



DATE: 26 October 2015

TO/DEST: Executive Director, Ottawa Police Services Board

FROM/EXP: Chief of Police, Ottawa Police Service

SUBJECT/OBJET: **2016 BUDGET DIRECTIONS AND TIMETABLE**

RECOMMENDATIONS

That the Ottawa Police Services Board:

- 1. Direct staff to prepare the 2016 Draft Operating and Capital Budgets based on a 1.75% tax increase and an estimated 1.3% increase in taxes resulting from growth in assessment base.**
- 2. Approve the 2016 budget review and approval timetable.**

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 2016 work plan.

City Council has set the budget guideline and timetable for the 2016 process. On October 14, 2015, it gave direction to the Police Services Board to prepare the budget on the basis of a 1.75% tax increase and an estimated 1.3% increase in taxes resulting from growth in the assessment base. As was the case in 2015, due to provincial property taxation regulations, a 1.75% tax increase will result in a 2% increase on a residential tax bill for Police Services.

Council approval of the 2016 Operating and Capital Budget is set for December 9, 2015.

The approach in this report will align the Police Services Board with Council's direction with respect to both the 1.75% budget increase target and the timetable for review and approval.

DISCUSSION

2015 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 1.75% tax increase for 2016. In setting priorities for funding, the key one is the addition of 25 more officers in 2016 to address risks and service needs, 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 12 November 2015.

Table 1

2016 Operating Draft Operating Budget Proposal

Incremental Requirement	\$M
Maintain Services	5.9
25 Officers	1.3
New Services and Needs	2.2
Service Initiatives and Efficiencies	(2.0)
User Fees and Charges	(0.2)
Net Taxation Increase	\$ 7.2
Police Tax Rate Increase	1.75%

Multi-Year Forecast

In the draft budget document staff will be tabling high-level operating budget forecasts for the 2017-2019 period as recommended by the Auditor-General during his review of the Board's budget process.

2016 Budget Schedule

The schedule in Table 2 provides the key dates for the tabling, public consultation, consideration and approval of the Board's 2016 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 12, 2015. Public delegations, Board consideration and approval of the budget is scheduled for the Board's regular meeting on November 30, 2015. Council's approval of the budget will occur on December 9, 2015.

Table 2**Ottawa Police Service Budget Review and Approval Timetable**

Milestone	Date
OPS Board Special Meeting, City Council Special Meeting: Tabling of Draft 2016 Budget	12 November 2015
OPS Board Regular Meeting: Public Delegations, Consideration and Approval of 2016 Budget	30 November 2015
City Council Review / Adoption of 2016 Budget	9 December 2015

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 30 November 2015 meeting of the Board when they consider and approve the 2016 Police Budget.

FINANCIAL STATEMENT

The financial implications of the 2016 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 2016, namely that the total municipal tax rate be set at 1.75%. 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 9, 2015.

(Original signed by)

Charles Bordeleau
Chief of Police

Responsible for report: Director General Debra Frazer