

# Analyst Briefing Notes

## Budget Committee

(February 10, 2009)

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**PART I: 2009 OPERATING BUDGET****Executive Summary**

- The Toronto Police Services Board is responsible, under the Police Services Act, to ensure the provision of adequate and effective police services in the City of Toronto, and as such, the Board is dedicated to ensuring delivery of police services in partnership with our communities to keep Toronto the best and safest place to be.
- Over the next 3 years the Toronto Police Services Board will advance key challenges and opportunities, including legislative requirements under the Police Services Act. These include determining, after consultation with the Chief of Police, objectives and priorities of the Police Service and policies for the effective management of the Service, the negotiation of collective agreements, approval of the Service's capital and operating budget requests, and establishing guidelines for the administration of the public complaints system. The Board will also continue to address the necessary challenges in support of the Mayor's vision to make our safe City even safer.
- The Toronto Police Services Board, over the next three years will support the service objectives of the Police Service which include:
  - Increasing safety in and around schools;
  - Increased reporting from victims of crime;
  - Increasing trust and confidence between the Police and groups with distinct needs;
  - Continuing to reduce violent crime and the availability and impact of drug activity on neighbourhoods;
  - Increasing the community perception of professionalism during contact with police;
  - Improving the Service's ability to plan, prevent, mitigate and respond to emergency incidents; and
  - Decreasing the number of road related injuries to pedestrians, cyclists and drivers.
- The 2009 Recommended Operating Budget provides funding for priority actions that will address the Board's challenges, opportunities and service objectives. Key priority actions include:
  - Support of the Toronto Anti-Violence Intervention Strategy (TAVIS), which is provided by the Toronto Police Service and fully funded from the Province of Ontario in the amount of \$5 million per year. This funding includes the costs of 30 new School Resource Officers beginning in 2009.

- Continued discussions with the Federal government in support of stricter rules and regulations to address gun violence.
  - Support of the Youth in Policing Initiative (YIPI), which is provided by the Police Service and funded from the Province of Ontario in the amount of \$0.346 million, to enable youth from priority neighbourhoods across Toronto to work in a variety of areas within the Toronto Police Service. This funding will advance the Mayor's vision of a great city, ensuring young people have real opportunities.
  - The Board will also continue to establish and support Board sub-committees which provide an opportunity for the Board, Service and the community to work together on issues of mutual concern. These sub-committees will assist in addressing the Boards legislative requirements and support the shaping of policy to address the Service's objectives and the Mayor's Mandate of making this safe city safer.
- For 2008, the Toronto Police Services Board projects year-end net expenditures of \$2.257 million, including the 2008 interim salary settlement, which is consistent with the 2008 Approved Operating Budget resulting in no anticipated year-end variance.

**Table 1: 2009 Recommended Budget**

	2008		2009 Recomm'd Operating Budget			Change - 2009 Recommended Operating Budget v. 2008 Appvd. Budget		FY Incremental Outlook	
	2008 Appvd. Budget	2008 Projected Actual	2009 Base	2009 New/Enhanced	2009 Operating Budget			2010	2011
	\$	\$	\$	\$	\$	\$	%	\$	\$
(In \$000s)									
<b>GROSS EXP.</b>	2,258.5	2,258.5	2,301.2		2,301.2	42.7	1.9	31.6	6.2
<b>REVENUE</b>					0.0	0.0	NA		
<b>NET EXP.</b>	2,258.5	2,258.5	2,301.2	0.0	2,301.2	42.7	1.9	31.6	6.2
<b>Approved Positions</b>	8.0	8.0	8.0		8.0	0.0	0.0		
<b>TARGET</b>			<b>2,258.5</b>		<b>2,258.5</b>				
<b>\$ Over / (Under) Program Target</b>			<b>42.7</b>		<b>42.7</b>				
<b>% Over / (Under) Program Target</b>			<b>1.9%</b>		<b>1.9%</b>				

- The 2009 Recommended Operating Budget for the Toronto Police Services Board is 1.9% or \$0.043 million above the Police Board's 2009 Operating Budget target of \$2.259 million which is the Board's 2008 Approved Operating Budget following in-year adjustments made to accommodate the salary settlement agreed upon through arbitration with the Police Association and subsequently with the Senior Officers Organization and which was then approved for excluded members.
- The 2009 Recommended Operating Budget for the Toronto Police Services Board is \$2.301 million net. This is comprised of base funding of \$2.301 million with no additional funding recommended for new initiatives. Approval of the 2009 Recommended Operating Budget will maintain current service levels and result in the Board's staff complement remaining at 8 approved positions.

