commission detailed its rationale for proposing that some of the shortfall in the CPS capital budget be covered using CSIF funds. However, given the subject matter of this Council inquiry, it is being included in this report as well.

In the Commission's 2024 Community Perception Survey, 61 per cent of respondents did not believe that the CPS is adequately staffed. Hiring more police officers and having a more visible police presence were the top suggestion for what the CPS could do to make Calgarians feel safer.

At the same time, 36 per cent of respondents did not believe officers respond in a fair way to all segments of the community and 32 per cent did not believe the CPS handles incidents involving people in crisis effectively. Improving community partnerships and outreach was the second highest suggestion for what the CPS could do to make Calgarians feel safer.

The Commission and the CPS remain strongly committed to the goals that CSIF was created to achieve. Because of this commitment, the police budget was reviewed multiple times to try find other options to fund the \$13 million of additional capital funding required to build the needed indoor firearms range.

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When breaking down the police operating budget, approximately 84 per cent of it goes to salaries and wages (including overtime and callout needs). Approximately 6 per cent goes to operating police facilities and vehicles. Approximately 3 per cent goes towards basic equipment for officers. Significantly reducing the budget of these items will reduce the level of policing services that the public receives.

After covering these expenses, only around 7 per cent (\$41 million) of the operating budget is left for contracted services (including external employee psychological care and photo radar contractors), communication expenses (including cell phones and radios), and other business expenses. When the approximately \$13 million shortfall in estimated fine revenue is factored in, there is only around \$28 million left for these important budget line items. Creating \$13 million in savings in these areas to cover the capital shortfall would also significantly impact employee wellness and service delivery, and is not feasible due to contractual obligations already agreed to by the CPS.

A review of the police capital budget was also conducted (as reported in the letter included as Attachment 3). Pushing off or cancelling other scheduled work to reallocate capital funds would either risk incurring significantly higher capital costs later or risk unacceptable interruptions to police operations. This was emphasized in the 2020 CPS Service Optimization Review – Infrastructure Capital Planning and Management Report.

The CPS has also considered options around doubling training staff at the existing range to allow the facility to be used for more hours, as well as renting range time from private facilities. Increasing training staff would still not provide enough added capacity to meet the CPS' recruiting needs and the increased training requirements for existing officers (including training on less lethal options). Renting range time at a private facility was determined not to be feasible as many of these facilities are not built with the functionality that the CPS requires, do not meet the required health and safety standards, do not have enough available time to accommodate the CPS, and would be cost-prohibitive to lease.

The Commission would likely have requested additional capital funding from Council instead of trying to find the funds within the police budget had there not been instructions from Council through City Administration that all municipal budgets were to stay within previously approved increases.

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The decision to reallocate CSIF funds to build the indoor firearms range was not made lightly. It was the result of the Commission having to choose between two of Calgary's top priorities due to the fiscal pressures on both the CPS and the City of Calgary. The other options considered, including not building a new indoor firearms range, would create higher capital funding needs in the future or would impact employee wellness and service levels at a time when Calgarians are asking for more from the police.

WITTMANN RECOMMENDATIONS STATUS

Council's request that the Commission report to the Community Development Committee on the status of recommendations made through the 2018 Independent Use of Force Review (known as the Wittmann Report) has been received.

As you know, the Commission already publicly appears before Council twice annually – once to report on the work of the CPS and once to report on the governance provided by the Commission. The Commission also, when requested, appears publicly before both the Audit Committee and at Council's annual budget hearings, as well as for quarterly in-camera discussions about governance matters of mutual interest.

The Commission is committed to working with Council and maintaining open lines of communication. However, the Commission also strongly believes that meetings with Council must respect the separation of responsibilities outlined in *Alberta's Police Act*.

Section 29(2) of the *Police Act* gives Council the authority, "in developing a budget" to "obtain any information from the Commission that may be necessary to enable it to assess the efficiency and the financing requirements of the police service." This is followed by Section 31(5)(a) that prevents Council from performing "any function or exercis[ing] any power...that the Commission is empowered to perform or exercise."

The introductory "whereas" statements included in the Notice of Motion addressed by this report and the requested information on the Wittmann Report, use of force, and disaggregated race-based data, do not seem to relate to an assessment of the efficiency or financial needs of the CPS, but rather to the oversight of police priorities and policies.

Given that Section 31 of the *Police Act* gives the Commission responsibility for overseeing the priorities and policies of the police, the Commission believes that the request to provide a report on this topic must be respectfully declined.

