

EXTRACT OF DRAFT MINUTES 27
FINANCE AND ECONOMIC
DEVELOPMENT COMMITTEE
6 JULY 2021

EXTRAIT DE L'ÉBAUCHE DU
PROCÈS-VERBAL 27
COMITÉ DES FINANCES ET DU
DÉVELOPPEMENT ÉCONOMIQUE
LE 6 JUILLET 2021

**PROPOSED 2022 BUDGET DIRECTIONS, TIMELINE AND
CONSULTATION PROCESS**

ACS2021-FSD-FIN-0017

CITY WIDE

REPORT RECOMMENDATIONS

**That the Finance and Economic Development Committee recommend
that Council approve the following:**

- 1. The approach and timetable for consultation and consideration of
the 2022 budget as outlined in the report.**
- 2. The following directions for developing the draft 2022 budget.**
 - a. That the municipal tax increase be set at 3 per cent overall
inclusive of the following:**
 - i. The city-wide tax levy, which includes funding for
Library and Public Health, be increased by no more
than 2.6 per cent for 2022 and that Council request
that the Library and Public Health Boards develop
their draft budgets based on their pro rata share of
this tax increase;**
 - ii. The Ottawa Police Services levy be increased by no
more than 3 per cent and that Council request that
the Police Services Board develop their draft budget
based on this tax increase;**
 - iii. That the Transit Levy be increased by no more than
4.5 per cent which includes a \$5 million increase to**

the contribution to capital to replace the cancelled provincial gas tax increase.

- b. That the assessment growth taxation revenues generated from new properties be estimated at 1.4 per cent of current taxation for 2022 and that Council request that the Police, Public Health and Library Boards and the Transit Commission develop their draft budgets within this allocation.**
- c. That all City user fees and charges increase in accordance with the direction outlined in the Fiscal Framework or the Long-Range Financial Plan, including incremental post COVID cost recovery.**
- d. That the Garbage Fee be increased in accordance with the approved Solid Waste Residential Collections Contracts report and to address the capital investments required for this service per the four-year capital spending plan.**
- e. That the 2022 Capital Budget be developed in accordance with the direction outlined in the 2019 DC Background Study, Long Range Financial Plan and Fiscal Framework.**
- f. That the rate supported 2022 draft budget be developed in accordance with the approved 2017 Long Range Financial Plan V – Water, Wastewater and Stormwater.**

Wendy Stephanson, Chief Financial Officer, Finance Services (FS) and Isabelle Jasmin, Deputy City Treasurer, Corporate Finance, FS, spoke to a PowerPoint presentation, a copy of which is held on file with the City Clerk. Steve Kanellakos, City Manager and Rick O'Connor, City Clerk were also in attendance to respond to questions.

In response to a question from Mayor Watson, David White, City Solicitor, advised that Council has no ability to direct Ottawa Police Services on its budget.

Following the presentation, Councillor Cloutier introduced the following motion:

MOTION No. FEDC 2021 1/27

Moved by Councillor J. Cloutier

WHEREAS as part of the 2018-2022 Council Governance Review report a term of Council budget process was approved, which included the requirement for the Chief Financial Officer to annually present the Finance and Economic Development Committee and Council with a directions report prior to the development of the draft budgets; and

WHEREAS the *Proposed 2022 Budget Directions, Timeline and Consultation Process* report recommends Council approve that the Ottawa Police Services levy be increased by no more than 3 per cent and that Council request that the Ottawa Police Services Board (OPSB) develop their draft budget based on this tax increase; and

WHEREAS, further to the November 30, 2020, direction from the OPSB to strike a working group to determine how the 2022 Ottawa Police Budget could be reduced or frozen at 2021 levels, the Board will be assessing, with the support of external resources, how the draft 2022 Ottawa Police Services budget can be reduced or frozen at 2021 levels; and