- The 2010 and 2011 Outlook maintains the 2009 level of service and staff complement while managing the future year incremental costs arising from the agreed upon salary settlement with the Police Association and the Senior Officers Organization.
- The 2009 Recommended Operating Budget for the Toronto Police Services Board incorporates the Board's key cost drivers, including:
  - \$0.050 million for increased salary and benefit costs arising from the awarded salary settlement to the Police Association and the Senior Officers Organization and additional costs to maintain the current Board complement;
  - Anticipated savings of \$0.100 million in external legal service charges required for grievances, arbitration and other labour relations proceedings; and
  - An increase of \$0.080 million in projected costs for internal legal services provided to the Board from the City's Legal Services division for day to day legal advice.
- The 2009 Recommended Operating Budget for the Toronto Police Services Board maintains the Board's service levels, which advances the Mayor's Mandate to make our safe City safer. The Board's priorities include:
  - The Board will continue to liaise with other orders of governments on policing matters. Specifically, the Board will participate in the consultation with the Ministry of the Attorney General and the Ministry of Community Safety and Correctional Services on the collection of current court security costs and data, and the development of court security standards, associated costs, and related governance as part of the court security costs upload to the Province planned to begin 2012. This Board priority will also advance the Mayor's mandate for A Prosperous Toronto, for a Prosperous Canada through addressing this municipal fiscal imbalance.
- The 2009 Recommended Operating Budget for the Toronto Police Services Board allows the Board to ensure the provision of adequate and effective police services in the City, supporting the Police Service's efforts to make our safe City safer. Funds provided will allow the Board to determine, after consultation with the Chief of Police, objectives and priorities of the Police Service, negotiate collective agreements, establish guidelines for the administration of the public complaints system, review and approve the Toronto Police Services capital and operating budget requests, and establish policies for the effective management of the Toronto Police Service.

**Recommendations**

The City Manager and Acting Chief Financial Officer recommend that:

1. City Council approve the 2009 Recommended Operating Budget for the Toronto Police Services Board of \$2.301 million gross and net, comprised of the following service:

<u>Service:</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
Toronto Police Services Board	<u>2,301.2</u>	<u>2,301.2</u>
Total Program Budget	<u>2,301.2</u>	<u>2,301.2</u>

**PART II: 3-YEAR SERVICE OVERVIEW AND PLAN**

The Toronto Police Services Board is dedicated to ensuring delivery of police services in partnership with our communities to keep Toronto the best and safest place to be.

The Board's mandate is to oversee the provision of the Police Service, including law enforcement and crime prevention in the City. The Board is the civilian trustee to the public interest for police services in the community.

**Program Map****Service Challenges and Opportunities**

The Toronto Police Services Board has specific legislated responsibilities under the Police Services Act, to ensure the provision of adequate and effective police services in the city. The Board also supports through the Police Service's efforts, the Mayor's vision to make our safe city even safer. The following highlights the Police Board's key service drivers:

**Legislative Requirements**

Section 27 of the Police Services Act mandates that there shall be a police services board for every municipality that maintains a police force. Further to that, the Act defines the role of the board as responsible for the provision of adequate and effective police services in the municipality and that the Board shall:

- Determine, after consultation with the Chief of Police, objectives and priorities for the Toronto Police Service;
- Negotiate collective agreements;
- Recruit and appoint the Chief and Deputy(s) of the Toronto Police Service and annually determine their remuneration and working conditions;

- Establish guidelines for the administration of the public complaints system and receive its quarterly reports;
- Approve the Toronto Police Services capital and operating budget requests; and,
- Establish policies for the effective management of the Toronto Police Service.

**Implementation of the Mayor and Council's Policy Agenda**

The Toronto Police Service's Board will continue to address the necessary challenges in support of the Mayor's vision to make our safe city even safer, through civilian oversight of the Toronto Police Service, deterring people from crime and ensuring that young people have real opportunities.

**Service Objectives**

The Toronto Police Services Board, following consultation with the Chief of Police creates service objectives for the Toronto Police Service. The Board itself does not have specific objectives however they do monitor the achievements of the Police Service. Key objectives established under the 2009 – 2011 Business Plan for the Toronto Police Service are as follows:

**Focusing on Child & Youth Safety**

1. Increase safety in and around schools and promote student trust and confidence in police.
2. Provide youth with crime prevention and safety information, and encourage reporting.