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The Commission and the CPS are both committed to seeing the Wittmann Report recommendations through. Ensuring appropriate use of force, improving de-escalation and crisis response approaches, and ensuring all Calgarians are equitably served by the police have been key focuses of the Commission's work over the past several years.

The Wittmann Report and subsequent updates have been made public to ensure transparency. The most significant implementation report was in 2020, followed by an update in 2022 (which was made public for this report). The last update explained that of the 65 recommendations, 56 were implemented, four were in progress, and five were inactive. Those reports are available at:

- Original Reports: www.calgary.ca/cps/use-of-force-review.html
- 2020 Update: www.calgarypolicecommission.ca/wp-content/uploads/2020/10/Oct-2020-CPC-4.2-CPS-Response-to-Wittmann-Report-3.pdf
- 2022 Update: www.calgarypolicecommission.ca/wp-content/uploads/2022/02/Feb-2022-GP-5.3-2022-Wittmann-Update-for-CPC-Final.pdf

The Commission is expecting another update in early 2025 that will provide information on any further progress made on the remaining nine recommendations that have not been fully implemented.

Use of force reports and race-based data are also publicly available on the CPS Community Accountability website at www.calgary.ca/cps/public-services/community-accountability.html. The CPS has only recently started collecting race-based data and just released an analysis of the race-based use of force data it has for 2022 and 2023. It is worth noting that the CPS is the only agency in Alberta that has committed to collect and publicly release this data annually.

While the Commission acknowledges that the response to this inquiry is not being provided in the format requested, it is hoped the information we have shared provides the background Council needs on all of the topics listed in the motion.

The Commission looks forward to answering any further questions from Council at the scheduled November 19 budget hearing.

ATTACHMENT 1



Office of the Councillors
The City of Calgary
P.O. Box 2100, Station M
Calgary, AB T2P 2M5

November 4, 2024

RE: Request to Appear at the November 13 CDC Meeting

Dear Mayor Gondek and Council,

Our Commission has received your request that we appear before the Community Development Committee prior to the 2024 mid-cycle budget adjustment to report on the allocation of Community Safety Investment Framework (CSIF) funding and the needed Calgary Police Service indoor firearms range.

We are committed to providing Council with the information you need to assess the efficiency and financing requirements of the Calgary Police Service. The information requested will be provided to Council in writing as soon as possible, and we will absolutely ensure that it is received in advance of the budget adjustment meetings.

As you are aware, our Commission is already scheduled to appear before Council on November 19, 2024, to publicly answer any questions you have regarding the overall police budget. We would be happy to discuss any remaining questions about either CSIF or the new police facility at that time. We respectfully must decline your request to also appear before the Community Development Committee to discuss the police budget the week prior. The timelines to schedule this and provide the required reports are too tight and we believe we can adequately provide the information requested through a written submission and our November 19 appearance.

Our Commission completely understands Council's concern over the proposal to use CSIF funding to complete the construction of an indoor firearms range. This is a decision that we have struggled with immensely over the past several months, and we have continued to assess and re-assess line items in the police budget to try find other options.

You will see in your budget packages later this week that our Commission is bringing forward another \$3.5 million from the police budget that could be reallocated to the indoor range instead of CSIF funding. We also continue to be very open to working with Council if there is additional capital funding available.

We look forward to discussing this matter further with you later this month.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Cornett".

Shawn Cornett, Chair
On behalf of the Calgary Police Commission

cc: City of Calgary Executive Leadership Team and Chief Constable Mark Neufeld

ATTACHMENT 2



Les Tochor
Acting Chief Financial Officer, City of Calgary
P.O. Box 2100, Station M.
Calgary, AB T2P 2M5

November 5, 2024

Dear Mr. Tochor,

Following our initial 2025 budget adjustment request, our Commission has continued to look for additional funding within the police budget that could help fund the cost escalation of building a new indoor firearms range needed by the Calgary Police Service (CPS). We wish to replace our initial request, submitted to Carla Male on September 4, 2024, with this new package.

Our Commission understands and supports Council's desire, as outlined to us in a July memo from Carla Male, that 2025 budget adjustments not increase municipal taxes beyond what was approved as part of the four-year budget cycle. In support of this direction, we have worked diligently with the Service to manage unexpected costs and significantly lower than expected fine revenue within the existing budget.

While the Service has been working with the OneCalgary team to bring forward the required budgetary changes, this letter serves as background for some key items.

