

**Essex County OPP Detachment Board – North
(Lakeshore, Essex, Tecumseh)**

To: Chair and Members

From: Tecumseh Municipal Liaison, Margaret Misek-Evans, CAO

Date to Board: November 4, 2024

Report Number: ECODB-2024-06

Subject: 2025 Budget

Recommendations

It is recommended:

That Report No. ECODB-2024-06, 2025 Budget, **be received;**

And that the 2025 Draft Budget for the Essex County OPP Detachment Board – North (Lakeshore, Essex, Tecumseh) **be approved;**

And further that the Detachment Board’s recommendation to approve the 2025 Draft Board Budget **be forwarded** to the Municipality of Lakeshore, the Town of Essex and the Town of Tecumseh for consideration of approval during their respective 2025 municipal budget deliberations;

And further that the Board Chair or alternate **be authorized** to present the 2025 Draft Board Budget to each municipal Council when each municipal budget is tabled.

Background

As part of the annual municipal operating budget cycle, the Detachment Board must establish its operating budget. Section 71 (1) of the Community Safety & Policing Act provides for the following:

71 (1) An O.P.P. detachment board shall prepare estimates, in accordance with the regulations made by the Minister, of the total amount that will be required to pay the expenses of the board’s operation, other than the remuneration of board members.

This requirement is confirmed in Section 3 (1) of Ontario Regulation 135/24 (O. Reg. 135/24).

Following on the above-noted section of the Act, Section 71 (2) stipulates that:

(2) The O.P.P. detachment board shall submit the estimates to every municipality that receives policing from the detachment along with a statement of the municipality's share of the costs, which are to be determined in accordance with the regulations made by the Minister.

Per S. 3 (2) of O. Reg. 135/24, each municipality in the OPP detachment board area shall pay an equal share of the board's estimates while S. 3 (3) provides for another allocation basis (other than equal shares), provided there is unanimous consent among member municipalities.

As Board members may recall, an earlier report (Tecumseh Report No. CAO-2024-03, March 19, 2024) addressed Board remuneration and expenses, with provision for equal cost-sharing among the three member municipalities. The rates of pay established for the Board by the three member municipalities will apply going forward, with costs and expenses of the Board apportioned equally.

Once approved by the member municipalities, each municipality is required to pay their portion of the budget as follows, per S. 71 (3):

(3) Subject to subsection (4), the municipalities shall contribute their share of the costs to the O.P.P. detachment board's budget in accordance with the estimates.

In the event of a dispute, S. 71 (4) provides for arbitration, as follows:

(4) If a municipality is not satisfied that the total amount set out in the estimates is required to pay the expenses of the O.P.P. detachment board's operation, it may give the board written notice referring the matter to arbitration.

To establish a Detachment Board budget for the balance of 2024 following the April 1st commencement of the Board, a budget was prepared by the Municipal Liaisons and recommended to each of the member municipalities (See Attachment 1: Tecumseh Report No. CAO-2024-04, OPP Detachment Board Budget, June 25, 2024). This budget process was undertaken during the period when Board activity was suspended due to lack of liability insurance. The approved operating budget for 2024 was \$70,113 plus an estimate of \$2,500 for insurance (annualized at \$5,000). The matter of Board insurance was subsequently addressed in Report No. ECODB-2024-05, Detachment Board Insurance, wherein Administration reported that group insurance through the OAPSB was purchased for an annualized cost of \$3,880.00.

Comments

Going forward, Attachment 2 contains the Board's variance report for the 2024 operating budget, while Attachment 3 contains the draft 2025 operating budget for

consideration. Attachment 4 shows the allocations to each member municipality, based on the draft 2025 operating budget.

Upon the Board's deliberations on the draft budget, the (revised) draft will be forwarded to all member municipalities for incorporation into the annual municipal operating budgets. The scheduled Council meetings for tabling the 2025 municipal operating budgets are as follows (times to be determined):

Essex: November 25, 2024

Lakeshore: December 10, 2024

Tecumseh: December 10, 2024

The Board Chair will present the Board's approved draft 2025 budget to the municipal Councils, relying on the Vice Chair where there may be a conflict in schedules. Board members are welcome to attend these meetings.

Council budget deliberations will be undertaken during December and January and the final budget outcome will be reported to the Board early in the New Year.

Consultations

Senior Administration – Town of Essex and Municipality of Lakeshore
Director Financial Services and Chief Financial Officer – Town of Tecumseh

Financial Implications

With respect to the 2024 August variance in Attachment 2, the following is noted:

- tracking below budget on Wages & Benefits primarily due to the later-than-planned start date for the Administrative Support position
- negative variance in Total Professional Development, as expenses are estimated to be lower than budget
- negative variance anticipated in Public Relations as the uptake in community policing support has been negligible so far this year
- positive variance in Board insurance, as the prorated expense for 2024 is \$416 above the estimated 2024 allocation of \$2,500.

Overall, the Board budget is tracking toward a negative variance of approximately \$4,030 for 2024. Any negative variance at year-end will be credited proportionately to each member municipality.

Attachment 3 contains the Board's projected annual operating budget for 2025, with key highlights summarized as follows:

- Annual wages and benefits are estimated at \$77,849 for 2025, incorporating 2% cost of living allowance, negotiated benefits-in-lieu for the Administrative Support position and employee health tax and WSIB for all members.
- Memberships were estimated at an annualized cost of \$3,450 in June, however, we have since received invoices for memberships with the OAPSB and Zone 6 for 2025, with fees of \$7,269 plus tax and \$300, respectively.
- Professional development expenses for 2025 are based on five (5) members and one (1) Municipal Liaison attending the annual OAPSB conference and three (3) members attending two (2) Zone 6 meetings.
- Insurance for 2025 is based on the annual insurance cost of \$3,880 plus allowance for inflation (4%).
- Public relations' estimates include OAPSB annual conference sponsorship, annual holiday dinner, community policing and an allowance for miscellaneous expenses.

The total annual operating budget for the Board in 2025 is proposed to be \$114,870. This is approximately \$9,300 over the June annual estimate for Board operations, with the differences primarily due to wages & benefits and memberships.

Attachment 4 provides Board budget estimates allocated to each member municipality. Per prior direction, the operating budget is divided equally between municipalities, except for costs associated with OMERS contributions for the Tecumseh appointments, which are wholly covered by Tecumseh. Accordingly, the draft allocations per member municipality are as follows:

- Essex: \$38,109.67
- Lakeshore: \$38,109.67
- Tecumseh: \$38,650.67

This report has been reviewed by Senior Administration from all three municipalities as indicated below.

Prepared by:

Tecumseh Liaison – Margaret Misek-Evans
Chief Administrative Officer

Reviewed by:

Essex Liaison – Doug Sweet
Chief Administrative Officer

Reviewed by:

Lakeshore Liaison – Susan Hirota
General Counsel

Recommended by:

Tecumseh Liaison – Margaret Misek-Evans
Chief Administrative Officer

Attachment Number	Attachment Name
1	Tecumseh Report No. CAO-2024-04, OPP Detachment Board Budget, June 25, 2024
2	2024 August Variance & Forecast to Year End
3	2025 Draft Budget
4	2025 Draft Budget: Distribution of Expenditures