

Report to / Rapport au:

**OTTAWA POLICE SERVICES BOARD
LA COMMISSION DE SERVICES POLICIERS D'OTTAWA**

24 October 2016 / 24 octobre 2016

Submitted by / Soumis par:

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SUBJECT: 2017 BUDGET DIRECTIONS AND TIMETABLE

OBJET: ORIENTATIONS ET CALENDRIER BUDGÉTAIRES DE 2017

REPORT RECOMMENDATIONS

That the Ottawa Police Services Board:

- 1. Direct staff to prepare the 2017 Draft Operating and Capital Budgets based on a 2% tax increase and an estimated 1.3% increase in taxes resulting from growth in assessment base.**
- 2. Approve the 2017 budget review and approval timetable.**

RECOMMANDATIONS DU RAPPORT

Que la Commission de services policiers d'Ottawa :

- 1. Demande au personnel de préparer les budgets préliminaires de fonctionnement et d'immobilisations de 2017 en fonction d'une augmentation des taxes de 2 % et d'une augmentation des recettes d'imposition découlant de la hausse de l'évaluation foncière estimée à 1,3 %.**
- 2. Approuve le calendrier d'examen et d'approbation budgétaires de 2017.**

BACKGROUND

Section 39 of the *Police Services Act* requires the Ottawa Police Services Board (Board) to 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 OPS Business Plan and other strategic planning documents, the annual budget enables the Board to set its priorities and provide direction to management. It supports service levels, provides the authority to proceed with key operational projects and confirms the necessary funding to carry out the 2017 work plan.

City Council has set the budget guideline and timetable for the 2017 process. On October 12, 2016, it gave direction to the Police Services Board to prepare the budget on the basis of a 2% tax increase and an estimated 1.3% increase in taxes resulting from growth in the assessment base. Council approval of the 2017 Operating and Capital Budget is set for December 15, 2016.

The approach in this report will align the Police Services Board with Council's direction with respect to both the 2% budget increase target and the timetable for review and approval.

DISCUSSION

2017 Operating Budget Target

Staff has been developing the budget proposal under the guidance of the Board's Finance and Audit Committee. This work has led to a budget proposal that is in keeping with the goal of a 2% tax increase for 2017. In setting priorities for funding, the key one is the addition of 25 more officers in 2017 to address risks and service needs. A \$1.5 million provision has been included for Canada 2017 policing activities, with funding to be sought from external sources. Table 1 provides a high level view of the budget proposal. The pressures and solutions addressed and arrived at during the budget review process will be outlined in the draft documents tabled with the Board on 9 November 2016.

Table 1

2017 Draft Operating Budget Proposal

Incremental Requirement	\$M
Maintain Services	7.1
25 Officers	2.1
IM / IT Roadmap	2.0
Efficiencies	(2.0)
User Fees and Charges	(0.3)
Net Taxation Increase	\$ 8.9
Police Tax Rate Increase	2.0%

Multi-Year Forecast

In the draft budget document staff will be tabling high-level operating budget forecasts for the 2018-2020 period as recommended by the Auditor-General during his review of the Board's budget process.

2017 Budget Schedule

The schedule in Table 2 provides the key dates for the tabling, public consultation, consideration and approval of the Board's 2017 budget, aligning with Council's direction.

Staff will table the draft budget document with the Board, followed by Council, at a special meeting on November 9, 2016. Public delegations, Board consideration and approval of the budget are scheduled for the Board's regular meeting on November 28, 2016. Council's approval of the budget will occur on December 15, 2016.

Table 2

Ottawa Police Service Budget Review and Approval Timetable

Milestone	Date
OPS Board Special Meeting, City Council Special Meeting:	9 November 2016
OPS Board Regular Meeting: Public Delegations, Consideration and Approval of 2017 Budget	28 November 2016
City Council Review / Adoption of 2017 Budget	15 December 2016

CONSULTATION

Several consultation opportunities have already occurred to ensure that citizens could provide input as the proposals were being developed.

Public delegations are also welcome at the 28 November 2016 meeting of the Board when it considers and approves the 2017 Police Budget.

FINANCIAL IMPLICATIONS

The financial implications of the 2017 budget and forecast are detailed in the body of the report.

CONCLUSION

The approach outlined in this report will ensure that the Board is aligned with Council's budget directions for 2017, namely that the total police tax rate be set at 2%. Following the timetable outlined in the report will enable the Board to table, review and approve the budget so that it is ready for consideration by Council on December 15, 2016.