

Budget Update

Finance and Audit Committee
October 18, 2024



2025 Budget

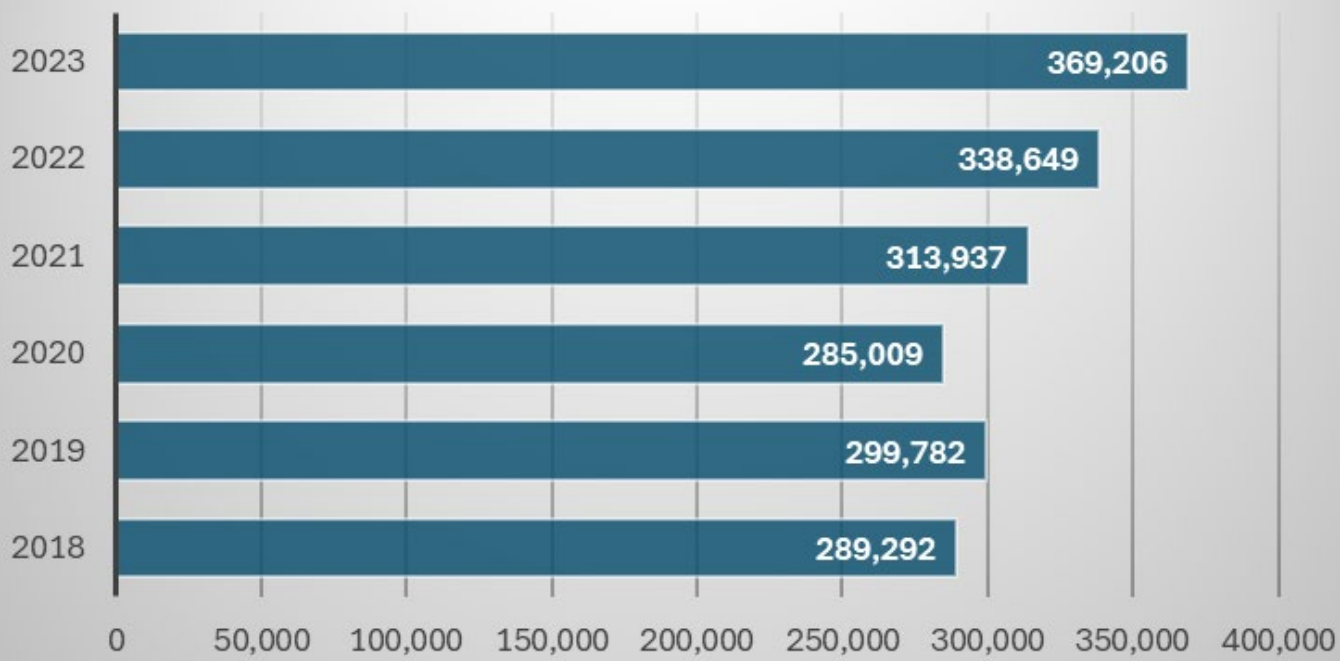
Purpose: To brief the Finance and Audit Committee (FAC) on the 2025 Budget development process, risks and issues, and advise on the tax rate that will be requested in the upcoming Budget Directions Report.

Challenges:

