

December 15, 2006

To: Policy and Finance Committee, City of Toronto

From: Pam McConnell, Acting Chair

Subject: 2006 Capital and Operating Variance Reports Ending September 30, 2006 for the Toronto Police Service and Toronto Police Service – Parking Enforcement Unit

Purpose:

The purpose of this report is to advise the Policy and Finance Committee of the results of the 2006 capital and operating variance reports ending September 30, 2006 for the Toronto Police Service and the Toronto Police Service –Parking Enforcement Unit.

Financial Implications and Impact Statement:

There are no financial implications in regard to the receipt of this report.

Recommendation:

It is recommended that the Policy and Finance Committee receive this report.

Background:

At its meeting held on November 28, 2006 the Toronto Police Services Board was in receipt of the following reports:

- Toronto Police Service – 2006 Capital Budget Variance Report as at September 30, 2006;
- Toronto Police Service: Parking Enforcement Unit - 2006 Capital Budget Variance Report as at September 30, 2006;

- Toronto Police Service – 2006 Operating Budget Variance Report as at September 30, 2006; and
- Toronto Police Service – Parking Enforcement Unit: 2006 Operating Budget Variance Report as at September 30, 2006.

Comments:

The Board received the foregoing reports and agreed to forward copies to the Policy and Finance Committee for information.

Conclusions:

Copies of the foregoing reports, in the form attached as Appendix “A” through Appendix “D”, regarding these matters are provided for information.

Contact:

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Pam McConnell
Acting Chair

List of Attachments:

Appendix A - Board Minute No. P377/06
Appendix B - Board Minute No. P378/06
Appendix C - Board Minute No. P375/06
Appendix D - Board Minute No. P376/06

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cc: Mr. Joseph Pennachetti, Deputy City Manager & Chief Financial Officer, City of Toronto

APPENDIX "A"

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON NOVEMBER 28, 2006

#P377. TORONTO POLICE SERVICE - 2006 CAPITAL BUDGET VARIANCE REPORT AS AT SEPTEMBER 30, 2006

The Board was in receipt of the following report November 06, 2006 from William Blair, Chief of Police:

Subject: 2006 CAPITAL BUDGET VARIANCE REPORT FOR THE TORONTO POLICE SERVICE AS AT SEPTEMBER 30, 2006

Recommendations:

It is recommended that:

- (1) the Board receive this report; 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 Policy and Finance (P&F) Committee for information.

Background:

Toronto City Council, at its meeting of December 8, 9 and 12, 2005 approved the Toronto Police Service's (TPS) 2006–2010 Capital Budget at a net total expenditure of \$31.92 Million (M) for 2006, with \$171.67M identified for the 5 years 2006-2010. The approved amount for 2006 is below the \$35M annual target provided by City Finance for the years 2006 – 2010.

At its December 2005 meeting, City Council only approved the 2006 portion of the 2006-2010 capital program and deferred approval of the years 2007-2010. In order to obtain Council approval for the years 2007-2010, City Finance requested all City Departments, Agencies, Boards and Commissions to submit a revised capital program. As a result, the Service submitted a revised 2006-2010 capital program, which the Board approved at its June 15, 2006 meeting (BM#193/06 refers). City Council approved this revised plan at its July 2006 meeting.

This report provides detailed information on the status of each capital project, including the budget variance for the year 2006 as at September 30, 2006.

Summary of Capital Projects:

Attachment A provides a summary of the on-going projects from 2005 and projects that are starting in 2006. Capital projects are managed within a total approved project amount that can span over several years. Any unspent budget allocation from the previous year is carried forward to future years. The carry-forward amount from 2005, not included in the 2006 budget of \$31.92M, is \$11.5M. Consequently, the available funding for 2006 is \$43.4M (\$31.92M + \$11.5M). The Service is projecting a total expenditure of \$37.1M in 2006, against the \$43.4M that is available for spending. From the under-expenditure of \$6.3M, \$5.2M will be carried forward to 2007 and \$1.1M will be lost due to the City's one year carry-forward rule.

Key Highlights / Issues / Developments:

The following provides highlights on those projects that are experiencing budget pressures, delays, or other issues:

- Traffic Services and Garage Facility (\$7.1M)

This facility has been completed and ready for occupancy since May 2005. However, due to legal issues, TPS has been unable to move into the facility. At its April 2006 meeting, Council approved the terms of exchange of property interests between the three parties (the City, Toronto Hanna Properties and GT Fiber Services). However, all three parties must sign the agreement. This has not yet occurred, despite City Legal's efforts to expedite this matter.