**Focusing on Violence Against Women**

1. Improve the provision of support, follow-up information, and referrals to victims.
2. Increase reporting by victims.

**Focusing on People with Distinct Needs**

1. Increase trust and confidence between the police and groups such as seniors, Aboriginal people, newcomers to Toronto, homeless people and those with mental illness.
2. Increase the number of referrals to Victim Services, ensuring that all victims of violence, including the families and friends of victims if appropriate, have access to victim services and support.

**Targeting Violence, Organized Crime, and Gangs**

1. Reduce violent crime, especially shootings, and illegal gun activity, specifically through a decrease in the number of shootings and the rate of violent crime and an increase in the number of firearms seized.
2. Reduce the availability and impact of drug activity on neighbourhoods.

**Delivering Inclusive Police Services**

1. Increase in the community perception of professionalism during contact with police and decrease the proportion of community who believe that Toronto Police officers target members of minority or ethnic groups for enforcement.
2. Increase in the number of uniform and civilian applicants who are women and/or a visible minority.

**Addressing Community Safety Issues**

1. Improve the Service's capacity to plan for, prevent, mitigate, respond to, and/or recover from emergency incidents.
2. Improve the Service's ability to analyze crimes committed using technology (computer assisted crimes), particularly frauds and identity theft.

**Ensuring Pedestrian and Traffic Safety**

1. Decrease the number of road-related injuries to pedestrians, cyclists and drivers.

**Priority Actions**

The Toronto Police Service's Board is legislated by the Police Service's Act for the general management and shaping the structure of policing policy. The Chief of Toronto Police Service is responsible for the daily and other operational matters related to the implementation of the strategic initiatives.

In addition to these strategic initiatives, the 2009 Recommended Operating Budget for the Police Services Board also addresses through the Police Service a number of strategic priorities outlined in the Mayor's Mandate and Council's policy agenda;

**Making a Safe City Safer:**

***Toronto Anti-Violence Intervention Strategy (TAVIS):*** The Board will continue to support the Police Service's successful Toronto Anti-Violence Intervention Strategy which is fully funded by the Province in the amount of \$5.000 million, and combines a focused crackdown on gangs with an emphasis on building strong community relationships. The 2009 Recommended Operating Budget (for the Police Service), through Provincial funding, will provide for an increase of 30 School Resource Officers for this initiative.

The Strategy uses community mobilization to reduce crime and disorder, make neighbourhoods safer, and bring neighbours together to keep their neighbourhood safe and liveable. This initiative specifically addresses service objectives of focusing on child and youth safety; targeting violence, organized crime, and gangs; delivering inclusive police services; and addressing community safety issues.

The Toronto Police Service has reported to the Board, that TAVIS is working well and is a key part of the Service's comprehensive plan for building a meaningful relationship with all communities in the City and it continues to ensure the Mayor's of making a safe City safer.



***Gun Violence:*** The Board will continue pursuing discussions with the federal government for: no bail for anyone who commits a crime while in possession of a gun; complete ban on handguns and all semi-automatic weapons; significantly increase enforcement measures and actively seek the cooperation of the United States government to prevent international gun trafficking; and, to develop an effective gun registry.

***Youth in Policing Initiative (YIPI):*** The Board will continue to support the Youth in Policing Initiative funded by the Province in the amount of \$0.346 million, enabling youth from priority neighbourhoods across Toronto to work in a variety of areas within the Toronto Police Service. The objective of the program is to acquaint youth with the police and develop potential carrier opportunities.

In 2008, approximately 100 youth had summer employment with the Toronto Police Service as part of the YIPI. This innovative program allowed young people to work one-on-one with Service members, from Forensic Identification Services to the Marine Unit and addresses the Mayor's vision of a great City, ensuring young people have real opportunities in the City.

***Board Sub-Committees:*** The Board will also continue to establish and support Board sub-committees which provide an opportunity for the Board, Service and the community to work together on issues of mutual concern. These sub-committees include but are not limited to the Board Advisory Panel on Community Safety to help address gun violence and anti-social gang behaviour involving youth; the Budget Sub-Committee to review the Police Service's operating and capital budget requests; and the Sexual Assault Steering Committee to assist in the implementation of the Auditor-Generals recommendations on investigations of sexual assaults.

These sub-committees will assist in addressing the Boards legislative requirements and support the shaping of policy to address the Service's objectives and the Mayor's Mandate of making this safe City safer.

