

# FINANCIAL UPDATE ON COVID -19 &

## 2021 BUDGET DEVELOPMENT PROCESS

Finance and Audit  
Committee  
Sept 15, 2020



OTTAWA POLICE SERVICE  
SERVICE DE POLICE D'OTTAWA

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



[ottawapolice.ca](http://ottawapolice.ca)

# OVERVIEW



- COVID 19 Pandemic response remains fluid and presents a major financial risk to the 2020 OPS Budget;
  - \$13.5M in budget pressure
- Significant financial controls implemented to fully offset revenue and expense pressure:
  - Incident Command System with full financial tracking;
  - Discretionary spending freeze and travel ban;
  - Employee transfer and temporary assignment freeze;
  - Enhanced OT reporting and controls;
  - Capital project reviews and deferrals;
  - Annual leave utilization;
  - Casual employees;
- OPS is forecasting a balanced budget for 2020

# 2020 BUDGET IMPACT – FULL YEAR



\$M

Budget Item	April FAC	May FAC	June Update	Sept Update	Comments
Revenue Pressure	7.4	8.5	8.9	7.0	Paid Duties, Backgrounds, Airport, Red Light Camera
Expense Pressure	11.4	6.0	5.3	6.5	PPE, Unused AL, Pandemic OT
<b>Total Pressure</b>	<b>18.8</b>	<b>14.5</b>	<b>14.2</b>	<b>13.5</b>	
Expense Savings – non discretionary	(3.7)	(3.7)	(4.1)	(4.0)	Court OT, Canada Day OT, Regular OT, Fuel
Expense Savings – Discretionary	(9.2)	(10.1)	(10.1)	(9.5)	Spending freeze, travel, training, Paid Duty OT, Casuals
<b>Total Expense Savings</b>	<b>(12.9)</b>	<b>(13.8)</b>	<b>(14.2)</b>	<b>(13.5)</b>	
<b>Deficit</b>	<b>5.9</b>	<b>0.7</b>	<b>0.0</b>	<b>0.0</b>	

# 2021 BUDGET DEVELOPMENT



- Budget Directions Report from City has been delayed until October
- Current Planning assumptions;
  - 3% OPS levy plus 1.5% assessment growth;
- 2021 Budget Priorities

# 2020 BUDGET AND 2021 DRAFT OPERATING BUDGET



Budget Changes (\$M)	Budget 2020	Forecast 2021
Maintain services	\$ 12.5	\$ 11.0
30 officer increase	4.4	3.9
New Services	0.5	0.2
Efficiencies	(2.2)	(1.0)
User fees and revenues	(0.1)	(0.1)
One time funding from City	(2.4)	2.4
<b>Budget increase</b>	<b>\$ 12.7</b>	<b>\$ 16.4</b>
Police Tax Rate increase	3.0%	4.0%
Target Tax Rate		3.0%
Budget Increase at 3%		<b>\$ 13.2</b>
Impact		<b>\$ (3.2)</b>
Police Tax Increase (3.0%)	\$ 8.5	\$ 8.9
Assessment Growth (1.5%)	\$ 4.2	\$ 4.3

# 2021 DRAFT BUDGET CONSIDERATION AND APPROVAL TIMETABLE



Event	Date
SLT Budget Briefing	July 28, 2020
FAC/Board: Updated on Budget Development Process	September 15, 2020
Board receives Budget Direction Report from Council (tentative)	October 6, 2020
Executive Command and SLT Final Review	October 12-16, 2020
Board and City Council: Tabling of Draft 2021 Budget (tentative)	November 4, 2020
FAC: Public Delegations	November 9, 2020
Board: Public Delegations and Approval of 2021 Budget (tentative)	November 23, 2020
City Council: Approval of 2021 Budget	December 6, 2020