



**OTTAWA POLICE SERVICES BOARD REPORT 2
COMMISSION DE SERVICES POLICIERS D'OTTAWA - RAPPORT 2**

**TO THE COUNCIL OF THE CITY OF OTTAWA
AU CONSEIL DE LA VILLE D'OTTAWA**

**8 MARCH 2011
8 MARS 2011**

The **POLICE SERVICES BOARD** met on **7 MARCH 2011** and submits the item contained in this Report for the information and/or approval of Council at its meeting of **8 MARCH 2011**.

La **COMMISSION DE SERVICES POLICIERS** s'est réuni le **7 MARS 2011** et soumet l'article du présent rapport au Conseil pour information et/ou approbation lors de sa réunion du **8 MARS 2011**.

PRESENT / PRESENCES :

	<u>19 Jan. 11</u>	<u>24 Jan.11</u>	<u>28 Feb.11</u>	<u>7 Mar. 11</u>
Chair/président:	E. El-Chantiry	E. El-Chantiry	E. El-Chantiry	E. El-Chantiry
Members/Membres:	D. Guilmet-Harris	D. Guilmet-Harris	A. Doyle	A. Doyle
	J. Harder	J. Harder	J. Harder	J. Harder
	H. Jensen	H. Jensen	H. Jensen	H. Jensen
	J. MacEwen	J. MacEwen	C. Nicholson	J. MacEwen
	C. Nicholson	C. Nicholson	J. Watson	C. Nicholson
	J. Watson	J. Watson		J. Watson

INDEX

NO./N^o	ITEM	PAGE	ARTICLE
	<i>POLICE SERVICES BOARD</i>		<i>COMMISSION DE SERVICES POLICIERS</i>
1.	2011 OPERATING AND CAPITAL BUDGETS ACS2011-CCS-PSB-0002	01	BUDGETS D'IMMOBILISATIONS ET DE FONCTIONNEMENT 2011 ACS2011-CCS-PSB-0002

1. OTTAWA POLICE SERVICE 2011 OPERATING AND CAPITAL BUDGETS

**BUDGETS D'IMMOBILISATIONS ET DE FONCTIONNEMENT 2011 DU SERVICE DE
POLICE D'OTTAWA**

BOARD RECOMMENDATIONS

That the City of Ottawa Council approve:

- 1. The Ottawa Police Service 2011 Draft Operating Budget.**
- 2. The 2011 Draft Capital Budget, as amended by the revised Capital Budget Forecast for 2011 to 2020.**

RECOMMANDATION DE LA COMMISSION

Que le Conseil municipal d'Ottawa approuvent :

- 1. Le budget préliminaire de fonctionnement de 2011 du service de police d'Ottawa;**
- 2. Le Budget préliminaire d'immobilisations de 2011, tel que modifié par les Prévisions révisées du Budget d'immobilisations de 2011 à 2020.**

DOCUMENTATION

- 1. Ottawa Police Service Budget Book dated 19 January 2011 previously distributed.**
- 2. Chief's Supplemental Report dated 2 March 2011.**
- 3. Extracts of Minutes: 19 January 2011, 24 January 2011, draft 28 February 2011 and draft 7 March 2011.**



DATE: 2 March 2011

TO: Executive Director, Ottawa Police Services Board

FROM: Chief of Police, Ottawa Police Service

**SUBJECT: 2011 DRAFT OPERATING AND CAPITAL BUDGETS:
SUPPLEMENTARY INFORMATION**

RECOMMENDATION

That the Ottawa Police Services Board receive this report for information.

BACKGROUND

At the Police Services Board meeting on 19 January 2011, the 2011 Draft Operating and Capital Budgets were tabled. At that meeting, staff indicated that it would provide additional information on the following two items prior to the Board's consideration and approval of the budgets on 7 March 2011:

1. A detailed list of "Across the Service" reductions totalling \$1.1 million; and
2. A revised Capital Plan which reflects the impact of the 2.5% police tax rate increase during the term of this Board.

