

# 2023 DRAFT Operating and Capital Budget

February 1, 2023



# Presentation Overview

Budget Directions and Recommendations

Policing in Ottawa

2023 Budget Highlights

Priorities and Investments

Budget Proposal

Community Feedback and Timetable

# BUDGET DIRECTIONS AND RECOMMENDATIONS





That the Ottawa  
Police Service:

Prepare the 2023 Draft Operating and  
Capital Budgets based on the following:

- 2.5% tax increase; and
- expected assessment growth  
of 2.2%

Approve the 2023 budget review and  
approval timetable

That the Ottawa Police Services Board:

Receive and table the Ottawa Police Service 2023 Draft Operating and Capital Budget

Approve the Ottawa Police Service 2023 Draft Operating and Capital Budget at the Board meeting on February 27<sup>th</sup>, 2023

Approve the delegation of authority to the Chief of Police to execute and administer the 2023 Fleet Replacement Program, up to a maximum of \$5.2 million on February 27<sup>th</sup>, 2023

# Board Strategic Priorities

- Make meaningful progress on Equity, Diversity and Inclusion
- Advance Community Safety and Well-being
- Modernize of Policing Services
- Support the health, safety and wellness of our members

# Advancing Board Strategic Plan

- **Building trust in Police**
- **Ongoing Community Engagement**
- **Priority areas:**
  - Equity, Diversity and Inclusion
  - Guns and Gangs
  - Violence Against Women
  - New approach to demonstrations and large events
  - Hate Crime Unit
  - Outreach Recruitment
  - Neighbourhood policing, ByWard Market
- **Multiple Strategic Projects:**
  - Call Referral
  - Safe Workplace Program
  - Digital information management system (DIMS)
  - Data Analytics
  - South Facility

# POLICING IN OTTAWA



# Policing in Ottawa

## External Factors

Committed community and social service partners

Social and economic impacts of a global pandemic

Inadequate and limited support for mental health, addictions & housing security

Declining public trust in policing

Advances in technology

Increased demands (cyber crime, calls for service, road safety, hate crimes, violence against women, opioid crisis)

Impacts of protests and demonstrations

## Internal Factors

Dedicated membership committed to community safety

Over-tasked police service members

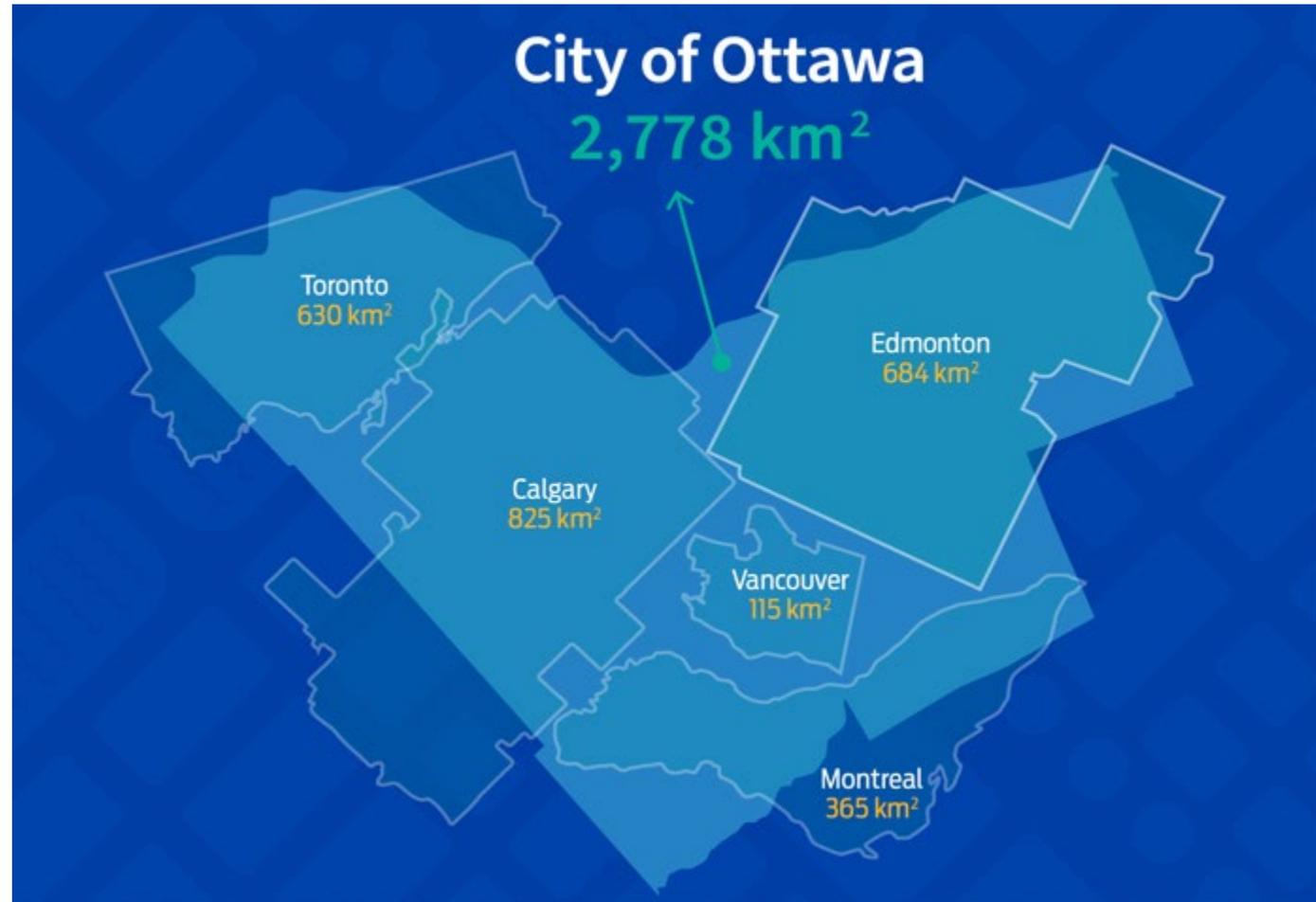
Ensuring a respectful and safe workplace

