

Report to / Rapport au:

**OTTAWA POLICE SERVICE BOARD
LA COMMISSION DE SERVICE DE POLICE D'OTTAWA**

29 September 2025 / 29 septembre 2025

Submitted by / Soumis par:

Chief of Police, Ottawa Police Service / Chef de police, Service de police d'Ottawa

Contact Person / Personne ressource:

**Deputy Chief Steve Bell, Chief Administrative Officer / agent administratif
principal**

BellS@ottawapolice.ca

SUBJECT: 2026 BUDGET DIRECTIONS AND TIMETABLE

OBJET: ORIENTATIONS ET CALENDRIER BUDGÉTAIRES DE 2026

REPORT RECOMMENDATIONS

That the Ottawa Police Service Board:

- 1. Direct staff to prepare the 2026 Draft Operating and Capital Budgets based on a police tax increase of no more than 6.5% and an estimated 1.6% increase in taxes resulting from growth in assessment base.**
- 2. Direct staff to prepare and execute a multi-year efficiency plan.**
- 3. Direct staff to prepare a four-year long range financial plan in 2026 for the period of 2027 to 2030.**
- 4. Direct staff to report back to the Finance and Audit Committee regularly during development of the four-year long range financial plan for the period of 2027 to 2030 and the efficiency plan, beginning in 2026, and to report on progress thereafter.**
- 5. Approve the 2026 budget review and approval timetable.**

RECOMMANDATIONS DU RAPPORT

Que la Commission de service police d'Ottawa:

- 1. Demande au personnel de préparer les budgets préliminaires de fonctionnement et d'immobilisations de 2026 en fonction d'une**

augmentation des taxes de police 6,5% et d'une augmentation des recettes d'imposition découlant de la hausse de l'évaluation foncière estimée à 1,6%.

- 2. Demander au personnel de préparer et d'exécuter un plan pluriannuel d'efficacité.**
- 3. Demander au personnel de préparer en 2026 un plan financier à long terme de quatre ans pour la période de 2027 à 2030.**
- 4. Demander au personnel d'élaborer le plan pluriannuel d'efficacité et le plan financier en collaboration avec le Comité des finances et de l'audit, et de faire régulièrement rapport à ce comité sur l'avancement des deux plans.**
- 5. Approuve le calendrier d'examen et d'approbation budgétaires de 2026.**

BACKGROUND

The Ottawa Police Service Board (the Board) is responsible for the provision of adequate and effective police services in the municipality, as defined by Ontario Regulation 392/23 under the Community Safety and Police Act (CSPA). Additionally, Section 50 of the CSPA requires that the Board approve annual budget allocations for the Ottawa Police Service (OPS) to maintain the police service and provide it with equipment and facilities. In conjunction with the Board's Strategic Priorities, the Staff Stabilization Strategy, the District Revitalization Program and other strategic planning documents, the annual budget enables the Board to accomplish its priorities and provide direction to management. The annual budget supports service levels, provides the authority to proceed with key operational and capital projects, and confirms the necessary funding to carry out the 2026 work plan.

The budget guideline and timetable for the 2026 process was presented and approved on September 2nd, 2025, at the City's Finance and Corporate Services Committee meeting and on September 10th, 2025 at the City Council meeting.

The recommendations contained in the City's budget guideline report are generally considered by the Ottawa Police Service Board when determining budget directions for the OPS. Once directions are received by the OPS from the Board, a budget is drafted that addresses the needs of the community and the members of the OPS.

DISCUSSION

The 2026 Ottawa Police Service budget has been developed in consideration of the City of Ottawa budget guideline and timetable. While the Service is conscious of the need to manage and control the cost curve in delivering policing services, the recommended police tax rate increase range of 2.9% to 6.5% contained in the City of Ottawa budget

guidelines will only meet what is required for adequate and effective policing at the top end of that range.

In the 2025 Budget, the OPS submitted a forecasted estimate of 10.6% police tax increase for 2026 followed by an increase of 8.4% and 7.5% in 2027 and 2028 respectively.

The OPS requires an investment at the top end of the City of Ottawa budget guidelines in order to:

- Provide adequate and effective policing in the City of Ottawa;
- Adhere to obligations made in the ratified collective bargaining agreements with the Ottawa Police Association and the Senior Officer's Association;
- Deliver on the Board's strategic plan and key performance indicators; and
- Implement the third year of the three-year staff stabilization plan.

Process:

The development of the Draft 2026 Budget began in the first quarter of 2025 with initial briefings on the 2026 budget to both the Finance and Audit Committee and the Senior Leadership Team (SLT) in April. At the meeting with SLT in April it was recommended that the growth position requests related to the 2026 budget be advanced in the budget process and prioritized in June instead of in October as has historically been done. This exercise was completed in June with the Senior Management Committee prioritizing 50 growth positions. At a police tax increase rate of 6.5%, the OPS will be unable to grow by 50 positions. Given this, the OPS has adjusted its growth plan and now intends to grow by only 25 positions in 2026. The remaining 25 positions originally included as growth positions will be self-funded using efficiencies found in an upcoming span of control exercise.