The accompanying Annexes provide the detail of these information items. Annex A-11 summarizes the \$1.1 million "Across the Service" reductions. Annex B-2 - "2011 to 2020 Capital Forecast" for the 2011 to 2014 period has been revised to reflect the impact of a 2.5% police tax rate increase.

DISCUSSION

Board's Direction for 2011

At the Police Services Board meeting on 20 December 2010, the Board directed staff to table options to achieve the budget direction of a 2.5% Police tax rate increase for 2011 in accordance with Council's motion.

2011 Operating Reductions Required to Meet Board Direction - \$6.1 million

In order to attain the 2.5% Police tax rate increase in 2011, a budget reduction of \$6.1 million was required. At the time the draft budget was tabled on 19 January 2011, details of the reductions totalling \$5.0 million were presented to the Board but the remaining \$1.1 million of "Across the Service" cuts still needed to be identified. Annex A-11 summarizes these reductions.

Finance staff worked with the OPS Directorates to identify these remaining reductions. These reductions were identified based on the following strategies and events:

- Year-end financial results became available and enabled staff to fine tune the budget estimates;
- Additional reductions were achieved from:
 - Review of software license and maintenance contracts;
 - Review of operating standards in fleet and other areas; and
 - Review of year end inventories of materials and supplies.
- Additional revenue arising from confirmed PAVIS funding from the Ontario Government and year-end information on the level of revenue from Police and Criminal Records Checks.

Impact of Board Direction on 2011-2020 Capital Forecast

As explained in the draft budget report, while the Capital Plan for 2011 remained unaffected by the 2.5% tax rate increase requirement, the Plan for 2012-2020 needed to be revised. Assuming a tax rate increase of 2.5% for 2012-2014, debt serviced projects are no longer affordable. Accordingly, debt financed capital projects originally planned for the 2012-2014 timeframe have been regrouped along with other projects planned beyond the current term of the Board. Table 1 summarizes these changes.

Table 1
Revised Timelines for Debt-Funded Capital Projects

	Project	\$M	%Debt Financing	Original Plan	Revised Plan
1a	Greenbank Cladding	\$4.4	100%	2012	2015
1b	Facility Acquisition - South	\$50.0	100%	2012	2015
1c	PDC Expansion	\$10.0	100%	2014	2015
2a	Elgin Re-fit	\$14.0	50%	2014	2019
2b	Greenbank Re-fit	\$2.0	50%	2015	2019
2c	Central Patrol Facility	\$30.0	100%	2015	2019
3a	Swansea Re-fit	\$10.0	100%	2016	2023
3b	Leitrim Re-fit	\$2.0	50%	2016	2023

The revised Capital Forecast is shown in Annex B-2. This revised forecast assumes that future tax increases will be necessary in order to fund these debt serviced projects, as shown in Table 2.

Table 2
Police Tax Rate Impact to Service New Debt-Financed Projects

Police Tax Rate	2015	2016	2017	2018	2019	2020
% Increase for New Debt-Financed Projects	1.00%	0.75%	0.50%	1.00%	1.00%	0.00%

Ten-Year Capital Forecast

Annex B-2 presents the revised 2011–2020 Ten-Year Capital Forecast for the Ottawa Police Service by individual project and by category of need. The ten-year gross need totals \$221.3 million and reflects the move of Swansea and Leitrim re-fit projects totalling \$12.0 million beyond the 10 year forecast to 2023. The capital needs summary is shown in Table 3.