The Board at its meeting of October 19, 2006 received a status update from City Legal indicating that the agreement is close to being finalized. City Legal's best estimate is that the agreement can be finalized by mid-November 2006, provided property taxes still outstanding are paid.

As the agreement has not been executed, the Service will most likely not be able to complete the move into the new building by year-end. Due to the City's one-year carry-forward rule this project must be fully spent by the end of 2006. Due to the unique circumstances surrounding the delays in completing this project, Service staff have approached City Finance with a request for special consideration to carry-forward the unspent funds to early 2007. City staff appear amenable to this request, and the Service will be pursuing official approval. Also, if the move is delayed into 2007, it will conflict with other moves that will occur in the first half of 2007, namely, 23 Division and the Guns & Gangs joint facility. A lack of staff resources would preclude the Service from accommodating three moves at the same time. As such, once the City gets title of the facility, the Service will schedule the three moves so they do not conflict with each other.

- New Training Facility (\$66.0M net)

The Board has approved the partnership with the Department of National Defence (DND), and accepted the financial contribution that DND would be providing to the project (BM #P132/06 refers). City Council, at its July 2006 meeting, also approved the lease agreement

with DND. However, federal Treasury Board approval is still outstanding. Discussions are on-going and if DND is not a part of this project, the cost of the facility will increase by a minimum of \$5.5M, which would have to be absorbed within the Service's capital program targets. The Board will be kept updated on the progress of these discussions. Consistent with Board direction, the project is proceeding as scheduled and construction is expected to commence late December. The Construction Manager's schedule for construction indicates substantial completion of the facility in 2008, assuming construction starts in December 2006. The estimated cost allocation by year would therefore require adjustment as the capital plan currently shows the facility being completed in 2009. This matter will be addressed during the 2007-2011 capital budget process.

- Jetforms Replacement (\$1.2M)

This project provides for the replacement of Jetforms, a system that is used by the Service to provide electronic forms. This system is outdated and no longer commercially available or supported by a vendor. The project did not get started in 2005 as scheduled, as Information Technology Services (ITS) was investigating specialized software that would suit the Service's needs. A Request for Proposal was issued in April 2006, and a vendor has been selected and approved by the Board at its September 28, 2006 Board meeting. (BM#308/06 refers). TPS will not be able to complete this project by the end of the year and therefore, due to the City's one-year carry-forward rule, a portion of the approved funding will be lost. The Service has requested \$0.55M in the 2007-2011 request. However, action is being taken to try and get as much of this project completed by year-end, thereby reducing the funding required in the 2007-2011 request.

- Digital Video Asset Management (DVAM II) (\$5.67M)

The DVAM system will provide the Service with the capability for the acquisition of digital video assets in four (4) divisions/units (central lockups) and in three (3) Headquarters locations, and the transfer of these digital video assets over a secured network-based system.

An Executive Steering Committee has been formed to oversee overall management of the project. An RFP was issued in April 2006 for a Project Manager and Developer. The Project Manager was hired in September and the Developer will be hired in late 2006. It is anticipated that \$0.3M of the 2006 available funding will be spent in 2006. The remaining funds of \$2.1M will be carried forward to 2007.

- Police Integration System (\$5.25M)

The plan for 2006 included the implementation of various systems such as the Asset/Inventory Asset Management System (AIMS), Human Resource Management System (HRMS)/Security System, phase one of the Reporting Tools/Dashboard Automation integration projects, decommissioning of Master Index System (MANIX) and the implementation of the Court Card Reader System. The Court Card Reader System implementation has now been postponed until January 2008, when the TRMS hardware and software infrastructure upgrade are expected to be completed.

The 2006 plan also called for the decommissioning of MANIX from the mainframe system. A shortage in staff resource time has resulted in delays in issuing an RFP for this project, and the project will therefore not be completed in 2006. Due to the City's one-year carry-forward rule, the remaining funding of \$0.3M for this project cannot be carried forward. The Service will be exploring options to complete this project in 2007 utilizing internal staff resources.