WHEREAS the Ottawa Police Service and the OPSB are engaged in the development of a community-led Mental Health Response Strategy that is being co-developed with mental healthcare and addictions professionals, community-based organizations, academics and those with lived experience, and will help to support a whole-of-community approach to responding to those in mental health crisis; and

WHEREAS on May 26, 2021, Council considered Motion 54/3 regarding the establishment of a Community Mental Health Strategy, which was referred to the City Manager for review and to report back to Council in Q3 of 2021 with a recommended path forward to coordinate the City's future efforts with those being led by the OPSB; and

WHEREAS, while Council cannot presume the outcome of this work nor presume the OPSB's recommendations, the Board may, in fact, table a draft 2022 budget with Council that comes in at less than a three per cent increase; and

WHEREAS, in accordance with the *Police Services Act*, while Council may establish the overall police budget that it considers necessary to fulfill its

statutory obligations under *Section 4* of the *Act*, Council does not have the authority to approve or disapprove of specific line items in the estimates submitted by the OPSB; and

THEREFORE BE IT RESOLVED THAT the budget directions be amended to provide that, should the Ottawa Police Service table a draft budget with the Board and Council that provides for less than a 3% increase, that Council be presented with recommended options to approve the allocation of the corresponding difference between the tabled police budget % increase and the 3% increase to community mental health support services.

Committee then heard from the following delegations who generally spoke in opposition and/or provided comments on Recommendation 2.a.ii – the Ottawa Polices Services budget:

- Ray Eskritt, Director, Harmony House
- Laura Rose Seebach Shantz
- Sam Hersh
- Robin Browne, ConsciousImages
- Cassie Slack
- Ethan Sabourin
- Mae Mason
- Bethany Leonard
- Bailey Gauthier
- Jack Bellemare
- Deirdre Moore provided written comments, held on file with the City Clerk
- Dr. Irvin Waller spoke to a slide presentation, a copy of which is held on file with the City Clerk
- Rachel Urban Shipley
- Salma A. Shebahi provided written comments, which are held on file with the City Clerk

- Emerson Harkin

Karen Freeman spoke on the transit levy, noting the difficulty in justifying the increase given the issues with low ridership.

Angela Keller-Herzog, Executive Director, CAFES spoke to a slide presentation in regard to climate finance. A copy of Angela's presentation is held on file with the City Clerk.

Correspondence was received by the following individuals and organizations:

- William Milner, email received July 3, 2021
- Coalition Against More Surveillance, email received July 5, 2021
- Nicholas Harrison, email received July 5, 2021
- Erin Leigh (she/her/elle), Executive Director, Ottawa Coalition to End Violence Against Women, email received July 5, 2021
- Cassandra Bergwerff, email received July 5, 2021
- Mathieu Savage, email received July 5, 2021
- Joseph Eastham, email received July 5, 2021
- Jacob Mitchell, email received July 5, 2021
- Alayne McGregor, email received July 5, 2021
- Kasper Hamilton, email received July 5, 2021

Prior to questions and comments, Councillor Hubley proposed the following motion to refer the Cloutier Motion No. FEDC 2021 1/27 to Council for consideration during the 2022 draft budget review process:

MOTION No. FEDC 2021 2/27

Moved by Councillor A. Hubley

BE IT RESOLVED that the Cloutier Motion regarding the Police Services budget be referred for Council's consideration during the 2022 draft budget review process, after the Ottawa Police Service has tabled its draft budget, and that the City Treasurer be directed to include an update on this matter and the potential

funding available as part of the tabling of the 2022 draft budget with Council on November 3, 2021.

Committee members and questions touched on the recommendations set out in the report; the budget process (and options to revise the budget); public engagement, public expectations and commitments regarding the Ottawa Policy budget; transit ridership and climate change.

After discussion, Committee CARRIED Motion No. FEDC 2021 2/27 and DEFERRED Cloutier Motion No. FEDC 2021 1/27.

The report recommendations CARRIED with Councillors J. Cloutier and G. Gower dissenting.

DRAFT