

DOCUMENT 4 – 2022 EFFICIENCIES UPDATE

OTTAWA POLICE SERVICE

2023 FIRST QUARTER FINANCIAL REPORT

APRIL 24, 2023

The 2022 Ottawa Police Service (OPS) budget included \$5.05M in permanent budget base reductions proposed by the OPS, as well as an additional \$2M brought forward by the Ottawa Police Services Board, for a total of \$7.05M, including eliminating 20 full-time equivalent positions.

Historically, the OPS has identified and implemented efficiencies as part of its annual budget to ensure a lean and fiscally responsible organization. Over the last decade, the OPS has identified \$2M in efficiencies annually on average.

2022 Reality

The OPS began immediately in 2022 to manage expenditures by issuing a General Order directing a discretionary spending freeze January 1, 2022. This was done in recognition that implementing \$7.05M in reductions in a single year was overly ambitious and requires timely change management and labor relations processes to run their course. Compounding the issue was the unlawful truck demonstration and subsequent major events that resulted in a delay in this work as most staff were engaged with these demonstrations and events.

The OPS was successful in implementing \$4.1 million (58%) in base reductions in 2022, which is double what the annual historical average has been for annual efficiencies at OPS.

The management interventions taken in 2022 were successful in mitigating the portion of the efficiencies target that wasn't implemented in 2022 and ensured a balanced year end position.

Current Status

As of the end of the first quarter of 2023, the OPS has implemented \$5.2 million (74%) in base reductions of the \$7.05 million target and other strategies are underway. The details of those achievements can be seen in the Table below.

The OPS recently implemented the outsourcing of the collision reporting centres and moved forward with a change in operating hours for the Front Desk Services. The financial impacts of those changes are what is reflected in this quarter's updated table.

	Item	Target	Achieved	FTE Savings
a)	Management Interventions: reduction in supplies, professional/consulting services, better rates in contract negotiations with vendors, reduced devices/hardware, civilianization	\$2,000,000	\$2,000,000	0
b)	Other Efficiencies & Reductions: various position reductions	\$1,900,000	\$1,050,000	15
c)	Fleet & Facilities Rationalization: decrease in fleet vehicles and accommodation repairs/improvements	\$600,000	\$400,000	0
d)	Outsourcing Collision Reporting Centers	\$550,000	\$550,000	5
	Total Efficiencies tabled by OPS	\$5,050,000	\$4,000,000	20
a)	Management Interventions motion from OPSB	\$2,000,000	\$1,200,000	TBD
	Total Efficiencies Approved	\$7,050,000	\$5,200,000	20

Corresponding Notes:

c) Fleet Rationalization and Facilities Savings – \$600,000

The OPS has identified savings that are achievable through a Fleet rationalization review to optimize the number of vehicles across units excluding those dedicated to

providing front line services. A pooled fleet strategy across the investigative and intelligence units, where there are no operational impacts, will also reduce the number of units within the overall organization while not impacting services.

Next Steps

The OPS will continue providing regular quarterly updates to the Board on the progress of its achievement in attaining the \$7.05 million efficiency target through the quarterly financial Board reports until this target is achieved. The next scheduled update will be the Q2 2023 update to be tabled at the July Board Meeting. The Service has now achieved 74 percent of its savings target and will work with City of Ottawa partners to address the remaining target. The Service will continue to seek opportunities for efficiency, improvement, and reinvestment.