Vacancy rates

Diversity hiring

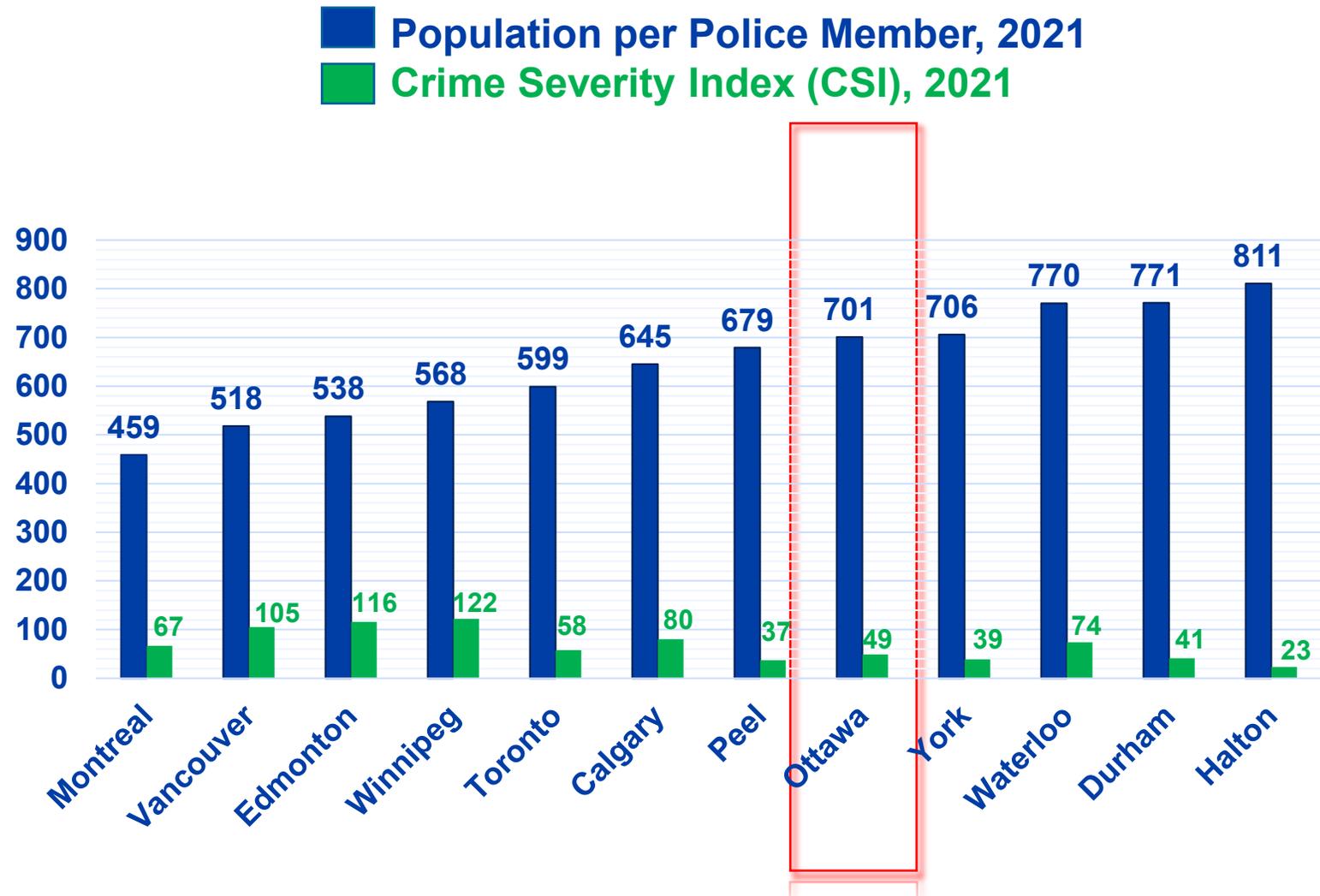
Aging infrastructure

- Ottawa is the **largest municipality** land wise
- Covers 2778 square kilometers
- **More than 80% rural**, with more farmlands than any other city in Canada
- Need for service delivery and capital infrastructure models to support both urban and rural needs:
  - Appropriate geographical facilities allocation, specialized equipment
  - Staffing and deployment pressures
  - Increased vehicle, fuel and maintenance costs
- Rapidly diversifying with 26% of residents being immigrants