## PART III: 2008 BUDGET VARIANCE ANALYSIS

**Table 2: 2008 Budget Variance Review**

(In \$000s)	2007 Actuals	2008 Approved Budget	2008 Projected Actuals*	2008 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	%
<b>GROSS EXP.</b>	2,134.3	2,258.5	2,258.5	0.0	0.0
<b>REVENUES</b>				0.0	0.0
<b>NET EXP.</b>	2,134.3	2,258.5	2,258.5	0.0	0.0
<b>Approved Positions</b>	8.0	8.0	8.0	0.0	0.0

Note: \*Source Toronto Police Services Board 2008 Third Quarter Operating Budget Variance Report.

### 2008 Experience

The Toronto Police Services Board's Third Quarter Operating Budget Variance report indicates that the Board expects to be on budget by year-end. The Board's year-end projection of \$2.259 million gross and net, including the 2008 salary settlement, is consistent with the 2008 Approved Operating Budget.

The approved complement of 8 staff, including the Chair of the Board, is forecasted to remain unchanged by year-end.

### Impact of 2008 Operating Variance on the 2009 Recommended Budget

The Toronto Police Services Board's net expenditures are consistent with the 2008 Approved Operating Budget, however offsetting gross expenditure variances have impacted the Board's 2009 Recommended Operating Budget. Specifically, recommended interdepartmental charges for City legal services have been increased by \$0.080 million based on experiences in 2008. This recommended increase in gross expenditures is fully offset by a recommended decrease of \$0.100 million in external legal fees, also based on 2008 experience.

## PART IV: 2009 RECOMMENDED BASE BUDGET

**Table 3: 2009 Recommended Base Budget**

	2008 Appvd. Budget	2009 Recommended Base	Change 2009 Recommended Base v. 2008 Appvd. Budget		FY Incremental Outlook	
					2010	2011
(In \$000s)	\$	\$	\$	%	\$	\$
<b>GROSS EXP.</b>	2,258.5	2,301.2	42.7	1.9	31.6	6.2
<b>REVENUE</b>			0.0	NA		
<b>NET EXP.</b>	2,258.5	2,301.2	42.7	1.9	31.6	6.2
<b>Approved Positions</b>	8.0	8.0	0.0	0.0		
<b>NET TARGET</b>		<b>2,258.5</b>				
<b>\$ Over / (Under) Program Target</b>		<b>42.7</b>				
<b>% Over / (Under) Program Target</b>		<b>1.9%</b>				

### 2009 Recommended Base Budget

The 2009 Recommended Base Budget of \$2.301 million gross and net represents a \$0.043 million or 1.9% increase over the Toronto Police Services Board's 2009 budget target of \$2.259 million while maintaining the 2008 service levels, with no change to approved positions. The 2009 Recommended Base Budget includes cost-of-living adjustments (COLA), which has been awarded through arbitration to the Police Association and subsequently agreed upon with the Senior Officers Organization and which was approved for excluded members.

The additional \$0.043 million in gross expenditures recommended for the Board's Base Budget is primarily required to fund increases in salary and benefit costs to maintain the Board's complement of 8 positions, as well as to fund required furnishing and equipment replacements.

### 2009 Key Cost Drivers and Reduction Strategies

The 2009 Recommended Base Budget includes the following key cost drivers:

- Salary and benefits costs to maintain the current Board complement have risen by \$0.028 million due to increased costs as well as an additional salary increase of \$0.022 million which was awarded through arbitration to the Police Association and later agreed upon with the Senior Officers Organization and then approved for excluded members;
- External legal service charges required for anticipated grievances, arbitration and other labour relations proceedings are expected to decrease in 2009, resulting in \$0.100 million in budgeted savings; and

- Internal legal services provided to the Board from the City's Legal Services division for day-to-day legal advice are expected to increase by \$0.080 million in 2009, resulting in additional funding being included in the recommended budget of that amount.

**2010 and 2011 Outlook: Net Incremental Impact**

Approval of the 2009 Recommended Base Budget for the Toronto Police Services Board will result in incremental payroll costs of \$0.032 million in 2010 and \$0.006 million in 2011 to maintain the 2009 level of service and staff complement. These future year payroll costs are the result of the agreed upon salary settlement with the Police Association and the Senior Officers Organization which expires at the end of 2010.

**PART VI: ISSUES FOR DISCUSSION****2009 Budget Issues*****2009 Recommended Operating Budget vs. Guideline***

The Toronto Police Services Board's 2009 Recommended Operating Budget is \$2.301 million gross and net, including COLA, which has been awarded through arbitration to the Police Association and subsequently agreed upon with the Senior Officers Organization and then approved for excluded members. The 2009 Recommended Operating Budget for the Police Services Board is \$0.043 million or 1.9% above the operating target \$2.259 million.