Table 3
OPS Ten-Year Capital Needs Summary – 2011 to 2020
(\$ millions)

Category	Gross Need	Funding			
		Tax	Revenue	DC	Debt
Renewal of Assets	\$115.2	\$108.1	\$2.7		\$4.4
Growth	\$59.2				\$59.2
Strategic Initiatives	\$46.9	\$28.9			\$18.0
TOTAL	\$221.3	\$137.0	\$2.7		\$81.6
% Of Total		62%	1%	0%	37%

Status of OPS Reserve Funds

Deferring the Elgin refit project to beyond the current Board's term impacts the PAYG reserve fund as this project is only 50% debt financed. As a result, the PAYG fund will increase by \$7.0 million by the end of 2014 and remain there until funds are required in 2019. Table 4 shows the revised General Capital Reserve Fund Continuity Schedule.

Table 4
OPS General Capital Reserve Fund Continuity Schedule
(\$ millions)

	2011	2012	2013	2014
Opening Balance	\$3.0	\$1.5	\$5.6	\$8.7
Sources				
Tax Base Contribution	\$11.2	\$11.0	\$11.0	\$11.0
Project Closures	\$1.8	\$0.0	\$0.0	\$0.0
Interest Earnings	\$0.0	\$0.0	\$0.0	\$0.1
Total Sources	\$13.0	\$11.0	\$11.0	\$11.1
Uses				
Project Funding	\$12.4	\$6.9	\$7.9	\$11.6
Contribution to Operations	\$2.1	\$0.0	\$0.0	\$0.0
Total Uses	\$14.5	\$6.9	\$7.9	\$11.6
Ending Balance	\$1.5	\$5.6	\$8.7	\$8.2

CONSULTATION

The 2011 Draft Operating and Capital estimates were presented and tabled with the Ottawa Police Services Board on 19 January 2011.

Public consultation on the 2011 Draft Budget occurred during the regular Board meetings on 24 January 2011 and 28 February 2011 in the Champlain Room at City Hall. In addition, OPS staff attended the Multi-Ward Bilingual City Consultation Meetings.

Formal consideration and review of the 2011 Budget will occur at the Ottawa Police Services Board meeting at 9:00 a.m. on 7 March 2011. Approval is also scheduled for that date.

City Council will begin its approval process on 8 March 2011.

FINANCIAL IMPLICATIONS

Financial implications are presented within the report.

CONCLUSION

This report supplements the 2011 Draft Operating and Capital Budgets tabled at the Police Services Board meeting on 19 January 2011. It sets out the “across-the-service” reductions of \$1.1 million and provides a revised capital project plan which reflects a 2.5% police tax rate increase during the term of the Board.

(Original signed by)

Vern White
Chief of Police

Annexes

Annex A-11 Detailed Description of Across the Service Reductions
Annex B-2 2011 to 2020 Capital Forecast (Revised)

ANNEX A-11

Item	Description	Amount (\$000)
No New Funds		
1. Resource &	Revise PDC training budget based on 2010 actuals	31.1
2. Resource & Development	Reduce background investigators car mileage to reflect decreased hiring plan	11.7
3. Facilities	Streamline processes regarding service requests; reduce facility rentals	10.0
4. Fleet	Reduce fuel consumption due to anti-idling initiative	90.0
5. Quartermaster	Eliminate raincoats and notebook companions	60.0
6. IT Operations	Review software maintenance contracts	80.6
7. IT Operations	Review hardware maintenance contracts; reduce professional service costs	27.0
8. Support Services	Various small reductions across directorate	9.2
9. District	Various small reductions across directorate	6.0
Sub-Total		\$ 325.6
Reductions to Existing Budget Envelope		
1. Police Services Board	Revise legal services cost based on 2010 actuals	6.1
2. Executive	Revise PSS legal fees for mediation based on 2010 actuals	12.0
3. Executive	Revise professional services based on 2010 actuals	10.0
4. Executive	Various small reductions across directorate	19.2
5. Executive	Reduce Media Relations Mediamiser usage	18.0
6. Resource & Development	Eliminate summer students program	74.0
7. Resource & Development	Reduce professional services due to change in processes	10.3
8. Facilities	Reduce estimate for emergency relocations	22.3
9. Alarms, Mail & Financial Services	Reduce postage, courier and supplies based on 2010 actuals	18.5
10. Corporate Accounts	Reduce parking, liability claims, professional services based on 2010 actuals	45.0
11. Fleet	Reduce number of vehicles in operation	84.0
12. Quartermaster	Reduce costs for dress uniforms, motorcycle apparel, body armour and notebooks based on year-end inventory review	43.9
13. IT Applications	Review software maintenance contracts	54.4
14. Criminal Investigative Services	Reduce Special Projects budget	50.0
15. Emergency Operations Division	Reduce costs for pandemic supplies based on year-end inventory review	50.0
16. Emergency Operations Division	Eliminate planned purchase of Power Hawk Hazpro (device attached to bomb robot)	30.0
17. Emergency Operations Division	Reduce other EOD equipment and supplies based on year-end inventory review	10.0
18. Support Services	Various small reductions across directorate	14.4
19. Patrol	Various small reductions across directorate	7.0
20. District	Various small reductions across directorate	10.2
Sub-Total		\$ 589.3
Revenues and Recoveries		
1. Corporate Accounts	Increase revenue from records clearance checks based on 2010 actuals	103.1
2. PAVIS Grant	Increase revenue from provincial grant net of offsetting reductions (\$184K excess - \$100K Funding DART Cst - \$25K YIP)	59.0
Sub-Total		\$ 162.1
Grand Total		\$ 1,077