Project by Project Status Report:

Facility projects:

- 43 Division (\$16.2M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|-------|------|------|------|------|-----------|----------|
| Board-approved Budget | 16,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 16,200.0 |
| Carry-Forward | | 651.5 | | | | | | |
| Available Budget | | 651.5 | | | | | | |
| Actual YTD | 15,548.5 | 603.6 | | | | | | |
| Proj. yr-end spending | 15,548.5 | 651.5 | | | | | | 16,200.0 |
| Variance | 651.5 | 0.0 | | | | | | 0.0 |

This facility has been completed. The Division has been operational at the new site since January 16, 2006. Some building warranty issues are being addressed. Once these are resolved, the project will be deemed complete and closed.

- Traffic Services and Garage Facility (\$7.1M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|-------|------|------|------|-----------|---------|
| Board-approved Budget | 7,100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7,100.0 |
| Carry-Forward | | 1,725.0 | 225.0 | | | | | |
| Available Budget | | 1,725.0 | 0.0 | | | | | |
| Actual YTD | 5,375.0 | 1,484.5 | | | | | | |
| Proj. yr-end spending | 5,375.0 | 1,500.0 | 225.0 | | | | | 7,100.0 |
| Variance | 1,725.0 | 225.0 | 0.0 | | | | | 0.0 |

This facility was substantially completed in May 2005. Due to an ongoing legal issue between the City and the current owner, the Service has not been able to move into the facility. At its April 2006 meeting, Council approved the terms of exchange of property interests between the three parties (City, Toronto Hanna Properties and GT Fiber Services). However, before this transaction can be completed all three parties must sign the agreement. City Legal has been working to expedite this process and advised the Board at the October 19, 2006 meeting that the purchase transaction should be completed by mid-November assuming the still-outstanding realty tax issue can be resolved. The delay has resulted in unplanned storage costs, as the Service was required to find storage for various equipment such as furniture, lockers, hoists, etc., at a cost of \$7,500 per month.

Once the Service receives permission to occupy the facility, there will be fit-up and moving costs. It will take approximately four months to complete the move. As the agreement has not been signed as yet, the Service will not be able to move in by year-end. This may result in cash flow requirements in 2007, which in turn would create a problem for this project, as the City's one-year cash flow carry-forward rules require that this project be fully spent by the end of 2006. Any funds required in 2007 will result in additional pressures on the 2007-2011 Capital Budget request. Also, if the move is delayed to 2007, it will conflict with other moves that will be occurring at the beginning of 2007, namely, 23 Division and the Guns & Gangs joint facility. Based on the level of resources available, it would be difficult, if not impossible, for the Service to complete three moves at the same time.

Due to the unique circumstances surrounding the delays in completing this project, Service staff have approached City Finance with a request for special consideration to be able to carry-forward the unspent funds to early 2007. City staff appear amenable to this request, and the Service will be pursuing official approval.

- New Training Facility (\$66.0M net)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|----------------------------------|------------|---------|----------|----------|----------|------|-----------|----------|
| Gross Budget | 3,400.0 | 2,100.0 | 25,928.8 | 21,235.9 | 23,166.9 | 0.0 | 0.0 | 75,831.6 |
| Recovery from DND | 0.0 | 0.0 | -4,915.8 | -2,457.9 | -2,457.9 | 0 | 0 | 9,831.6 |
| Board-approved Net Budget | 3,400.0 | 2,100.0 | 21,013.0 | 18,778.0 | 20,709.0 | 0.0 | 0.0 | 66,000.0 |
| Carry-Forward | | 1,998.3 | 0.0 | 0.0 | 0.0 | | | |
| Available Budget | | 4,098.3 | 21,013.0 | 18,778.0 | 20,709.0 | | | |
| Actual YTD | 1,401.7 | 3,925.8 | | | | | | |
| Proj. yr-end spending | 1,401.7 | 4,098.3 | 21,013.0 | 18,788.0 | 20,709.0 | | | 66,000.0 |
| Variance | 1,998.3 | 0.0 | 0.0 | 0.0 | 0.0 | | | 0.0 |

This project provides for the construction of a new Training Facility (replacing C.O. Bick College) and firing range, located at 70 Birmingham Drive in south Etobicoke.