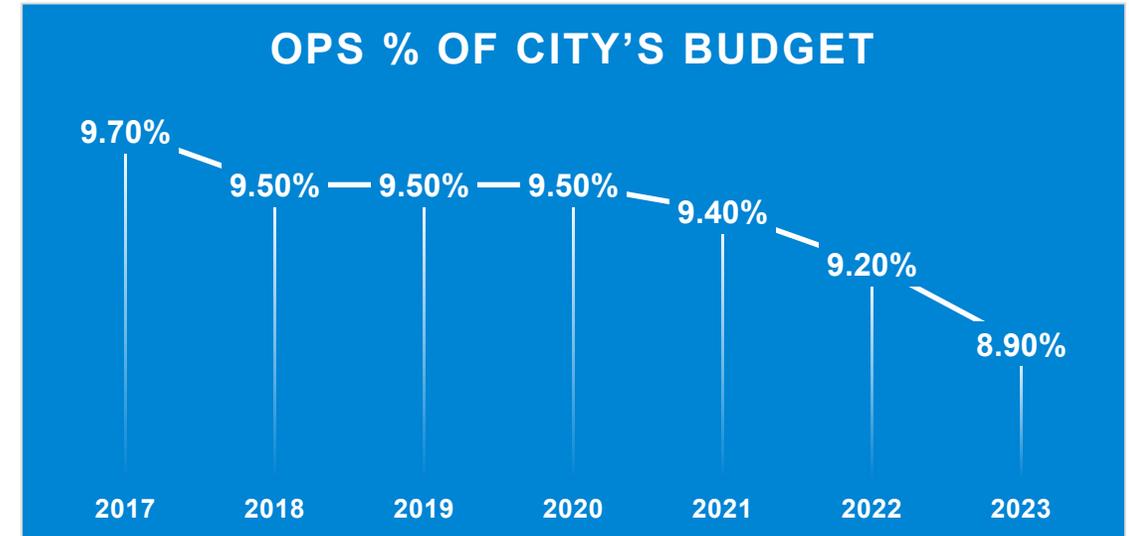
# Policing in Ottawa

- Population per police member is among the lowest in Canada
  - **8<sup>th</sup> out of 12** biggest services in Canada
- Population growth is outpacing OPS growth
- Crime severity index was down to 49 in 2021, after consecutive increases between 2014 to 2019 from 45 to 58



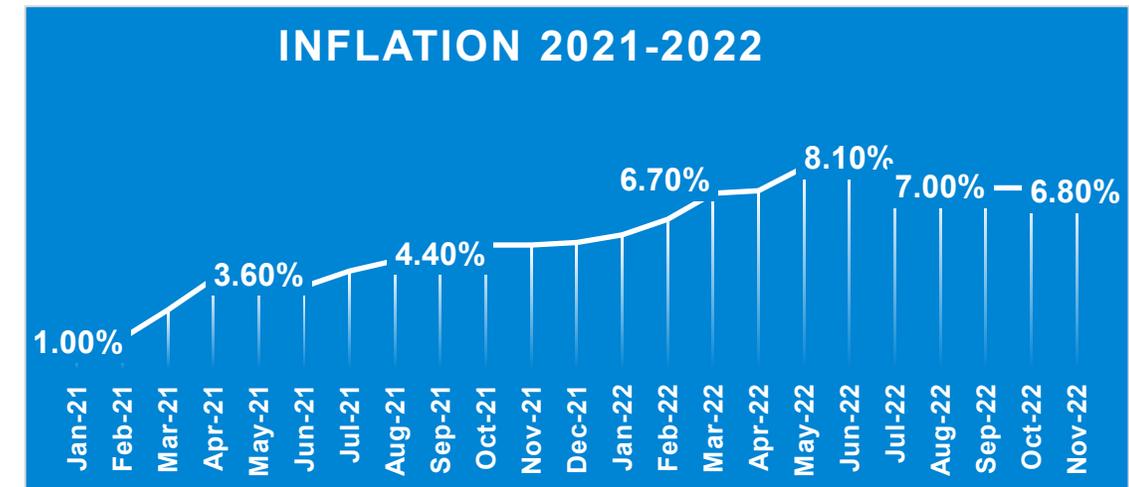
## OPS proportion of City's budget is declining:

- OPS annual budget adheres to City Council and Police Services Board directions
- In 2022, OPS Budget of \$385M represented 9.2% of the total City budget
- The percentage share has reduced from 9.7% in 2017 to 9.2% in 2022
- This is expected to continue to decrease to 8.9% in 2023



## Rising inflation pressures:

- In 2022, inflationary pressures totaled \$2.8 million, **\$1.1M more** than the previous year
- Inflationary pressures largely resulted from capital asset lifecycle management, fuel and regular building operations





Total Calls for Service  
346,000  
↑ 3% from 2021



Crime Severity Rate  
↑ 13% in 2022 compared to  
2021

## Key Metrics



Criminal Code of Canada  
offenses (43,000)  
↑ 19% in 2022 from 2021  
\*Higher than the five-year  
average (39,000)