As part of the annual budget process, OPS Finance staff have met with all directorate budget managers and those responsible for strategic projects to ensure that budget requirements were identified and prioritized. This exercise included understanding investment needs as well as opportunities for finding savings and efficiencies to help offset those investment needs. Budget requests were reviewed with the Senior Management Committee on September 23rd with a final review with the Command team afterwards.

The 2026 Budget has been designed in line with the Direction of the Board and its strategic plan, in consideration of community and member input, and will allow our service to continue to deliver adequate and effective policing to the residents of Ottawa.

A four-year Long Range Financial Plan will be developed in 2026 to ensure future operational needs are met while also providing predictability around potential tax increases. An efficiency plan will also be developed and implemented in 2026. Both plans will be considered as part of the 2027 budget submission.

Challenges:

In developing the 2026 Budget, and when prioritizing distribution of funds, the OPS has, and continues to, consider key challenges.

Between 2020 and 2024, the OPS has experienced an increase in calls for service; though calls for service have declined year over year, year-to-date in 2025, this has been offset by an increase in proactive calls generated by officers and an increase in reports received online. The OPS has also experienced rising crime rates and growing and changing expectations from residents. Residents want more police presence in their communities and improved service. Operational demands are also on the rise, with more demonstrations and events, and an increase in reports of violent crime, fraud, cybercrime, sexual assaults, and intimate partner violence. This has created significant strain in several operational areas, most notably those units in the Investigations Directorate.

The outcomes of the collective Bargaining Agreement negotiations, executed in 2025 for a five-year term, with both the Ottawa Police Association and the Senior Officer's Association also present a challenge. The salary and benefit increases included in the negotiated agreements are substantial and are the primary driver behind the 2026 budget ask. In fact, a police tax increase of 6.7% is required to account for these salary and benefit increases, and 2.3% is required to achieve the hiring objectives of the Staff Stabilization Plan.

Beyond this, overtime costs have significantly risen year over year as a result of increased operational demands and overall low staffing levels. The staffing levels have improved in 2025 through the staff stabilization plan, the new sick leave plan and the expansion of Special Constables. The 2026 budget does not include an increase to address the higher overtime expenditures that the OPS is experiencing. Through improved management controls and the additional staff, overtime is expected to decrease in 2026 by no less than 10%, but it will still be a pressure against the existing budget.

Legislatively, the Community Safety and Policing Act (CSPA) came into effect in April of 2024 and the full implementation will have a major impact on operational and training

budgets. Implementation costs continue to be identified and included in the budgetary asks, and they are significant.

Lastly, investment in new interim training facilities are placing pressure on the 2026 budget due to the unanticipated decision by Algonquin College to remove the OPS from its training classroom facilities effective July 2025.

Key Investments:

The 2026 Budget built on a tax levy increase of up to 6.5% and an increase in taxes resulting from growth of 1.6% will ensure that some of the noted challenges can be wholly or partially addressed. The Budget will also allow for strategic projects started in prior years to continue with a focus on community engagement, member support, diversity, equity and inclusion, modernization, and staff stabilization.

Of note, the 2026 Budget will allow for advancement of District Policing – a tailored model of policing that addresses the unique needs of urban, suburban and rural areas. These investments, primarily in additional sworn growth positions, will improve community relationships and service, enhance community policing, and improve trust and confidence. It is expected that suburban and rural communities will benefit greatly from this initiative and will see substantial improvement in police presence and service delivery.

The Budget will ensure that we can stabilize our staffing and address critical staffing gaps in key areas like Frontline, Traffic Enforcement, Intimate Partner Violence, Fraud and other investigative functions, through continued implementation of the Staff Stabilization Strategy.

The OPS will be investing in new technology with the commencement of Body Worn Cameras being deployed on Crisis Intervention Team (CIT) members and a small number of Change Agents.

The budgetary request in 2026 will also enable the OPS to achieve compliance with legislative (CSPA) training requirements with the addition of growth positions in the Professional Development Center (PDC) and through funding for interim training facilities.

Finally, the 2026 Budget will include funding to account for compensation and benefit increases included as part of newly negotiated collective bargaining agreements with the Ottawa Police Association and the Senior Officers Association.

Solutions:

The OPS is seeking up to a 6.5% police tax rate increase as one of the solutions to address the noted challenges. Without an increase at this higher rate, the OPS will not be able to provide adequate and effective policing service to the community. Senior staff at OPS have been meeting with the City Treasurer to identify solutions and efficiency opportunities to help address the pressures that OPS is facing, however, any increase that does not approach a 6.5% increase will create pressures for the OPS that are difficult to overcome.