In October 2004, the Department of National Defence (DND) issued a letter of intent to the Service indicating their interest in partnering with the Service on this facility. Since that time, the Service and DND have been working towards an agreement. DND has participated and had input into the design of this facility. The current design includes space for DND. In April 2006, the Board approved accepting DND's contribution (\$9.8M) toward the facility. In July 2006, City Council approved a lease agreement with DND. However, Treasury Board approval for DND participation and contribution to the project is still outstanding.

In a report to the April 2006 Board meeting, the Board was advised that while general clean up would commence, no major construction work would begin until the DND issue was resolved. At its July 2006 Board meeting, the Board approved a motion that DND approval in no way delay this project. Despite efforts to expedite this matter, we are still uncertain as to if and when the Treasury Board will consider this proposal. This uncertainty has created

significant concerns for the Service in terms of the construction schedule, project scope, annual cash flow requirements and cost. If DND is not a part of this project, the cost of the facility will increase by about \$5.5M. This increased cost would have to be absorbed within the Service's current capital program targets.

At this point, the design for the new training facility has been approved, and the Construction Manager has been hired. The design development is complete and the working drawings are 70% complete. All building permits have been applied for and the site preparation has commenced. The current capital program assumes that construction will be completed and occupancy of this facility will occur in 2009. The Construction Manager's schedule for construction indicates substantial completion of the facility in 2008, assuming construction starts in December 2006. Therefore, the cost allocation by year needs to be revisited. This issue will be dealt with during the 2007-2011 capital budget process.

- 23 Division (\$17.67M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|-----------|-----------|------|------|------|-----------|----------|
| Board-approved Budget | 7,356.0 | 7,809.0 | 2,500.0 | 0.0 | 0.0 | 0.0 | 0.0 | 17,665.0 |
| Carry-Forward | | 2,599.1 | (2,000.0) | | | | | |
| Available Budget | | 10,408.1 | 500.0 | | | | | |
| Actual YTD | 4,756.9 | 12,012.1 | | | | | | |
| Proj. yr-end spending | 4,756.9 | 12,408.1 | 500.0 | | | | | 17,665.0 |
| Variance | 2,599.1 | (2,000.0) | 0.0 | | | | | 0.0 |

This project provides for the construction of a new 23 Division facility (with a central lock-up) at Finch and Kipling Avenue. The building structure and envelope is complete, exterior landscaping started in September 2006, and interior work is well underway. This project is on budget and currently ahead of schedule. As a result, some funds allocated to 2007 will be spent in 2006. Move-in is expected in the second quarter of 2007.

- 11 Division (\$21.37M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|-------------------------------|------------|-------|------|---------|---------|---------|-----------|----------|
| Board-approved Budget* | 200.0 | 0.0 | 0.0 | 1,000.0 | 5,500.0 | 9,778.0 | 5,093.0 | 21,371.0 |
| Carry-Forward | | 200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Available Budget | | 200.0 | 0.0 | 1,000.0 | 5,500.0 | 9,778.0 | 5,093.0 | |
| Actual YTD | 0.0 | 0.0 | | | | | | |
| Proj. yr-end spending | 0.0 | 0.0 | 0.0 | 1,000.0 | 5,500.0 | 9,778.0 | 5,093.0 | 21,371.0 |
| Variance | 200.0 | 200.0 | 0.0 | 0.0 | 0.0 | 0.0 | | 0 |

* Total budget does not include \$200,000 that was allocated to year 2003 (shows under To YE 2005 column). Due to the City's one year cash carry-forward rule, this funding is lost and TPS is requesting it again in 2007-2011.

This project provides funding for the construction of a new 11 Division facility. Due to the age, very poor condition, inadequate size and occupational health and safety issues of the

current facility, there is a pressing need to construct a new facility. A potential site was located at 640 Lansdowne Ave. However, due to various legal and environmental issues, building a new facility on this site was not feasible. This project has therefore been delayed, and the Board has requested City Real Estate to expand and expedite its search for an alternative site for the facility and to consider expropriation if necessary. Service staff and City Real Estate staff are currently reviewing various potential sites for a new 11 Division. The Board will be advised once a suitable site is selected.