Rise in:  
↑ 8% violent crime; and  
↑ 27% non-violent crime

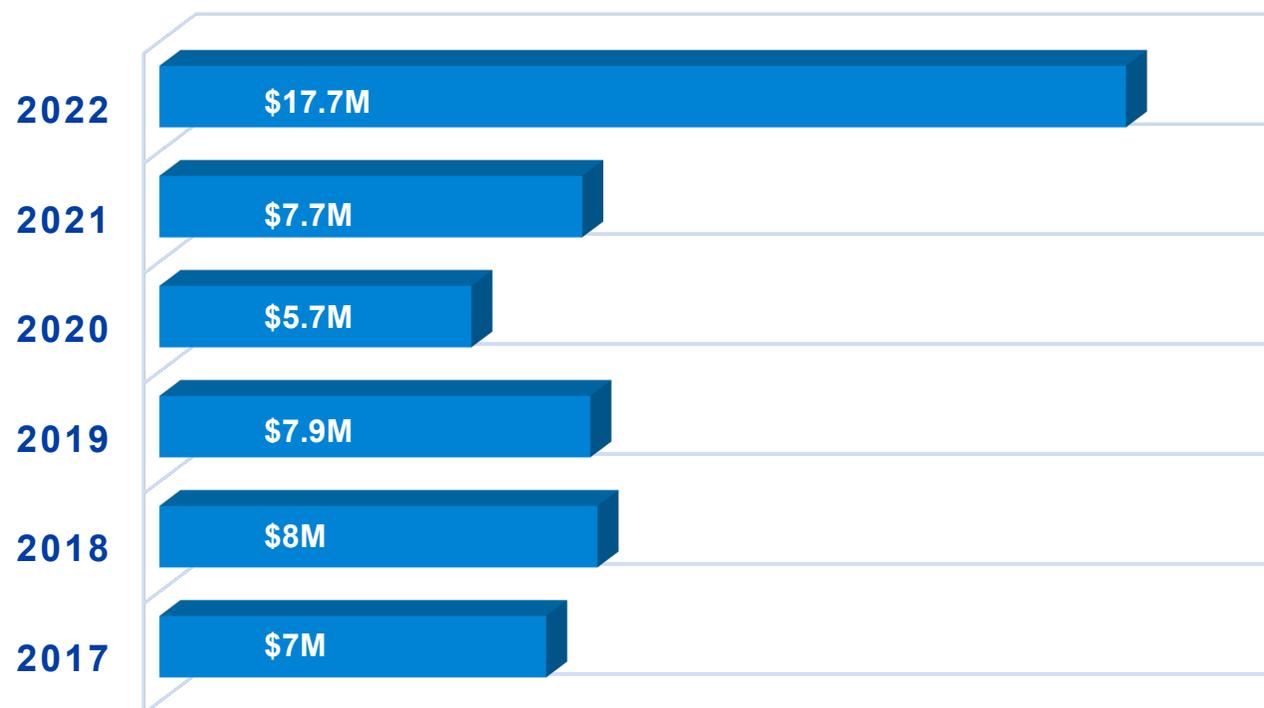
## Events, Demonstrations & Protests

- As the nation's capital, Ottawa has experienced an unprecedented number of protests, special events and demonstrations with an unsettling rise in right-wing extremism and large-scale protests
- In 2022 alone, OPS managed over 800 public events, demonstrations and protests with a significant increase in complexity and community expectations
- These events are time-consuming, resource-intensive and greatly impact our community
- They are a major cost to the organization. Examples of costs in 2022 include:
  - \$55.5M Freedom Convoy
  - \$8.2M Canada Day
  - \$4.4M Rolling Thunder
  - \$0.6M Panda Game

## ANNUAL GROWTH 2012-2022

Year	Growth
2022	0
2021	30
2020	30
2019	30
2018	25
2017	25
2016	25
2015	0
2014	0
2013	0
2012	0

## OVERTIME COSTS 2017-2022



# 2023 BUDGET HIGHLIGHTS

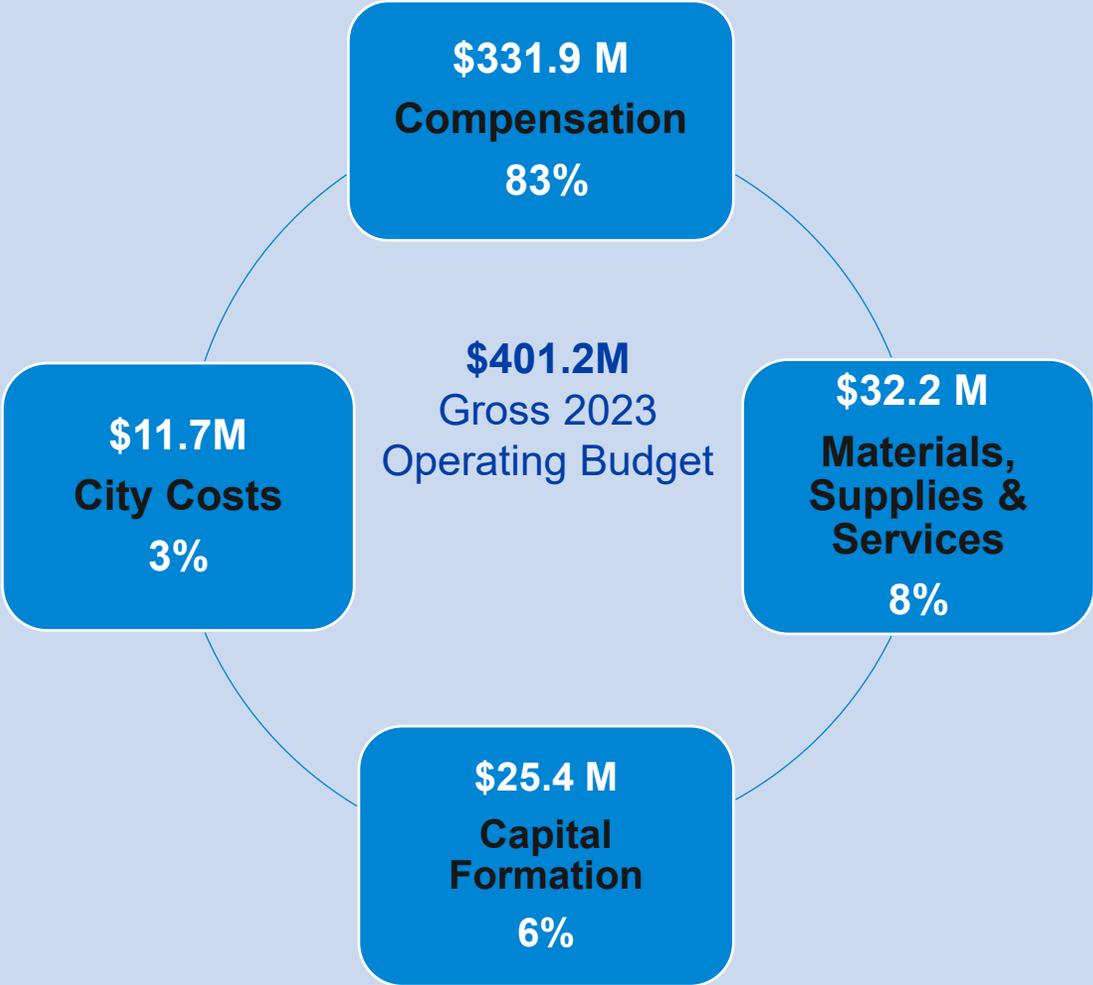


# 2023 Budget Highlights

- 2023 DRAFT Budget aligns with the Board's Directions:
  - Hiring of 25 additional members with a focus on outreach recruitment
  - Public events and demonstrations strategies
  - Delivery on FSP commitments including the South Facility
  - Advances
    - ✓ Equity, diversity and inclusion
    - ✓ Wellness of members
    - ✓ Modernization of OPS
- Aligns with community feedback
  - Advances neighbourhood policing
  - New approach to mental health calls
  - Increased investment in hate crime

