



## STAFF REPORT ACTION REQUIRED

### TORONTO POLICE SERVICES BOARD - 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 Services Board.

#### RECOMMENDATION

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It is recommended that the Budget Committee approve the 2007 operating budget for the Toronto Police Services Board in the amount of \$2,238,300.

#### 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 \$2,238,300, which is a 25.4% increase over 2006.

#### ISSUE BACKGROUND

At its meeting of January 25, 2007, the Toronto Police Services Board was in receipt of a report, dated January 11, 2007, with regard to the Board's 2007 operating budget submission.

#### COMMENTS

I advised the Board of the following additional information with regard to the proposed 2007 operating budget submission for the Toronto Police Services Board:

### City Legal Chargeback

Subsequent to completing my January 11, 2007 Board report, City Legal informed my office that the estimated chargeback for the last 2 quarters of 2006 would be \$436,000 which is more than double the \$193,000 chargeback for the first 2 quarters.

Although City Legal is still reviewing the invoices from the last 2 quarters to ensure that only the appropriate files are billed to the Board and we have not received the invoices in order to conduct our own review, it is apparent that a budget of \$375,000 will not be adequate for 2007. I therefore recommend that an additional \$225,000 be budgeted for the City Legal chargeback for a total budget request of \$600,000.

### Independent Legal Advice

In addition, I recommend that the budget for independent legal advice be increased by \$75,000, that is, from \$45,000 to \$120,000. The Board currently has retained Torys to represent it in a civil matter and the cost of this action is ongoing. It is unknown whether the Board will be required to incur any additional costs related to the 2006 TPA submission to OCCPS during 2007. This account will also be used should the Board be required to obtain independent counsel at a coroner's inquest.

This will result in a net 2007 operating budget request of \$2,238,300, a 25.4% increase (\$453,700) over the 2006 operating budget.

The Board subsequently approved the following Motions:

1. THAT the Board receive recommendation no. 1 and approve recommendation no. 2 from the Chair's report dated January 11, 2007, and
2. THAT the Board approve a 2007 net operating budget request of \$2,238,300 which is a 25.4% increase over 2006.

### **CONCLUSION**

A copy of Board Minute No. P25/07, in the form attached as Appendix "A" to this report, regarding this matter is provided for information.

### **CONTACT**

Alok Mukherjee, Chair  
Toronto Police Services Board  
Telephone No. 416-808-8080  
Fax No. 416-808-8082

## **SIGNATURE**

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Alok Mukherjee  
Chair

## **ATTACHMENT**

Appendix A – Board Minute No. P25/07

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

A: 2007tpsbopbudget.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

#### #P25. TORONTO POLICE SERVICES BOARD – 2007 OPERATING BUDGET SUBMISSION

The Board was in receipt of the following report January 11, 2007 from Alok Mukherjee, Chair:

Subject: 2007 OPERATING BUDGET SUBMISSION FOR THE TORONTO POLICE SERVICES BOARD

#### Recommendations:

- 1) THAT the Board approve a 2007 net operating budget request of \$1,938,300 which is an 8.6% increase over 2006 and,
- 2) THAT the Board forward a copy of this report to the City of Toronto Deputy City Manager and Chief Financial Officer, and to the City of Toronto Budget Committee.

#### Background:

In accordance with Section 39(1) of the Police Services Act, the Board is required to:

*...submit operating and capital estimates to the municipal council that will show, separately, the amounts that will be required, (a) to maintain the police force and provide it with equipment and facilities; and (b) to pay the expenses of the board's operation other than the remuneration of board members.*

This report addresses part (b) of the above noted; however, it has been the practice of the Board to include the remuneration of board members in its budget request.

The following is a summary of the 2007 operating budget request (in thousands).

Salaries/Benefits	\$779,600
Supplies/Equipment	13,000
Services	<u>1,145,700</u>
TOTAL NET REQUEST	\$1,938,300
2006 Budget	\$1,784,600

### Salaries/Benefits

The budget request includes funds to maintain the Board's full staff complement of 7. In addition, funds are included for the salary of a full time Board Chair and honoraria and per diem payments for the citizen appointees to the Board, per City of Toronto policy. The increase of \$62,700 is largely due to across the board increases as well as an increase to the premium pay budget.

### Supplies/ Equipment

There is a reduction of \$12,600 in this account area, largely the result of the elimination of any request for furniture in 2007.

### Services

There is an increase over the 2006 budget of \$103,600. The increase is primarily due to changes in the amounts budgeted for professional services. Key elements of the professional services accounts area are detailed below:

#### *\$580,000 for Labour Relations legal advice*

This represents an increase of \$98,100 over the 2006 budget due to the complexity and number of anticipated grievances, arbitration and other labour relations proceedings in 2007.

#### *\$375,000 for City Legal chargeback*

City Council has directed that the costs of work performed by the City Legal Department be charged back to the Police Services Board. City Legal provides day to day legal advice to the Board, including policy development, contract management and may represent the Board in civil actions, human rights complaints, at Coroner's inquests and at various inquiries. City Staff have submitted billings for the first 2 quarters of 2006 in the amount of \$193,716.81. As of the date of this report, the full year cost for 2006 is not known.

#### *\$45,000 for Independent Legal Advice*

From time to time, the Board may require legal advice independent from the advice provided by City Legal and independent of the labour relations legal advice provided by Hicks Morley. It is very difficult to establish a budget in this area as the Board cannot necessarily forecast legal proceeding such as civil claims or inquests

#### *\$30,000 for the Sexual Assault Steering Committee*

In 2005 the Board created the Sexual Assault Steering Committee to advise on the implementation of the recommendations in the Auditor General's report entitled "Review of the Investigation of Sexual Assaults – Toronto Police Service". The Board also approved providing remuneration to the community members of the Steering Committee (Min. P34.05 and P199/06 refer).

*\$15,000 for “Funding for Success” initiative*

In 2005, the Board approved entering into a partnership, known as “Funding for Success”, with several other GTA police services boards. The proposal requires a 3 year commitment of funds from each participating police board to contribute to a pool of funds intended to advance the ability of the Boards to deliver police service in as cost-effective a manner as possible. The objective of the proposal is to develop concrete measures to allow Boards to respond strategically and tactically to the increase of costs in the police sector through measures such as: collective bargaining strategies, pooling of resources to more efficiently deliver services, and introducing or mitigating the impact of new legislation at both the provincial and federal level. A first report, designed to better prepare Board for collective bargaining was delivered in late 2006.

*\$10,000 for Communications Advice*

The budget request includes this amount should specialized communication assistance be required by the Board or should Board members wish communications or media relation training.

Summary

The Board’s 2007 operating budget request represents an 8.6% increase over the 2006 budget. This increase is largely due to the increase in the professional and technical services accounts for labour relations legal advice.

**Chair Mukherjee advised the Board of the following additional information with regard to the proposed 2007 operating budget submission for the Toronto Police Services Board:**

**City Legal Chargeback**

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**has retained Torys to represent it in a civil matter and the cost of this action is ongoing. It is unknown whether the Board will be required to incur any additional costs related to the 2006 TPA submission to OCCPS during 2007. This account will also be used should the Board be required to obtain independent counsel at a coroner's inquest.**

**This will result in a net 2007 operating budget request of \$2,238,300, a 25.4% increase (\$453,700) over the 2006 operating budget.**

**The Board subsequently approved the following Motions:**

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