- 14 Division (\$21.01M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|---------|---------|---------|---------|-----------|----------|
| Board-approved Budget | 8.1 | 1,000.0 | 1,034.0 | 8,857.0 | 5,068.0 | 5,054.0 | 0.0 | 21,013.0 |
| Carry-Forward | | 0.0 | 1,000.0 | 0.0 | 0.0 | 0.0 | | |
| Available Budget | | 1,000.0 | 2,034.0 | 8,857.0 | 5,068.0 | 5,054.0 | | |
| Actual YTD | 8.1 | 0.0 | | | | | | |
| Proj. yr-end spending | 8.1 | 0.0 | 2,034.0 | 8,857.0 | 5,068.0 | 5,054.0 | | 21,013.0 |
| Variance | 0.0 | 1,000.0 | 0.0 | 0.0 | 0.0 | 0.0 | | 0.0 |

This project provides funding for construction of a new 14 Division facility. The City is currently in discussions with the Toronto District School Board (TDSB) to acquire the property at 11 St. Anne's Road. City Council has granted authority to City Real Estate to finalize the transaction. A final decision on this site is not expected until early 2007. Assuming successful property acquisition, design work would begin in the summer of 2007, with construction starting in the second quarter of 2008.

- Police Command Centre (\$0.73M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|------|------|------|------|------|-----------|-------|
| Board-approved Budget | 725.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 725.0 |
| Carry-Forward | | 34.9 | | | | | | |
| Available Budget | | 34.9 | | | | | | |
| Actual YTD | 690.1 | 2.0 | | | | | | |
| Proj. yr-end spending | 690.1 | 34.9 | | | | | | 725.0 |
| Variance | 34.9 | 0.0 | | | | | | 0.0 |

The purpose of this project was to provide a safe, secure and easily-accessible site for senior police management to assume centralized command. This site also allows TPS Command Officers, the Mayor, senior municipal politicians and City departmental heads to be located in the same building as the City of Toronto's Emergency Operations Centre in case of an emergency or major event. This project is on budget and will be completed by the end of 2006.

Information Technology (IT) related projects:

- Police Integration System (\$5.25M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|------|------|------|------|-----------|---------|
| Board-approved Budget | 5,250.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 5,250.0 |
| Carry-Forward | | 1,596.8 | | | | | | |
| Available Budget | | 1,596.8 | | | | | | |
| Actual YTD | 3,653.2 | 109.2 | | | | | | |
| Proj. yr-end spending | 3,653.2 | 1,296.8 | | | | | | 4,950.0 |
| Variance | 1,596.8 | 300.0 | | | | | | 300.0 |

This project provides for the creation of a network connection between various systems, both internally and externally. The plan for 2006 included the implementation of various systems.

The Asset/Inventory Management System (AIMS) and the HRMS/Security System integration projects are proceeding as planned. However, implementation of the Court Card Reader System has been postponed until January 2008, following completion of the TRMS hardware and software infrastructure upgrade.

The 2006 plan also called for the decommissioning of MANIX from the mainframe system. However, a shortage in staff resource time has resulted in delays in issuing an RFP for this project. Therefore the project will not be completed in 2006. Due to the City's one year carry-forward rule, the remaining funding for this project cannot be carried forward. The Service will be exploring options to complete this project in 2007 utilizing internal staff resources.

- Voice Logging Recording System (\$0.97M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|-------|-------|------|------|------|-----------|-------|
| Board-approved Budget | 673.0 | 301.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 974.0 |
| Carry-Forward | | 273.0 | 100.0 | | | | | |
| Available Budget | | 574.0 | 100.0 | | | | | |
| Actual YTD | 400.0 | 203.8 | | | | | | |
| Proj. yr-end spending | 400.0 | 474.0 | 100.0 | | | | | 974.0 |
| Variance | 273.0 | 100.0 | 0.0 | | | | | 0.0 |

This project provides for the Voice Logging System architecture, which replaced the Voice Logging Systems at 703 Don Mills Road and 4330 Dufferin Street sites. The system provides for more timely and efficient audio searches and reconstruction capabilities.

The project is on schedule, with the exception of the Central Alternate Response Unit (CARU) voice-recording component. The Service is reviewing the appropriate location for the CARU and a decision is expected to be made before the end of 2006. Even though the new location of CARU is still under review, the hardware and operating system, and license for the loggers will be purchased in 2006. Configuration and installation will depend on the

site selected for CARU, as some infrastructure adjustments will be required. Therefore, \$0.1M of the available funding will be carried forward to 2007 for professional services relating to the installation at the selected site (or the current site, if it does not change).