2011 - 2020 CAPITAL FORECAST
(000's)

ANNEX B-2 Revised

Department: Ottawa Police Service		Budget	Budget									
AUTHORITY SUMMARY	Guideline	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total Estimate
Category / Project Title												
Renewal of Assets												
Fleet Program	3,543	2,543	2,893	2,893	2,893	2,893	2,893	2,893	2,893	2,893	2,893	28,580
IT Mobile Workstations	1,300	2,060	-	-	5,000	-	-	5,000	-	-	5,000	17,060
IT Infrastructure	1,040	1,037	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,037
IT Storage	1,025	1,255	500	500	500	500	500	500	500	500	500	5,755
IT Telecommunication	585	420	400	400	400	400	400	400	400	400	400	4,020
IT Applications	1,550	382	500	500	500	500	500	500	500	500	500	4,882
Portable Radio Replacement	-	-	-	-	-	-	-	-	-	-	-	11,000
Building Security Access Control Upgrades	220	272	230	240	250	260	270	275	280	285	285	2,647
Facility Minor Capital Projects	335	440	440	440	440	440	440	440	440	440	440	4,610
Facility Lifecycle	2,000	2,039	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	21,839
Cellblock - Security Replacement	-	350	-	-	-	-	-	-	-	-	-	350
Greenbank Cladding *	2,000	-	-	-	-	4,438	-	-	-	-	-	4,438
Subtotal Renewal of Assets	13,598	10,798	8,163	8,173	13,183	12,631	8,203	13,208	8,213	8,218	24,428	115,218
Growth												
Facility Acquisition - South *	12,100	-	-	-	-	24,200	-	-	-	-	-	24,200
Communication Centre Equipment *	-	-	-	-	-	5,000	-	-	-	-	-	5,000
Facility - Central Patrol Facility *	-	-	-	-	-	-	-	-	-	30,000	-	30,000
Subtotal Growth	12,100	-	-	-	-	29,200	-	-	-	30,000	-	59,200
Strategic Initiatives												
Strategic Growth Initiative	300	300	300	300	300	300	300	300	300	300	300	3,000
Business Transformation	-	2,275	-	1,000	-	1,000	-	1,000	-	1,000	-	6,275
OPS Specialized Equipment	300	215	300	300	300	300	300	300	300	300	300	2,915
Facility Strategic Plan - Greenbank/Leirim Refit %	-	650	300	300	-	-	-	-	-	2,000	-	3,250
Elgin Refit %	-	-	-	-	-	-	-	-	-	14,000	-	14,000
Swansea Refit *	-	-	-	-	-	-	-	-	-	-	-	-
Professional Development Expansion *	-	-	-	-	-	10,000	-	-	-	-	-	10,000
Facility Initiatives	750	655	750	750	750	750	750	750	750	750	750	7,405
Subtotal Strategic Initiatives	1,350	4,095	1,650	2,650	1,350	12,350	1,350	2,350	1,350	18,350	1,350	46,845
Total	27,048	14,893	9,813	10,823	14,533	54,181	9,553	15,558	9,563	56,568	25,778	221,263
FUNDING PLAN												
General Capital Reserve Fund	9,405	12,350	6,920	7,930	11,640	7,650	6,660	12,665	6,670	15,675	22,885	111,045
Fleet Replacement Reserve Fund	3,293	2,293	2,643	2,643	2,643	2,643	2,643	2,593	2,593	2,593	2,593	25,880
Debt	11,325	-	-	-	-	43,638	-	-	-	38,000	-	81,638
Development Charges	2,775	-	-	-	-	-	-	-	-	-	-	-
Revenue	250	250	250	250	250	250	250	300	300	300	300	2,700
Total	27,048	14,893	9,813	10,823	14,533	54,181	9,553	15,558	9,563	56,568	25,778	221,263