# 2023 Budget Highlights

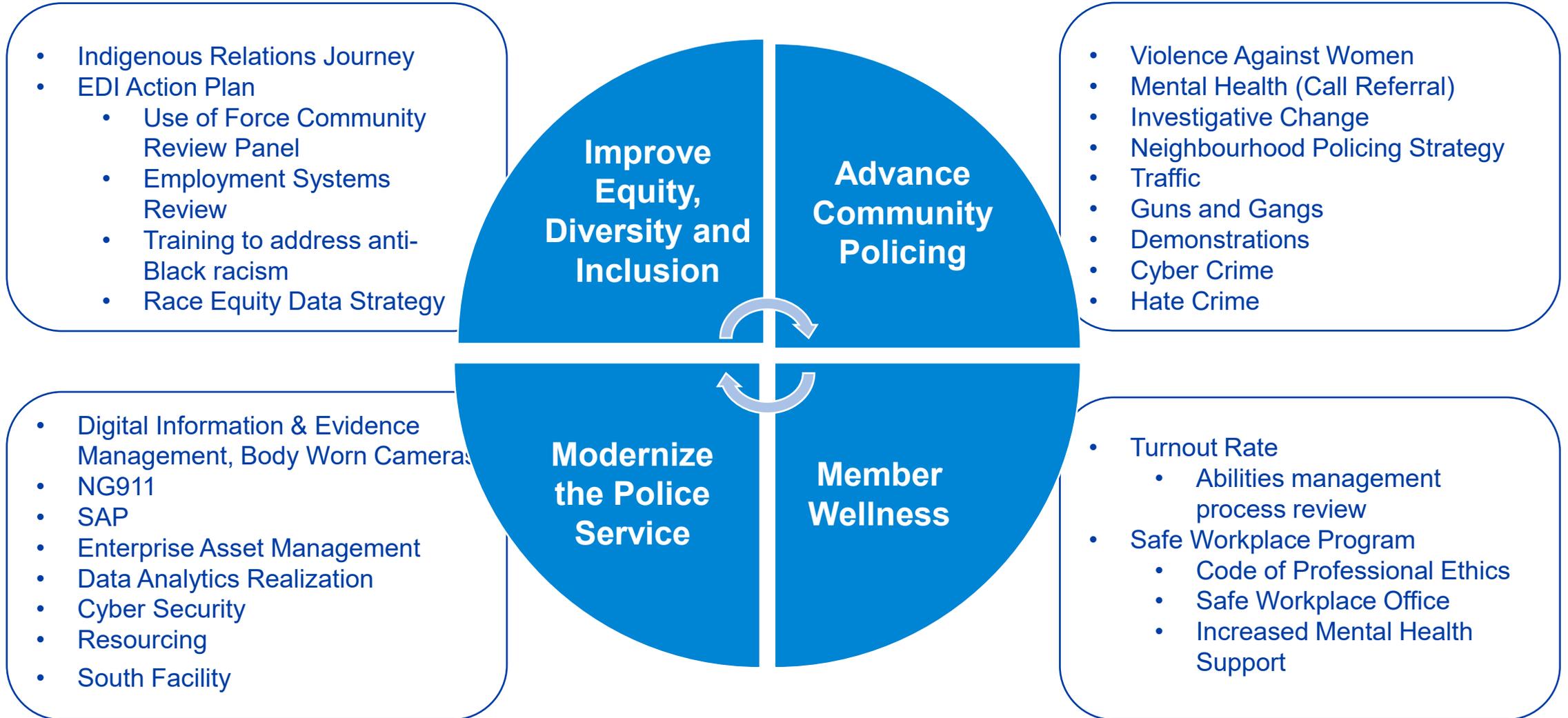
## 2023 Draft Operating Budget



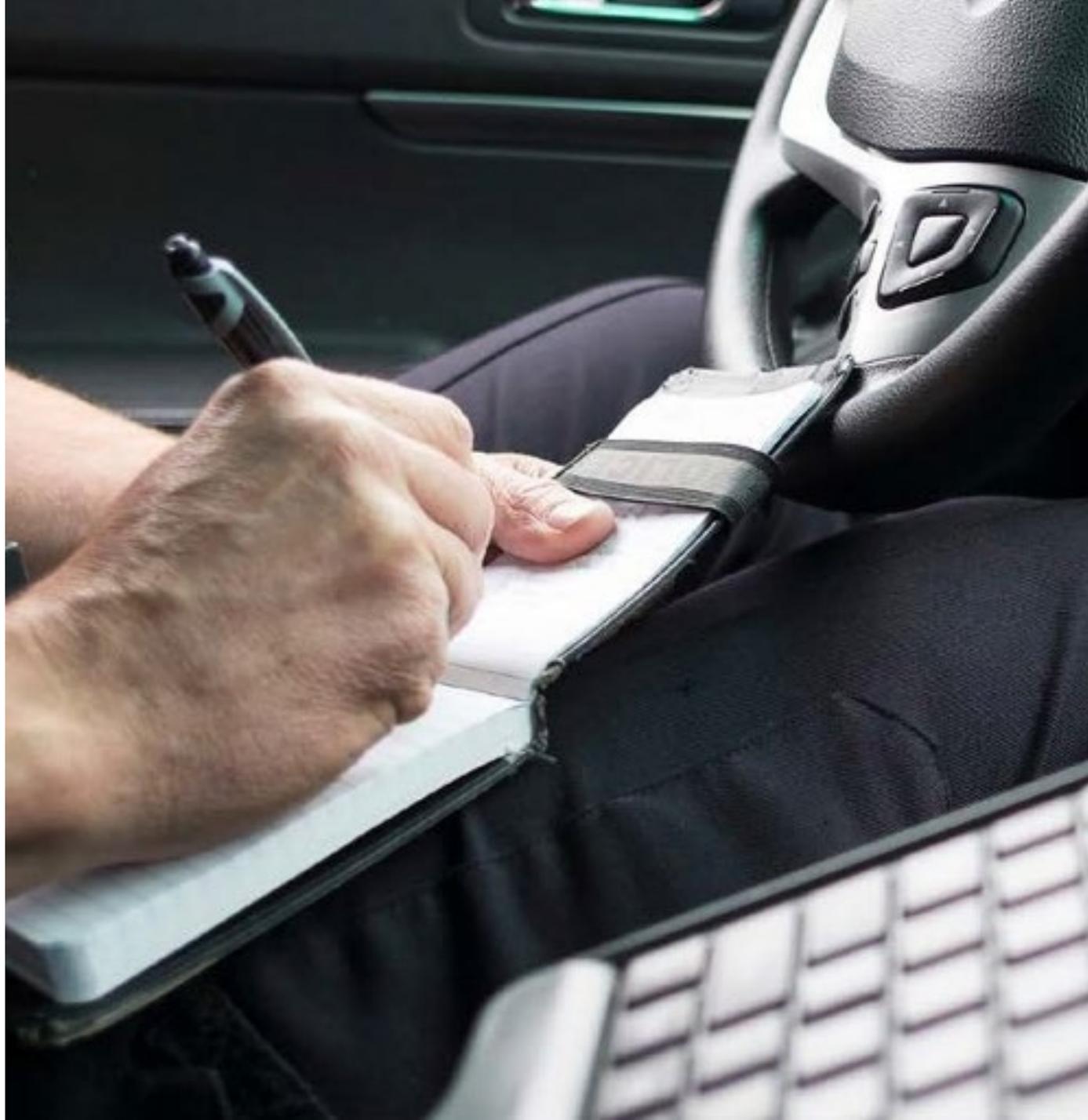
# PRIORITIES AND INVESTMENTS



# Priorities and Investments



# BUDGET PROPOSAL



# 2023 Budget Proposal

2023 Draft Budget	
Budget increase	\$15.2 M
Net Operating Budget	\$359 M
Assessment Growth – 2.2%	\$7.0 M
Police Tax Rate increase – 2.5%	\$8.2 M
Estimated tax increase on average urban household	\$17
Estimated 2023 Police Costs for average urban household	\$680

# 2023 Draft Operating Budget

Budget Changes		(\$M)
Maintain services	\$	12.3
<ul style="list-style-type: none"> <li>▪ Inflation &amp; Negotiated Contract Settlements</li> <li>▪ WSIB, CPP &amp; OMERS</li> </ul>		