An additional solution that will help in avoiding similar such situations in the future, the Service is committed to developing a four-year Long Range Financial Plan in 2026 to help guide and manage future operational needs while providing predictability around potential tax increases. A report outlining the proposed approach to developing the plan will be brought forward for the Board's approval at the October meeting. The plan itself is expected to be completed in Q2 of 2026. This approach aligns with practices in other Canadian police services and is designed to ensure fiscal sustainability and strategic alignment. A comprehensive financial plan should include population growth projections, crime trend analysis, infrastructure and equipment needs, staffing forecasts, and anticipated service demands across urban, suburban, and rural communities. It should also incorporate insights from community consultations, performance metrics, and legislative requirements to ensure transparency and accountability.

The OPS is also committed to finding solutions internally and will begin a multi-year efficiency exercise in 2026. This efficiency exercise will drive service improvement and will seek efficiencies in staffing as well as through the use of technology and the deferral of capital.

The service improvement and staffing efficiency plan will:

- Include a service level review;
- Include a span of control review to ensure affordable and effective supervision;
- Reduce administrative costs and overhead through streamlining;
- Increase the use of Special Constables and Victim Choice Reporting to provide cost-effective support and improved customer service;
- Will reduce sick leave costs through wellness, scheduling, and improved supports; and
- Will reduce operational reliance on the use of overtime.

The capital and technology efficiency plan will:

- Apply technology to achieve more effective and efficient outcomes in strategic projects and service delivery;
- Result in a capital contribution deferral plan to manage near-term budget pressures;
- Lower fleet maintenance and fuel costs through investing in telematics technology;
- Include a IT licensing rationalization exercise;
- Deploy Body Worn Cameras with AI transcription enabled, creating operational efficiencies; and
- Leverage IT and analytics to enable service optimization and process improvements.

While some of the efficiencies identified will help to reduce our spend, some identified efficiencies will be redirected back into the organization to address service gaps.

The Service is committed to providing updates to the Finance and Audit Committee on both the four-year plan and efficiency exercises regularly moving forward.

Next Steps:

Staff have been developing the budget proposal under the guidance of the Board's Finance and Audit Committee. The pressures and solutions addressed during the budget review process will be outlined in the draft documents, which will be tabled with the Board on November 12, 2025.

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 between 2.9% and 6.5%, and that Council recommend 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 1.6% of the current taxation for 2025 and that Council requests that the Police Services Board develop their budget within this allocation.
- C) That Council recommend that the Ottawa Police Services Board develop their draft budget to include a list of budget efficiencies to reduce the overall tax supported net requirement.

The OPS will be drafting the 2026 Budget based on the recommendations received from the Ottawa Police Service Board.

The schedule in Table 1 provides the key dates for the tabling, public consultation, consideration, and approval of the Board's 2026 budget.

The OPS will table the draft budget document with the Board, followed by a presentation to Council, at a special meeting on November 12, 2025. Public delegations and Board consideration and approval of the budget is scheduled for the special meeting on December 5, 2025.

Council's approval of the budget will occur on December 10, 2025.

Table 1

Ottawa Police Service Budget Review and Approval Timetable

Milestone	Date
Board Special Meeting, City Council Special Meeting Tabling of Draft 2026 Budget	November 12, 2025
Board FAC Meeting 2026 Budget Delegations	November 21, 2025
Consultation Phase	July to November 2025
Special Meeting: Public Delegations and Board Budget Approval (Consideration and Approval of 2026 Budget)	December 5, 2025
City Council review / adoption of 2026 Budget	December 10, 2025

CONSULTATION

Over the summer, the Ottawa Police Service has been working diligently to assemble a comprehensive and effective public consultation package to support decision-making by both the Board and the Service on policing in Ottawa. This package includes scientific polling, qualitative discussions, and community engagement sessions with residents from all backgrounds—including marginalized and racialized communities—to ensure diverse voices are heard. These efforts build on previous consultations tied to the Strategic Plan and are aligned with the Community Safety and Policing Act. The

results of this consultation will be presented to the Board as part of the October 10 FAC meeting. The package explores public views on the types of policing services desired, support for current investments, trust in policing, and perceptions of service effectiveness. It also includes data on crime, traffic, and order management, supported by performance statistics.

FINANCIAL IMPLICATIONS

The financial implications of the 2026 Budget will be outlined in the draft documents tabled with the Board on November 12, 2025.

CONCLUSION

OPS staff have been working with all operational sections and directorates within the Service to develop a draft 2026 Budget that ensures the policing needs of the City and the needs of our membership are met, while advancing the Board's strategic plan. To achieve these objectives, OPS staff are recommending budget directions providing for up to a 6.5% police tax rate increase. The 6.5% tax rate increase will enable the OPS to meet its collective agreement requirements with the OPA and SOA and deliver on the Board's strategic plan through the advancement of projects like the District Revitalization Project, Staff Stabilization, Special Constables, and body-worn cameras, amongst others.

The timetable outlined in this report will provide time for the Board to give the OPS their budget direction, and table, review and approve the budget so that it is ready for consideration by Council on December 10, 2025.