* full debt financing

% full or partial debt financing

1. 2011 DRAFT OPERATING AND CAPITAL BUDGET
Presentation by the Chief of Police and the Director General

Chief White invited everyone to join him in a moment of silence for Toronto Police Sergeant Ryan Russell who was murdered on 12 January 2011. Chair El-Chantiry thanked Vice Chair MacEwen for attending the funeral on behalf of the Board.

Chief White introduced the 2011 Draft Operating and Capital Budgets for the Ottawa Police Service. He stated staff would be making a presentation to provide Board members with an overview of the Budget and which would include the following topics:

- Policing Context and Chief's Operational Priorities;
- 2011 Draft Operating Budget;
- 2012 – 2014 Draft Forecast Highlights;
- 2011 Draft Capital Budget and Forecast;
- Budget Timetable.

The presentation (*a copy will be kept on file with the Board Executive Director*) was made by Director General Frazer and Executive Director of Corporate Support Mui. At the conclusion of the presentation Ms. Frazer thanked her colleagues on Executive Command who gave generously of their time and leadership throughout the Budget development process. She also thanked her team for the tremendous job they have done during this challenging process.

Chair El-Chantiry thanked Director General Frazer and her team for their hard work in putting together the budget and delivering on City Council's request of a 2.5% budget increase.

Following the presentation a discussion ensued and the following points of clarification were provided:

- The radio program cannot be purchased through debt financing, therefore it is being deferred so that staff can align funds on a go forward basis. The program cannot be cancelled because police services across the country have been planning for several years to implement a national standard radio system that will enable them to communicate with one another.
- Development Charge funding is limited to facilities, with Fleet Services qualifying to a very limited extent. There has been no allocation of additional development charge funding during 2012 to 2020 as the focus will be on the South Project and perhaps a portion of the Central Project when it comes up later in the forecast. (Slide 28)

**EXTRACT OF MINUTE
19 January 2011**

**EXTRAIT DU PROCÈS-VERBAL
19 janvier 2011**

-
- The challenge the OPS faces is being unable to take on new debt resulting in deferring and limiting new capital projects. This is the reason the South Project has been deferred beyond 2014. (Slide 29)
 - The Police Service takes advantage of coordinated bulk purchasing with both the City and the Province in order to keep costs down. Vehicles remain the main bulk purchase item, however, it is also done with items such as ammunition and firearms. Discussions have occurred around the possibility of obtaining better pricing for bullet proof and replacement vests.
 - The projected \$2 million year-end surplus is largely the result of a reduced number of people retiring (which is a huge cost due to contracts negotiated decades ago), and not from the operating side of the organization.
 - Table 5 on page 11 of the Budget book illustrates that the number of retirements will be declining over the next few years. Due to this decline it is possible to reduce funding in the retirement account by \$250,000.
 - Page 95 references the sole instance of One Time Funding in 2011: approximately \$2 million will be pulled from the “One-Time Funding Reserve Funds” account to fund two specific projects: Records Purge Project and Evidence Disposal Project. Temporary staff will be onsite for one year to complete these projects and then the funding and expenses will be eliminated.