- Investigative Voice Radio (\$3.6M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|-----------|------|------|------|------|-----------|---------|
| Board-approved Budget | 2,400.0 | 1,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3,600.0 |
| Carry-Forward | | (1,199.8) | | | | | | |
| Available Budget | | 0.2 | | | | | | |
| Actual YTD | 3,599.8 | 0.0 | | | | | | |
| Proj. yr-end spending | 3,599.8 | 0.0 | | | | | | 3,599.8 |
| Variance | (1,199.8) | 0.2 | | | | | | 0.2 |

This project provides for the migration of investigative services users from the existing investigative services radio system to the new emergency services voice radio network. Due to operational needs and the ability to complete the project ahead of schedule, \$1.2M that was originally allocated to 2006 was used in 2005. The project was completed on budget in December 2005 and will be closed.

- Jetforms Replacement (\$1.2M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|--------|------|------|------|-----------|---------|
| Board-approved Budget | 1,200.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,200.0 |
| Carry-Forward | | 1,200.0 | 550.0* | | | | | |
| Available Budget | | 1,200.0 | | | | | | |
| Actual YTD | 0.0 | 0.0 | | | | | | |
| Proj. yr-end spending | 0.0 | 638.0 | 550.0 | | | | | 1,188.0 |
| Variance | 1,200.0 | 562.0 | 0.0 | | | | | 0.0 |

* New funding request in 2007.

This project provides funding for the replacement of Jetforms, a system that is used by the Service to provide electronic forms for administrative and operational functions, including Provincial and Federal forms. The current JetForm system is outdated and no longer commercially available or supported. The cost of replacing this system was estimated at \$1.2M, based on information provided by Adobe (the company that acquired Jetforms). The project did not get started in 2005 as scheduled, as Information Technology Services (ITS) and Corporate Planning explored and reviewed specialized software alternatives business requirements.

An RFP was issued in April 2006, and the contract award to Bell Canada was approved by the Board at its September 28, 2006 meeting (BM#308/06 refers). TPS will not be able to fully complete the project by the end of the year. As a result, only a portion of the funds available will be spent in 2006. Therefore, due to the City's one year carry-forward rule, \$0.6M of approved funding cannot be carried forward to 2007. The Service has therefore had to include this amount in the 2007-2011 capital program as a new request.

- Human Resource Management System (HRMS) Additional Functionality (\$3.16M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|---------|-------|-------|------|-----------|---------|
| Board-approved Budget | 500.0 | 1,415.0 | 200.0 | 545.0 | 500.0 | 0.0 | 0.0 | 3,160.0 |
| Carry-Forward | | 500.0 | 1,415.0 | 0.0 | 0.0 | | | |
| Available Budget | | 1,915.0 | 1,615.0 | 545.0 | 500.0 | | | |
| Actual YTD | 0.0 | 246.4 | | | | | | |
| Proj. yr-end spending | 0.0 | 500.0 | 1,615.0 | 545.0 | 500.0 | | | 3,160.0 |
| Variance | 500.0 | 1,415.0 | 0.0 | 0.0 | 0.0 | | | 0.0 |

This project is intended to improve operational efficiencies in the area of workforce management by implementing a technical upgrade and additional functionalities available in PeopleSoft, the Service's Human Resources Management System.

In late 2004, PeopleSoft was purchased by Oracle. At that time, this project was put on hold until the Service could determine the ramifications of the Oracle acquisition. The current plan is to begin planning the PeopleSoft upgrade to version 8.9 in order to ensure ongoing vendor support. A project manager has been hired, and the required hardware will be acquired by year-end. The remaining 2006 funds of \$1.42M will be carried forward to 2007 for professional services required for the upgrade, change management and Peoplesoft licensing. It is anticipated that the migration/conversion to the new application modules will be completed by June 2007, and this project is expected to be completed on budget.

