



## STAFF REPORT ACTION REQUIRED

### TORONTO POLICE SERVICE: PARKING ENFORCEMENT UNIT - 2007 OPERATING BUDGET SUBMISSION

<b>Date:</b>	February 6, 2007
<b>To:</b>	Budget Committee, City of Toronto
<b>From:</b>	Alok Mukherjee, Chair, Toronto Police Services Board

#### SUMMARY

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The purpose of this report is to provide the City of Toronto Budget Committee with the 2007 operating budget submission for the Toronto Police Service – Parking Enforcement Unit.

#### RECOMMENDATION

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It is recommended that the Budget Committee approve the 2007 operating budget for the Toronto Police Service – Parking Enforcement Unit in the amount of \$33.6M.

#### FINANCIAL IMPACT

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If the Budget Committee approves the recommendation contained in this report, it will result in the allocation of funds in the amount of \$33.6M, which represents a 2.9% increase over the 2006 net approved budget.

#### ISSUE BACKGROUND

At its meeting of January 25, 2007, the Toronto Police Services Board was in receipt of a report, dated January 5, 2007, from William Blair, Chief of Police, with regard to the Toronto Police Service – Parking Enforcement Unit's 2007 operating budget submission.

#### COMMENTS

The Board approved the January 05, 2007 report from Chief Blair. .

## **CONCLUSION**

A copy of Board Minute No. P27/07, in the form attached as Appendix "A" to this report, regarding this matter is provided for information.

## **CONTACT**

Chief of Police William Blair  
Toronto Police Service  
Telephone No. 416-808-8000  
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## **SIGNATURE**

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Alok Mukherjee  
Chair

## **ATTACHMENT**

Appendix A – Board Minute No. P27/07

cc. Mr. Joseph Pennachetti, Deputy City Manager and Chief Financial Officer

A: 2007peopbudget.doc

## APPENDIX "A"

### THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON JANUARY 25, 2007

#### #P27. TORONTO POLICE SERVICE: PARKING ENFORCEMENT UNIT – 2007 OPERATING BUDGET SUBMISSION

The Board was in receipt of the following report January 05, 2007 from William Blair, Chief of Police:

Subject: 2007 OPERATING BUDGET SUBMISSION FOR PARKING  
ENFORCEMENT UNIT

#### Recommendations:

It is recommended that:

1. the Board approve a 2007 net Operating Budget submission of \$33.6 Million (M), a 2.9% increase over the 2006 net approved budget, and
2. the Board forward a copy of this report to the City's Deputy City Manager and Chief Financial Officer, and to the City Budget Committee.

#### Financial Implications:

The 2007 net operating budget submission of \$33.6M results in an increase of \$0.9M (2.9%) over the approved 2006 net operating budget. The majority of the increase (\$0.8M) is for the 2007 salary settlement impact. The remainder of the increase is mainly attributable to impacts from staff reclassifications, which are partially offset by reductions in premium pay.

#### Background/Purpose:

The Parking Enforcement Unit (PEU) of the Toronto Police Service assists with the safe and orderly flow of traffic; responds to the parking concerns of the community; regulates parking; and provides operational support to the Toronto Police Service.

The PEU operating budget is funded from revenues received by the City and included in the City's consolidated Parking Tag Enforcement Operations budget.

The annual operating budget process requires the Board to approve the PEU budget submission and then forward the approved submission to the City. As a result, this report recommends the approval of the PEU 2007 operating budget submission.

The following provides detailed information regarding the budget development process, as well as specific increases and decreases.

### *2007 Operating Budget Development Process*

The PEU budget submission was developed using the following guiding principles:

reallocate within existing budget wherever possible to accommodate pressures;

budget for known plans, including staffing requirements;

defer service enhancements where risk of liability associated with deferral is low;

maximize cost-recovery opportunities within the constraints of the Municipal Act to address pressures wherever possible with additional revenue; and

ensure all proposed service enhancements adhere to Board priorities.

### *2007 Operating Budget Submission*

<b>2007 Budget Submission Summary</b>	<b>\$(M)</b>	<b>% Inc. over 2006</b>
2006 Approved Budget	\$32.7	
2007 Collective Agreement Impact	\$0.8	
Salary Increments	\$0.3	
Reduction in Premium Pay Spending	<u>(\$0.2)</u>	
Total Increases	\$0.9	
<b>Total 2007 Budget Submission</b>	<b>\$33.6</b>	<b>2.9%</b>

#### (a) Salaries & Benefits (Increase of \$0.9M)

Regular pay, premium pay, and fringe benefits constitute 86% (\$29M) of the PEU budget. The 2007 budget submission includes \$0.8M for the 2007 impact of the collective agreements. Increases due to salary increments of \$0.3M have been partially offset by premium pay reductions of \$0.2M.

#### (b) Non Salary (Net zero change)

Non salary accounts constitute 14% (\$4.6M) of the budget. PEU has experienced inflationary pressures in various non salary accounts such as gasoline and rental of facilities, but has been able to absorb these increases with offsetting reductions in other accounts.

Additional costs relating to the implementation of the handheld ticketing capital project have been fully annualized in 2007. This annualized budget pressure has been offset by a decrease in the base funding for the purchase of manual parking tags.

*Parking Tag Revenue*

The following table summarizes the revenues expected from parking tags issued by Toronto Police Parking Enforcement Officers (PEOs) and Municipal Law Enforcement Officers (MLEOs), based on an average fine of \$30.00 per ticket. These revenues are reflected in the consolidated Parking Tag Enforcement Operations account at the City, and are provided here for information only.

	<u># of tickets (000s)</u>		<u>Gross Revenue \$ (000s)</u>	
	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>
TPS Parking	2,600	2,600	\$75,660	\$78,000
MLEOs	<u>200</u>	<u>200</u>	<u>\$5,820</u>	<u>\$6,000</u>
Total	2,800	2,800	\$81,480	\$84,000

Note: Based on the collection experience for the City (82%), 2007 net revenue would be \$68.9M.

As a result of the implementation of handheld ticketing, the processable rate for parking tag issuance is expected to increase from 97% to 99.9%. This will result in increased revenues of approximately \$2.5M per year, commencing in 2007. As was anticipated in the original capital business case, no increase in tag issuance is projected in 2007 as a result of the implementation of handheld ticketing.

Conclusion:

The Parking Enforcement Unit's 2007 operating budget request is \$33.6M (an increase of \$0.9M or 2.9% increase over 2006). This budget has been reviewed in detail by Service staff and the Board's Budget Sub-Committee, and all identified opportunities for reductions have been incorporated into this submission.

Mr. Tony Veneziano, Chief Administrative Officer, Administrative Command will be in attendance to answer any questions from the Board.

**The Board approved the foregoing.**