Member Jensen wished to flag that the Board will be facing a budget pressure in 2012 when it hosts the Ontario Association of Police Services Board’s annual conference. The Association will be celebrating its 50th anniversary and it will be a significant event for the City of Ottawa in terms of revenue. In the past, the host board has been expected to raise approximately \$50,000, of which half is funded through sponsorship from other Ontario boards. He would have liked to see half of this amount added to the 2011 budget but this was not supported by the Board’s Finance & Audit Committee. Chair El-Chantiry noted that the budget is at its limit, but perhaps as the time approaches discussions can be had with the City and the Mayor’s office in light of the revenue the conference will generate for City businesses.

Chair El-Chantiry congratulated the Director General on the impressive success of the Pay as You Go program (Slide 27).

Member Jensen addressed the 2011 Budget Review Schedule included in the slide presentation. He noted that at the December 20th Board meeting, the Board requested a change to the proposed budget review timetable to add a special meeting on March 7th for approval of the budget after all the public consultations have taken place. With the addition of that special meeting there are now three board meetings planned at which the public will have an opportunity for input. With this in mind, the Board’s Finance & Audit

**EXTRACT OF MINUTE
19 January 2011**

**EXTRAIT DU PROCÈS-VERBAL
19 janvier 2011**

Committee recommends that the special meeting previously scheduled on February 7th at 5:00 p.m. for the purpose of hearing public delegations be deleted from the schedule.

Moved by Member Jensen

That the Ottawa Police Services Board approve the following revised meeting schedule for review of the 2011 Ottawa Police Budget, in addition to the multi-ward consultations being organized by the City of Ottawa:

- | | |
|-------------------------------|--|
| 24 January, 5:00 p.m. | Regular Board Meeting & Public Delegations on the Budget |
| 28 February, 4:00 p.m. | Regular Board Meeting & Public Delegations on the Budget |
| 7 March, 9:00 a.m. | Special Meeting – Public Delegations & Approval of the Budget |

CARRIED

Chief White confirmed that Ottawa Police Service finance staff and members of the Executive Command will be in attendance at all multi-ward Public Consultation meetings.

Board members then considered the following recommendations:

That the Ottawa Police Services Board:

- 1. Receive and table the Ottawa Police Service 2011 Draft Operating and Capital Budgets;**
- 2. Receive and table the options for attaining a 2.5% tax rate increase; and**
- 3. Consider the Ottawa Police 2011 Draft Operating and Capital Budgets at a special meeting on 7 March 2011.**

RECEIVED AND TABLED

3. PUBLIC DELEGATIONS ON THE 2011 BUDGET

There were no public delegations on the 2011 Draft Budget.

2. 2011 BUDGET: PUBLIC DELEGATIONS AND QUESTIONS

There were no public delegations or questions on the 2011 Draft Budget.

1. 2011 DRAFT OPERATING AND CAPITAL BUDGET

- a) Chief's report dated 2 March 2011
 - b) 2011 Draft Operating & Capital Budget book previously distributed
 - c) Presentation
-

Mr. J. Mui, Executive Director, Corporate Support, made a presentation on the supplementary information to the 2011 Draft Operating and Capital Budgets contained in the Chief's report dated 2 March 2011. *(A copy of the presentation will be kept on file with the Board's Executive Director)*

Responding to a question from Chair El-Chantiry, Director General D. Frazer explained the presentation included a revised Capital Budget Forecast for 2011 to 2020 for the Board's consideration and approval, and will require the Budget to be approved as amended.