Requested 2025 Budget Adjustments

1. While we are not asking for additional base funding from Council, we do require Council's approval for the following self-funded items:
 - Adjustments to the Service's FTE numbers to reflect new positions funded by provincial grants and municipal partnerships.
 - Adjustments to the overall police budget to reflect new provincial grants provided for 50 more police officers and to help better address gun violence and organized crime.
 - Withdrawals from the Service's capital reserves to replace vehicles and equipment.
2. We are requesting that an error from the 2023 to 2026 budgeting process be corrected by approving a one-time increase of \$1.6 million to the Services 2025 operating budget.
3. Finally, we are requesting Council's approval to increase the capital budget by \$13.0 million to cover the cost escalation of building a new indoor firearms range through the following funding sources:
 - The CPS Red Light Camera Capital Reserve:
This reserve was created to support the red light camera program and other CPS infrastructure. Council is being asked to approve a one-time withdrawal and reallocation of \$2.5 million.



- The CPS 2024 Residual Contributed Surplus:
This surplus will return to the City of Calgary unless Council approves allocating it to CPS capital or operating reserves for a future purpose. The 2024 surplus is anticipated to be around \$1.0 million but will not be finalized until year end.
- Any additional capital funding that Council wishes to provide:
The Service has worked with City Administration to be included for consideration in the Capital Escalation Fund. Any funding provided by Council would reduce the burden on the final proposed source of funding.
- Remainder from unallocated CPS Community Safety Investment Framework (CSIF) funding:
Any remaining funding needed after the first three sources are finalized would be provided from unallocated CSIF funds. This is currently anticipated to be \$9.5 million but could be up to \$10.5 million depending on the final 2024 surplus. It could also be less if Council is able to provide additional capital funding.

Indoor Firearms Range Capital Increase

The previously approved high-priority new indoor firearms range will be \$13 million more than originally budgeted. The original cost was based on a Class 5 Rough Order of Magnitude estimate. Now that the project has proceeded to the design phase, the estimate was revised and updated accordingly – like other City of Calgary capital infrastructure projects.

The current indoor firearms range used by the Service is past its lifecycle and no longer meets operational training demands. The HVAC systems and noise abatement measures use dated technologies, meaning firearms instructors, range supervisors, officers, and trainees are limited to a maximum of four hours of use per day to meet required occupational health and safety standards around preventing hearing damage and lead exposure.

Compounding the impact of these time limits is the growing demand on the range. Every officer must complete a firearms proficiency qualification twice per year, and the Service has grown by over 57 per cent since the existing range was built. The breadth of training required by officers has also expanded, putting further pressure on capacity.

The time and space limitations of the existing range have created a bottleneck that is limiting the Service's ability to maintain a fully staffed front line, which will only become worse as more positions are added in the future. It limits both new recruit training and the retraining of officers returning to work after long leaves of absence (i.e., injury recovery, medical leave, and parental leave).

Our Commission and the Service thoroughly reviewed the police budget multiple times to find funding that could be used to cover the shortfall in the capital budget. We initially proposed that the entire shortfall be covered using unallocated CSIF funding. However, continued reviews of the police budget have identified additional funding, as specified above, that could be used to minimize the amount of CSIF funds required.



Unallocated CSIF funding was identified as an option in part because a large portion of the CSIF funding in the 2023-2026 budget was earmarked for ReachUp YYC – a facility where people requiring supports due to addiction, poor mental health and/or homelessness can be connected with everything they need. Now that the province is funding and operating a similar initiative through their Calgary Navigation Centre, the need for ReachUp YYC has changed.

The request to use unallocated CSIF funding is not being made lightly. In our Commission's last community and employee surveys, over 60 per cent of Calgarians and 86 per cent of CPS employees thought that CPS is not adequately staffed. Calgarians also clearly told us that their second highest priority after improved staffing is changing how people in crisis are helped.

Our challenge this fall has been to try balance these important priorities with the request we received in July to stay within the existing 2025 budget. In balancing all these important priorities with the other pressures on the police budget, our Commission has come to the conclusion that we have no choice but to use a portion of unallocated CSIF funding to address what has become a barrier to the Service being fully staffed.

Our Commission remains committed to the work of transforming crisis response and better serving marginalized communities. CPS has invested over \$25.6 million in CSIF initiatives since 2021. Our Commission has ensured that any CSIF funding not required for the indoor firearms range will be used for its original purpose and all CSIF projects that have already been approved will receive their full funding.

Added Financial Pressure from Fine Revenue Changes

Our Commission and the Service do not use traffic enforcement as a revenue generation tool and believe that officers should be making enforcement decisions based solely on what will make Calgary's roads safer.