The Toronto Police Services Board's 2009 Recommended Operating Budget is above the operating target primarily as a result of an additional \$0.080 million in anticipated legal services provided to the Board from the City's Legal Services Division and \$0.050 million in additional salary and benefit costs to maintain the Board's current complement.

## Appendix A

### 2009 Recommended Base Budget Changes vs. 2008 Approved Budget

(In \$000s)	Summary of 2009 Base Budget Adjustments				Net Incremental Outlook	
	Approved Positions	Gross Expenditures	Revenues	Net	2010	2011
		\$	\$	\$	\$	\$
<b>2008 Council Approved Operating Budget</b>	<b>8.0</b>	<b>2,233.9</b>	<b>0.0</b>	<b>2,233.9</b>	<b>0.0</b>	<b>0.0</b>
In-year approvals and technical adjustments		24.6		24.6		
Corporate adjustments						
<b>2008 Approved Operating Budget</b>	<b>8.0</b>	<b>2,258.5</b>	<b>0.0</b>	<b>2,258.5</b>	<b>0.0</b>	<b>0.0</b>
Prior year impacts		22.9		22.9		
Zero base items						
Economic factors		6.7		6.7		
<b>Adjusted Base Budget</b>	<b>8.0</b>	<b>2,288.1</b>	<b>0.0</b>	<b>2,288.1</b>	<b>0.0</b>	<b>0.0</b>
Other base changes		13.1		13.1	31.6	6.2
Base revenue changes						
Recommended Service Level Adjustments:						
Base changes						
Service efficiencies						
Revenue adjustments						
Minor service impact						
Major service impact						
<b>Total Recommended Base Adjustments</b>	<b>0.0</b>	<b>13.1</b>	<b>0.0</b>	<b>13.1</b>	<b>31.6</b>	<b>6.2</b>
<b>2009 Recommended Base Budget</b>	<b>8.0</b>	<b>2,301.2</b>	<b>0.0</b>	<b>2,301.2</b>	<b>31.6</b>	<b>6.2</b>
<b>2009 Program Operating Target</b>				<b>2,258.5</b>		
<b>% Over (Under) Program Target</b>				<b>1.9%</b>		
<b>% Over (Under) 2008 Appvd. Budget</b>				<b>1.9%</b>		

## Appendix D

### Program Summary by Expenditure Category

PROGRAM: TORONTO POLICE SERVICES BOARD							
	2008 Approved Budget	2008 Projected Actuals	2009 Recommended Budget	Change from 2008 Approved Budget		2010 Outlook	2011 Outlook
	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	825.9	825.9	877.3	51.4	6.2%	908.9	915.1
Materials and Supplies	10.9	10.9	10.9	0.0	0.0%	10.9	10.9
Equipment	0.5	0.5	3.0	2.5	500.0%	3.0	3.0
Services & Rents	821.2	741.2	730.0	(91.2)	(11.1%)	730.0	730.0
Contributions to Capital				0.0	n/a		
Contributions to Reserve/Res Funds				0.0	n/a		
Other Expenditures				0.0	n/a		
Interdivisional Charges	600.0	680.0	680.0	80.0	13.3%	680.0	680.0
<b>TOTAL GROSS EXPENDITURES</b>	<b>2,258.5</b>	<b>2,258.5</b>	<b>2,301.2</b>	<b>42.7</b>	<b>1.9%</b>	<b>2,332.8</b>	<b>2,339.0</b>
Interdivisional Recoveries				0.0	n/a		
Provincial Subsidies				0.0	n/a		
Federal Subsidies				0.0	n/a		
Other Subsidies				0.0	n/a		
User Fees & Donations				0.0	n/a		
Transfers from Capital Fund				0.0	n/a		
Contribution from Reserve Funds				0.0	n/a		
Contribution from Reserve				0.0	n/a		
Sundry Revenues				0.0	n/a		
<b>TOTAL REVENUE</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>n/a</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL NET EXPENDITURES</b>	<b>2,258.5</b>	<b>2,258.5</b>	<b>2,301.2</b>	<b>42.7</b>	<b>1.9%</b>	<b>2,332.8</b>	<b>2,339.0</b>
<b>APPROVED POSITIONS</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0%</b>	<b>8.0</b>	<b>8.0</b>