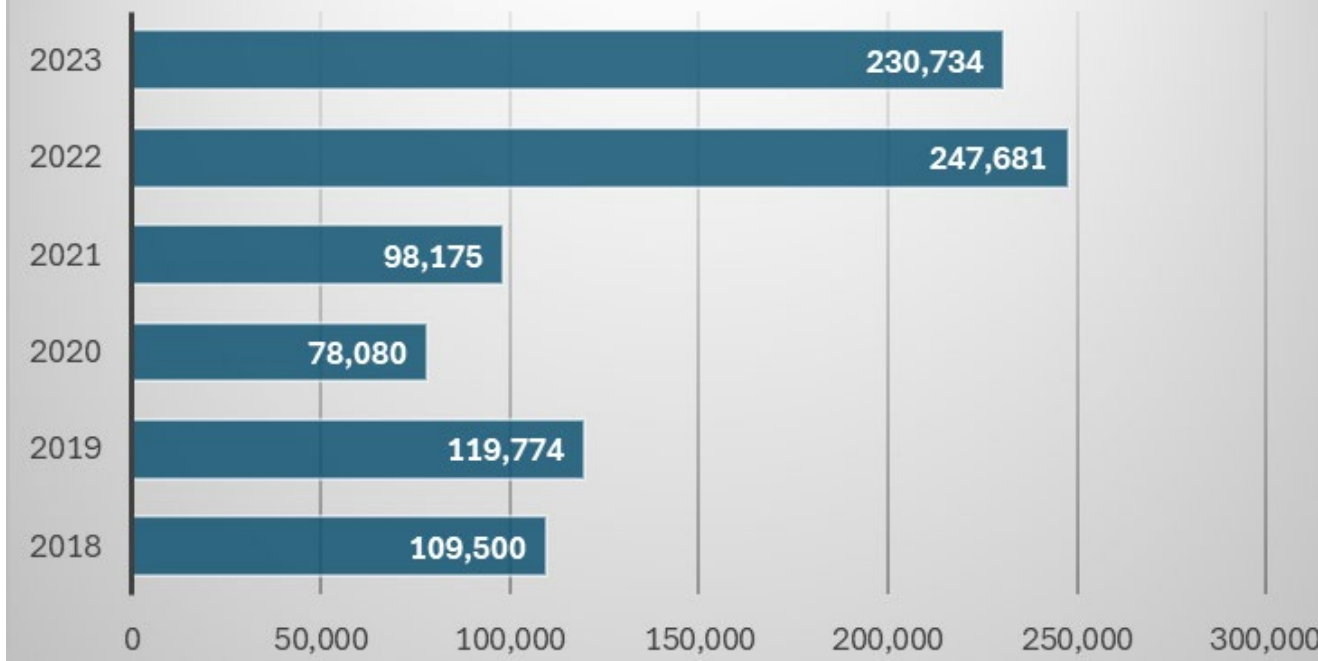
- Trust and confidence – presence and service in urban, suburban and rural areas
- Operations – growing and diversifying city, calls for service, demos and events, volume and complexity of crime, OT
 - Staff stabilization
 - Adequate and effective policing and service levels
- Community Safety Policing Act (CSPA)
- Collective bargaining agreements
- Capital asset management, incl. future training facility

Data Points

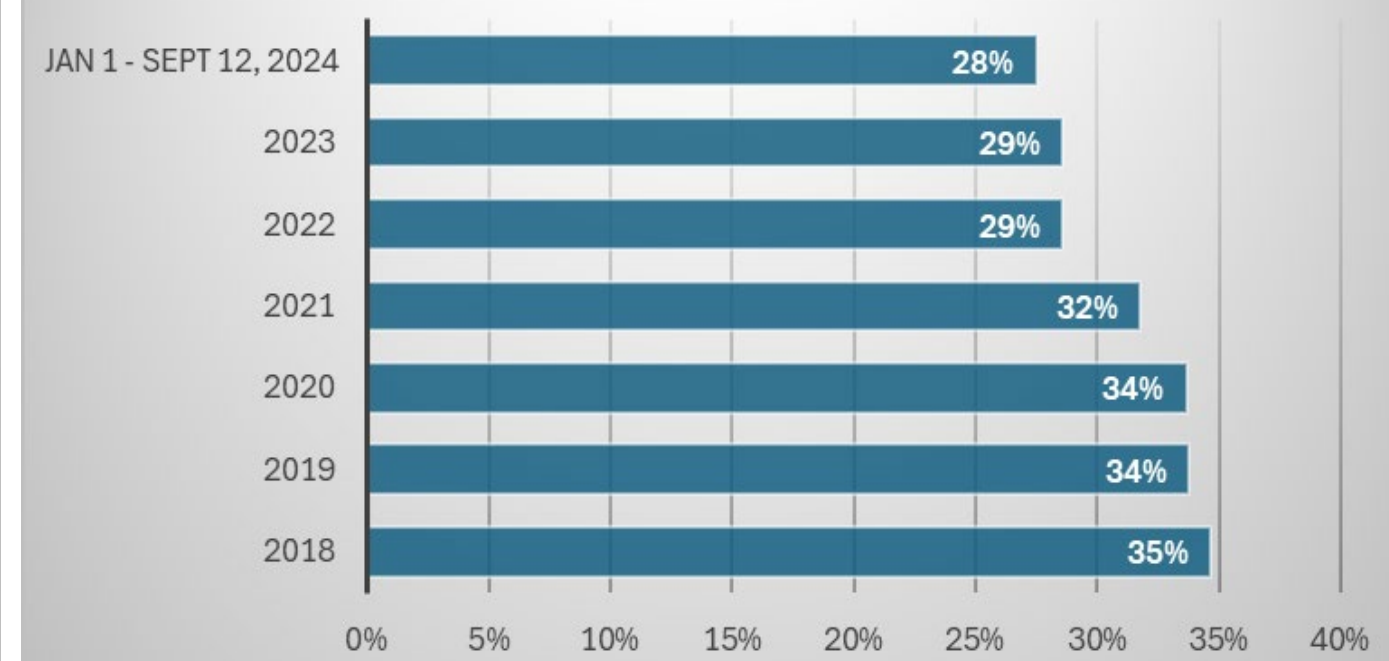
Average Time Spent on Calls (hours)