However, a portion of fine revenue does return to the municipality and Council has decided to use this revenue to help offset the costs of policing. As such, the Service estimates in its budget how much fine revenue is likely to be generated each year based on previous years. Approximately 8 per cent of the police budget has historically been funded through fine revenue.

Changes to provincial automated enforcement (photo radar) regulations and increased demands on patrol officers' time have led to a reduction in tickets being issued. This has resulted in \$13.0- \$15.0 million less than expected revenue being returned to the Service each year.

So far, the Service has done an outstanding job of managing this shortfall within their budget and will continue to make these efforts. However, this is an additional pressure on the budget and has made it harder to absorb other unanticipated costs moving forward.

One-time Increase (Error Correction)

In 2023, the Service received one-time funding of \$1.6 million for limited term positions, which was not part of the base budget. However, in the original 2023-2026 Service Plan & Budget submission, the \$1.6 million was accidentally removed from the 2025 budget year.



We are asking Council to approve a one-time addition of \$1.6 million to the 2025 police operating budget to correct the error and bring the 2025 budget total back to what the Service anticipated. The one-time funding does not change the 2026 budget as that year's base budget was not affected by the error.

Our Commission is grateful for the strong working relationship that we have with the City of Calgary and Council. We recognize that Council has many difficult decisions ahead during the upcoming budget adjustment cycle and we will continue to work with you to ensure that the police budget meets the needs of Calgarians.

Sincerely,

A handwritten signature in black ink that reads "Shawn Cornett".

Shawn Cornett, Chair

On behalf of the Calgary Police Commission

ATTACHMENT 3



Michael Thompson
General Manager, Infrastructure Services
P.O. Box 2100, Station M.
Calgary, AB T2P 2M5

September 5, 2024

RE: Council-Directed Review of Capital Investments

Dear Mr. Thompson,

Thank you for your letter dated July 26, 2024, regarding Council's request that all capital investments be reviewed to identify projects that could be rescoped, deferred or cancelled without contractual penalties.

To maintain the independence of our Commission and to ensure we are carrying out our responsibility under the *Police Act* for allocating the police budget, we completed the requested review of the Calgary Police Service's capital budget.

Six items within the police capital budget that are still in the process of being contracted are either critical for officer safety, necessary to maintain reliable IT access to police databases and dispatching systems, lifecycle replacements of critical building HVAC equipment, or building maintenance that is required to stop ongoing damage to City of Calgary assets.

The final item that is partially contracted is the new indoor firearms range. The current indoor firearms range used by the Calgary Police Service is past its lifecycle and no longer meets operational demands. The HVAC systems and noise abatement measures also use dated technologies and designs, meaning firearms instructors and range supervisors must be limited to only four hours per day in the building to prevent hearing damage and lead poisoning.

The time and space limitations of the range are now a bottleneck in both new recruit training and returning officers to work after long leaves of absence (i.e., injury recovery, medical leave, parental leave, etc.). All officers also complete a firearms proficiency qualification twice each year. Range time for officers to complete this is increasingly difficult to find as the number of officers in the Service has grown substantially since the range was built in 2000.

Our Commission understands the many competing priorities that Council will have to weigh for the 2025 budget and so the Calgary Police Service has maximized its use of its capital reserves to offset the need for new capital funding. We are also proposing the use of an unallocated portion of the operating budget to cover cost increases for the new indoor firearms range.

While the deferral of some of the building lifecycle replacements was considered, some have already been deferred so long that structural damage is occurring (specifically, replacing the roof over Police Headquarters and YouthLink). Others pose a risk of impacting operations and costing significantly more if an emergency replacement is required because proactive lifecycle replacements were not done.



The building maintenance items put forward in the 2023-2026 capital budget were informed by recent building condition assessments and are prioritized based on a risk assessment. The Service Optimization Review conducted for the Calgary Police Service by an external consultant in 2018 also identified deferred facility maintenance as an issue that was creating unnecessary risk and increased long-term costs.

Based on these factors, our Commission is not supportive of cancelling or deferring anything within the police capital budget.

We value our strong working relationship with the City of Calgary and Council, and hope this information provides Council with the assurance that we have fulfilled their request to help ensure public funds are being managed in a way that reflects the financial pressures facing us.

Sincerely,

A handwritten signature in black ink that reads "Shawn Cornett".

Shawn Cornett, Chair
On behalf of the Calgary Police Commission