FTE Growth		3.4
<ul style="list-style-type: none"> <li>▪ 25 additional resources (20 sworn and 5 civilian)</li> </ul>		
New Services		0.6
<ul style="list-style-type: none"> <li>▪ Strategic Priorities</li> </ul>		
Efficiencies		(0.5)
User fees and revenues		<u>(0.6)</u>
<b>Budget increase</b>	<b>\$</b>	<b>15.2</b>
Funded by:		
Assessment Growth (2.2%)	\$	7.0
Police Tax Rate increase (\$)	\$	8.2
Police Tax Rate increase (%)		2.5%

# 2023 Draft Operating Budget

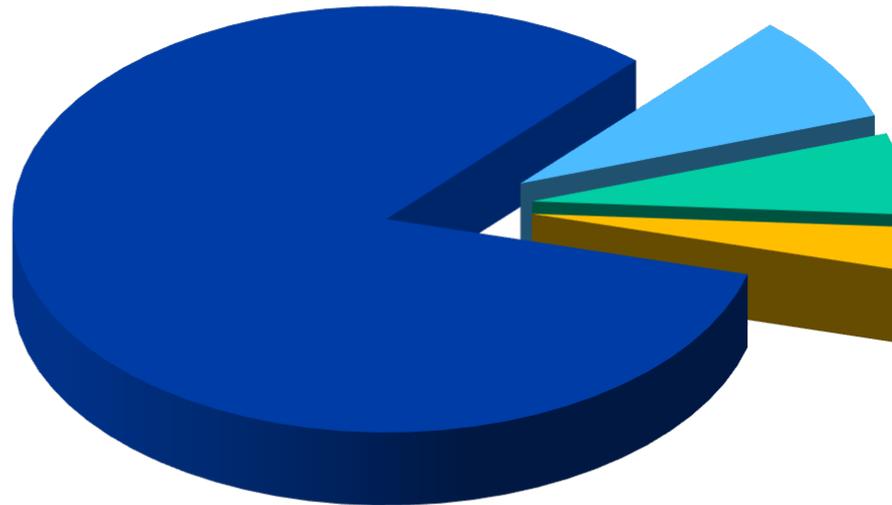
## Police Tax Levy Increase

2.5%

Gross Operating Budget	\$401.2M
Recovery Allocations	(\$4.6M)
Gross Operating Budget (less recovery allocations)	\$396.6M
Revenue	(\$37.6M)
Net Operating Budget	\$359M

