



2023 Budget Update

Finance and Audit Committee

November 10, 2022

OTTAWA
POLICE

Priorities in 2023 Budget



- Purpose
 - To brief the Finance and Audit Committee (FAC) on the 2023 Budget development process and financial issues and seek direction on the tax target for the 2023 Budget
- Considerations
 - Board's Strategic Plan (2019-2021) continues to guide Budget process
 - Focused on maintaining and improving service and driving change, which includes call referral, pre-charge diversion, data optimization, and Indigenous relations & service improvement
 - Priorities of hiring to address violence against women, hate and bias crime, and gun violence
 - The Service is also prioritizing hiring for frontline and neighborhood policing, strengthening event and demonstration planning, and increasing intelligence capacity

Context for Budget Development



- Financial discussions and confirmation of approach is critical to meeting City budget timelines (budget numbers due in five weeks)
- Service must balance existing financial pressures, previous commitments, new and emerging areas of concern and new commitments
- Service has kept Board up to date with financial information including Quarterly Financial Board updates highlighting key pressures such as inflation, difficulty finding permanent reductions to meet efficiency targets, contract settlement increases, legislative increases, fully staffing all previously budgeted positions
- The Service's Strategic Staffing Plan was presented to the Board HR Committee in August 2022 outlining a critical need for additional new resources (180 growth: 60 per year over three years beginning in 2024)

Financial Realities & Scenarios

Budget Changes (\$M)	2.5% Scenario	3.0% Scenario
Maintain services	\$ 11.7	11.7
FTE Growth	1.7 (0)	*3.4 (25)
New Services	-	-
Efficiencies	(1.0)	(1.0)
*Changes in fees & revenues	0.5	0.5
Operating Budget Increase	\$ 12.8	14.6
Assessment Growth (1.5%)	\$4.8	\$4.8
Police Tax Target increase (\$)	\$8.0	\$9.8
Police Tax Target increase (%)	2.5%	3.0%

- Two scenarios provided for illustrative purposes
- Note, 2.5% tax target increase provides for zero new resource
- Both Scenarios include:
 - Ongoing permanent reductions as part of 2022 Budget (\$7.05M)
 - Additional efficiencies target in 2023 (\$1.0M)
 - Fully staffing previously budgeted positions (\$1.7M)
 - Pressures from contract settlement, legislative benefits increases (\$8.4M), inflation (\$3.3M)
- Scenario two - Police tax target increase of 3% - requires an additional *\$1.7M to hire 25 new resources without program cuts

Schedule

Protected B



Activity	Date
Board Meeting to Confirm	November 28
Budget Tabling	February 1, 2023
Board Approval	February 27, 2023
Budget Deliberations & Approval	March 8, 2023

Protected B