

FINANCIAL UPDATE – COVID19

Finance and Audit
Committee
May 12, 2020



OTTAWA POLICE SERVICE
SERVICE DE POLICE D'OTTAWA
A Trusted Partner in Community Safety
Un partenaire fiable de la sécurité communautaire



ottawapolice.ca

OVERVIEW



- COVID 19 Pandemic response represents a major financial risk for the 2020 OPS Budget
- OPS Command team will provide monthly updates to the Board through FAC
- Significant financial controls already implemented totaling \$12.9M in expense savings
 - Incident Command System with full financial tracking
 - Discretionary spending freeze and travel ban
 - Employee transfer and temporary assignment freeze
 - Enhanced OT reporting and controls
- April forecast - deficit range from \$1.4M to \$5.9M



- Additional options identified to reduce deficit..prioritized based on the following principles:
 - Continue to provide police operations
 - Protect health and safety of our members
 - Maintain capacity to deliver policing operations
 - Protect our community and sustainability of our health care system
 - Maintain public confidence
 - Financial sustainability
- Exec Command made decision to implement 2 options resulting in \$3M of savings
- City direction on reduced red light camera revenue
- Updated forecast with April results
- Full year deficit reduced from \$5.9M to \$0.7M

2020 BUDGET IMPACT DUE TO COVID 19 – FULL YEAR



In \$M

Budget Item	April FAC	May Update	Comments
Revenue Pressure	7.4	8.5	Paid Duties, Backgrounds, Airport, Red Light Camera
Expense Pressure	11.4	6.0	PPE, Unused AL, Pandemic OT
Total Pressure	18.8	14.5	
Expense Savings – non discretionary	(3.7)	(3.7)	Court OT, Canada Day OT, Regular OT, Fuel
Expense Savings – Discretionary	(9.2)	(10.1)	Spending freeze, travel, training, Paid Duty OT, Casuals
Total Expense Savings	(12.9)	(13.8)	
Deficit	5.9	0.7	

FINANCIAL RISKS AND EMERGING ISSUES



- Tax revenue impacts and future year tax rate growth
- Tax stabilization funding
- Federal and Provincial grants
- Indemnity Costs

NEXT STEPS



- We continue to deliver effective policing service in line with adequacy standards
- Will keep the Board informed through FAC
- Regular contact with OPA and SOA
- Regular communication with City partners