Officer Overtime (Hours)



Total Clearance Rates (%)



Strategic Alignment

✓ 1 project funded by Federal Government

Enhance Community Safety

- ✓ District Revitalization Project
- ✓ Implementation of CSPA
- ✓ Next Generation 9-1-1
- ✓ Cybersecurity Strategy
- ✓ Enterprise Asset Mgt.
- ✓ Data Optimization Project
- ✓ Safer Streets Initiative
- ✓ Fleet Service Delivery
- ✓ Parliamentary Precinct (Fed)
- ✓ Mounted Patrol Unit (Prov)
- ✓ Market Safe (Prov)
- ✓ CORE (Prov)
- ✓ Alternative Mental Health Supports (Prov)

Building Trust Through Strong Partnerships

- ✓ Better Relationship Management
- ✓ Community Safety and Well-Being Framework
- ✓ Virtual Victim Reporting
- ✓ Military Veterans and First Responders Program
- ✓ Body Worn Camera

✓ 5 projects funded by Provincial Government

Advance and Support a Resilient Thriving Membership

- ✓ Staff Stabilization Plan
- ✓ South Facility Project
- ✓ Safe Workplace Program
- ✓ Parade Formation Framework
- ✓ Wellness Program
- ✓ Employee Central (SAP) Modernization
- ✓ FSP Updates
- ✓ Alternative Staffing-Special Constables (Prov)

EDI – Strengthen our Commitment to Human Rights

- ✓ Drive2 Strategy
- ✓ Use of Force Review:
- ✓ Race and Equity Data Strategy

City Budget Recommendations

The guidance received by City Council and the Finance and Corporate Services Committee in September was as follows:

- A) The police service levy be increased by no more than 2.9 percent, and that Council requests that the Board develop its draft budget based on this tax increase.

- B) That the assessment growth taxation revenues generated from new properties be estimated at 1.5 percent of the current taxation for 2024 and that Council requests that the Police Services Board develop their budget within this allocation.

Financial Scenarios

Budget Changes (\$M)	5.6% Forecast	2.9% City Recommendation
Maintain services	\$ 18.9	20.1
FTE Growth	3.1 (25)	8.1 (50)
New Services	4.0	(1.0)
Efficiencies	(1.0)	(9.0)
Changes in fees & revenues	(0.2)	(2.7)
Operating Budget Increase \$	24.8	15.3
Assessment Growth (1.5%)	\$5.2	\$5.2
Police Tax Rate increase (\$)	\$19.6	\$10.1
Police Tax Rate increase (%)	5.6%	2.9%

Assumptions:

- ~\$16M being returned to capital reserves
- \$9M efficiency target

Highlights

- **District Policing**
 - A tailored model of policing that addresses the unique needs of urban, suburban and rural
 - Initiatives focused on community safety in the Byward Market area as well as other urban areas of the city: Market Safe, CORE, Alternative Mental Health Support, the Safer Streets initiative, the Mounted Patrol Unit, and creation of a Parliamentary Precinct
- **Staff stabilization and growth (50)**
 - Frontline, District, Intimate Partner Violence, Fraud, FIS, Training (CSPA), Special Events
- **Absorption of known CSPA costs**
- **Anticipated salary and benefit costs for the OPA and SOA**

Inherent Risks

- Full cost of CSPA remains unknown
- Dependence on overtime
 - OT costs, adequate and effective policing, service levels, member wellness
- Aggressive efficiency target – accomplished through large pay as you go reduction to reserves that will need to be restored in future years
- Reliance on temporary funding sources / solutions
 - Provincial, federal, admin fees, grants
- Depletion of capital reserves, lifecycle deferrals (command post), and inability to absorb upcoming pressures (interim and long-term training facility solution, body worn cameras)

Efficiencies

- Working with City colleagues on solutions, including efficiencies, to help address the cost curve of policing
- Areas of focus will include:
 - Fleet maintenance
 - Overtime usage
 - Travel
 - Span of control
 - Civilianization and special constables
 - \$6M from the South Facility



Budget Timeline

Activity	Date
Senior Leadership Team Review	Early October
Executive Command Final Review	Mid October
Finance & Audit Committee	October 18
Budget Directions Report	October 28
Budget Tabling	November 13
Budget Consultations	November 13 - 25
Finance & Audit Committee	November 22
Board Approval	November 25
City Council Approval	December 11

Questions