## Gross Budget Breakdown:

Compensation  
\$331.9 M - 83%



Materials, Supplies & Services  
\$32.2 M - 8%

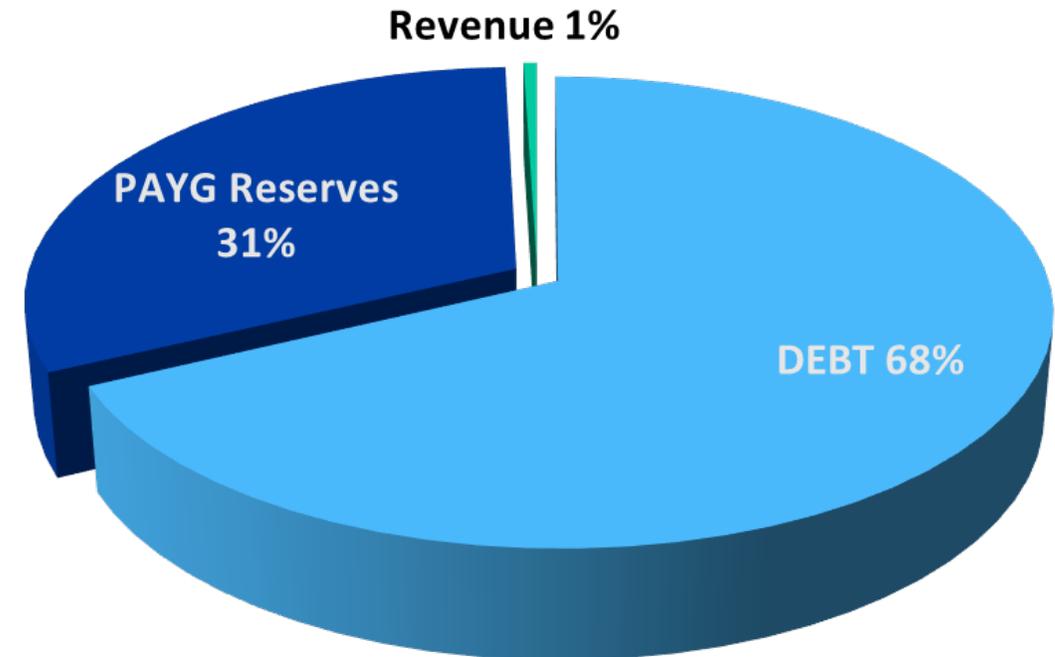
Capital Formation  
\$25.4 M - 6%

City costs  
\$11.7 M - 3%

# 2023 Capital Budget – \$60 M

Capital Project	Total Cost (\$M)
<b>Renewal of Assets</b>	
Fleet Program	\$ 5.2
Lifecycle of Assets	3.0
IT Infrastructure	2.9
IT Telecommunication	2.8
Facility Lifecycle	2.5
<b>Subtotal</b>	<b>\$ 16.4</b>
<b>Strategic Initiatives</b>	
South Facility	\$ 40.8
Growth	1.2
Elgin Refit	1.2
Facility & Security Initiatives	0.4
<b>Subtotal</b>	<b>\$ 43.6</b>
<b>Total</b>	<b>\$ 60.0</b>

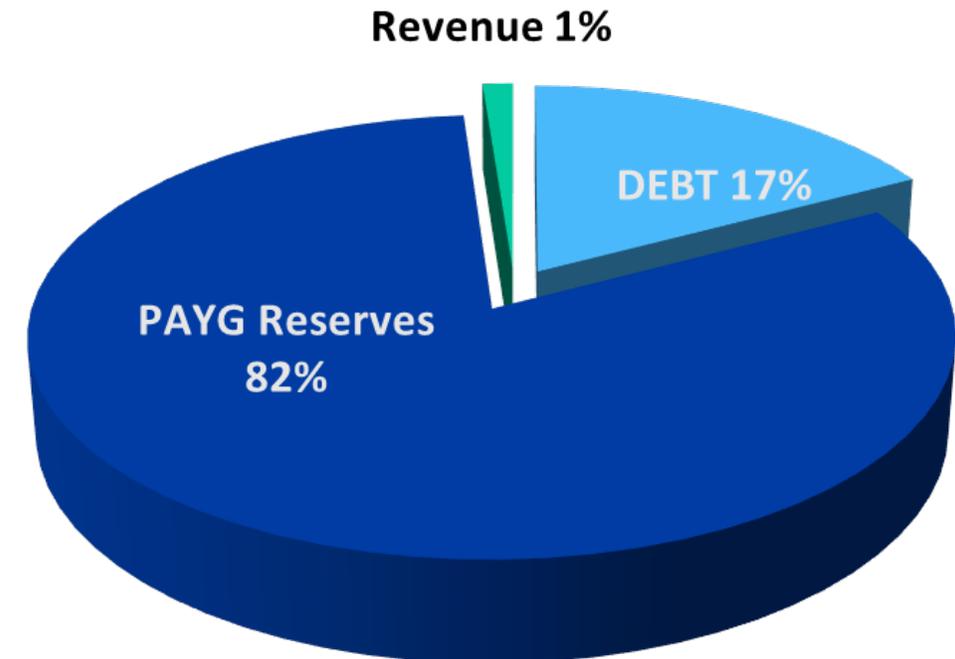
## Funding Sources



# 2023 to 2032 Capital Budget Forecast - \$236.4 Million

Category	Total cost (\$M)
Renewal of Assets	\$168.7
Growth	\$46.8
Strategic Initiatives	\$20.9
<b>Total</b>	<b>\$236.4</b>