Member Watson asked what budget increases the Service experienced over the past four years. The Director General responded that annual budget increases were approximately: 5.5% in 2010; 5% in 2009; 5% in 2008; and 0% in 2007.

Referencing the line item for Career Advertising on page 93 of the Budget document, Member Watson asked why the budget was being reduced from \$40,000 to \$3,000. Director General Frazer explained that one of the Service's strategies is to use the website to attract more candidates for both internal and external job postings for sworn and civilian positions, thereby reducing the costs of paper advertising.

Member Harder indicated she would like to submit a Notice of Motion asking for a review of the by-law prohibiting revenue generation by the Ottawa Police Service. She noted that opportunities exist for revenue generation, such as child car seat clinics, that could be run in partnership with the Board of Health. The OPS will be facing a maximum budget increase of 2.5% for each of the next four years and she believes this could only be sustained by utilizing revenue generating programs. With budget cuts such as those to the future South end facility, she wondered how else to accomplish the Chief's operational priorities and still remain accountable to taxpayers.

Chief White explained his 19 January 2011 budget presentation included revenue generation as a strategic decision, as numerous opportunities exist to generate revenue streams that would allow things to get done while reducing the taxpayer's burden. Staff will be working on this initiative over the next six months and will bring forward a detailed report containing their ideas.

EXTRACT OF DRAFT MINUTE
7 March 2011

EXTRAIT DU PROCÈS-VERBAL PROVISoire
7 mars 2011

When the Motion is considered at the next Board meeting, Chair El-Chantiry suggested a friendly amendment that would include gathering best practices in Ontario and across the country. Member Harder was willing to accept that amendment.

Chair El-Chantiry inquired what estimated gas price was used in the 2011 budget estimates. Executive Director Mui indicated that the OPS used the same estimate of \$1 per litre of gasoline used by the City of Ottawa. Director General Frazer added that approximately \$2.6M is spent on fuel annually and the price of fuel has already exceeded their estimate.

Member Watson asked what was to become of the OPS 2010 estimated budget surplus. Director General Frazer responded that the estimated 2010 surplus would be approximately \$1.7M. Discussions have already occurred with the City Treasurer to use the surplus funds toward OPS capital projects that were to be debt financed, but are not eligible for debt financing. The City Treasurer will be including that recommendation in her presentation to Council tomorrow. A year-end report detailing which projects will be funded is being prepared for the Board.

Chair El-Chantiry asked when the revised Facilities Plan report would be presented to the Board. Director General Frazer responded that a full report, including the revisions from today and future steps to be taken, will be presented to the Board at the May meeting.

Chair El-Chantiry asked if there were any members of the public who wished to speak to the Budget. There were no public delegations on the 2011 Draft Budget.

Chief White took the opportunity to thank staff for their hard work over the past several months; they worked under tremendous pressure to adjust the budget to this final product.

On behalf of the Board, Chair El-Chantiry thanked the Chief and his staff for all their work on the 2011 Budget. He asked that staff be mindful in future when using acronyms in reports; the full name should be included so that those unfamiliar with OPS terms know what they stand for.

The Board then considered the following recommendation.

That the Ottawa Police Services Board receive the supplementary report for information.

RECEIVED

Board members then considered the recommendation before them:

**EXTRACT OF DRAFT MINUTE
7 March 2011**

**EXTRAIT DU PROCÈS-VERBAL PROVISOIRE
7 mars 2011**

That the Ottawa Police Services Board and the City of Ottawa Council approve:

- 1. The 2011 Draft Operating Budget; and**
- 2. The 2011 Draft Capital Budget , as amended by the revised Capital Budget Forecast for 2011 to 2020.**

CARRIED as amended

NOTICE OF MOTION (FOR CONSIDERATION AT NEXT MEETING)

That the Ottawa Police Services Board consider revising the By-Law prohibiting revenue generation.