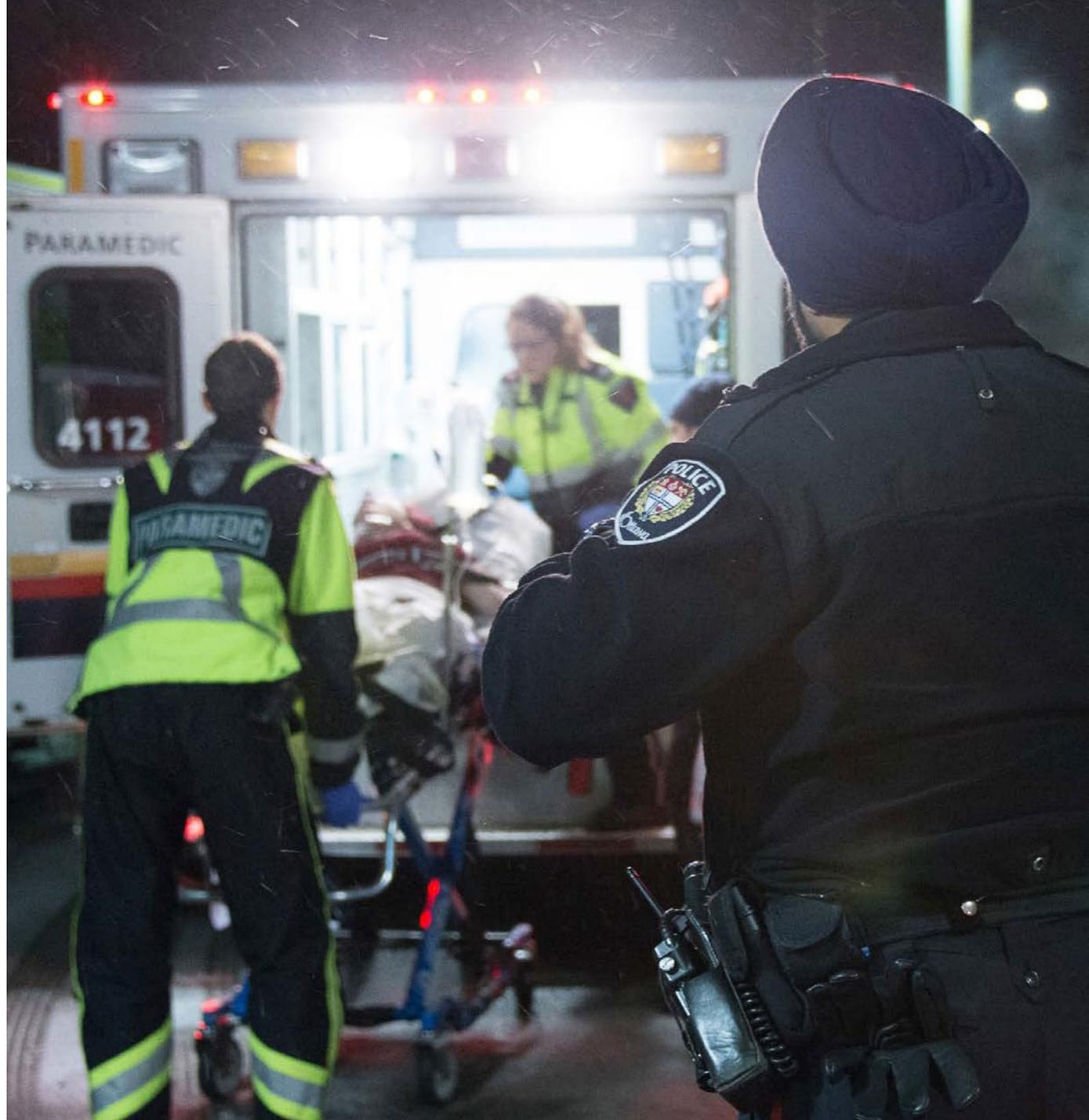
## Funding Sources



# Forecast 2024-2026

Budget Changes (\$M)	Forecast 2024	Forecast 2025	Forecast 2026
Maintain services	\$ 11.7	\$ 12.9	\$ 12.2
FTE Growth	3.4	3.5	3.5
New Services	1.0	1.0	1.0
Efficiencies	(1.0)	(1.0)	(1.0)
User fees and revenues	<u>(0.1)</u>	<u>(0.1)</u>	<u>(0.1)</u>
<b>Operating Budget Increase</b>	<b>\$ 15.0</b>	<b>\$ 16.3</b>	<b>\$ 15.6</b>
Assessment Growth (1.5%)	\$5.0	\$5.2	\$5.5
Police Tax Rate increase (\$)	\$10.0	\$11.1	\$10.1
Police Tax Rate increase (%)	3.0%	3.2%	2.8%

# COMMUNITY FEEDBACK AND BUDGET TIMETABLE



# Community Feedback

- We have heard from our community members that they want to be engaged in our policing strategy.
- We welcome and value opportunities for collaborative discussions that provide meaningful feedback on the OPS 2023 Budget

Engagement	Date
OPS Draft Budget Feedback Survey - <a href="https://www.ottawapolice.ca/en/who-we-are/budget.aspx">https://www.ottawapolice.ca/en/who-we-are/budget.aspx</a>	February 1 - 20, 2023
City Councillor Budget Briefings	February 1 - 22, 2023
Outreach initiatives with Indigenous, racialized, marginalized community stakeholders and diverse community groups	February 1 - 20, 2023
Finance and Audit Committee	February 15, 2023

# 2023 Budget Timetable

Milestone	Date
OPS Board Finance & Audit Committee Meeting 2023 Budget Delegations	February 15, 2023
OPS Board Regular Meeting: Public Delegations Consideration and Approval of 2023 Budget	February 27, 2023
Community Feedback	February 1 – 22, 2023
City Council Review / Adoption of 2023 Budget	March 1, 2023

# Thank You

# Questions?



SERVICE DE POLICE D'OTTAWA  
OTTAWA POLICE SERVICE

*Un partenaire fiable de la sécurité communautaire*  
*A Trusted Partner in Community Safety*