- Time Resource Management System (TRMS) additional functionality (\$2.67M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|---------|------|------|------|-----------|---------|
| Board-approved Budget | 550.0 | 1,903.0 | 215.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2,668.0 |
| Carry-Forward | | 299.8 | 1,557.0 | | | | | |
| Available Budget | | 2,202.8 | 1,772.8 | | | | | |
| Actual YTD | 250.2 | 326.6 | | | | | | |
| Proj. yr-end spending | 250.2 | 645.0 | 1,772.8 | | | | | 2,668.0 |
| Variance | 299.8 | 1,557.8 | 0.0 | | | | | 0.0 |

TRMS is the Service's time and attendance system which runs on Workbrain. During 2005, funds were spent to stabilize the TRMS environment and resolve specific issues related to the initial implementation. The purpose of this project is to increase the functionality of, and upgrade, TRMS to the current version 5 release. Upgrading TRMS is required to provide additional functionality to the Service and to ensure that the system is properly supported in the future. Upgrading enterprise software to new releases is a common practice which ensures continued vendor support for fixes to the system, changes in regulatory requirements, access to new technologies and enhanced functionality, and forces regular assessment of customizations.

Workbrain Inc. was approved by the Board on a sole-source basis to provide professional services for upgrading TRMS to the most current version, and thereby ensure that TRMS remains current and supportable by the vendor (BM#210/06 refers). A project manager has been hired and the required hardware will be purchased in 2007. The remaining funding of \$1.6M will be carried forward to 2007. The available funding in 2007 will be utilized to pay for the licenses and complete the Workbrain upgrade and provide for TRMS support and user training. It is expected that this project will be completed on budget by the end of 2007.

- Smartzone Upgrade (\$1.2M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|------|------|------|------|-----------|---------|
| Board-approved Budget | 500.0 | 694.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,194.6 |
| Carry-Forward | | (652.2) | | | | | | |
| Available Budget | | 42.3 | | | | | | |
| Actual YTD | 1,152.3 | 42.3 | | | | | | |
| Proj. yr-end spending | 1,152.3 | 42.3 | | | | | | |
| Variance | (652.2) | 0.0 | | | | | | 0.0 |

This project provided funding for the upgrade of the joint TPS/Toronto Fire Services (TFS)/Emergency Medical Services (EMS) SmartZone voice radio system to a new version (version “Z”), to ensure system dependability until the new Radio System Infrastructure can be implemented. This project addressed the risk of potential loss of back-up technical support from Motorola. The project is fully complete and will be closed.

- Centracom Upgrade (\$0.22M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|------|------|------|------|------|-----------|-------|
| Board-approved Budget | 222.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 222.0 |
| Carry-Forward | | 3.2 | | | | | | |
| Available Budget | | 3.2 | | | | | | |
| Actual YTD | 218.8 | 3.0 | | | | | | |
| Proj. yr-end spending | 218.8 | 3.2 | | | | | | 222.0 |
| Variance | 3.2 | 0.0 | | | | | | 0.0 |

This project provided funding for Centracom Elite Console upgrade of the operating system of the voice radio system consoles and associated servers (this system provides communication between Communications Centre dispatch personnel and personnel in the field). There was a slight delay in the project due to Fire/EMS acceptance of the console upgrade from Motorola. The project is now complete and will be closed.

- Replacement of Call Centre Management Tools (\$0.89M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|-------|------|------|------|------|-----------|-------|
| Board-approved Budget | 590.0 | 296.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 886.0 |
| Carry-Forward | | 99.6 | | | | | | |
| Available Budget | | 395.6 | | | | | | |
| Actual YTD | 490.4 | 96.8 | | | | | | |
| Proj. yr-end spending | 490.4 | 395.6 | | | | | | 886.0 |
| Variance | 99.6 | 0.0 | | | | | | 0.0 |

This project provides funding for the replacement of both hardware and software for the Emergency Enhanced 911 System (E-911) centre and the administrative function located at 40 College St. This will replace 4 ACD MAX Call Centre applications. The current plan is to enhance the current phone hardware, purchase new software and hardware for the system and provide training by the 4th quarter of 2006, at which point this project will be complete. It is anticipated that this project will be completed on budget.

- In-Car Camera (\$11.0M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|-------|---------|---------|---------|------|-----------|----------|
| Board-approved Budget | 538.0 | 124.0 | 5,225.0 | 2,573.0 | 2,573.0 | 0.0 | 0.0 | 11,033.0 |
| Carry-Forward | | 149.8 | 100.0 | | | | | |
| Available Budget | | 273.8 | 5,325.0 | 2,573.0 | 2,573.0 | | | |
| Actual YTD | 388.2 | 53.3 | | | | | | |
| Proj. yr-end spending | 388.2 | 173.8 | 5,325.0 | 2,573.0 | 2,573.0 | | | 11,033.0 |
| Variance | 149.8 | 100.0 | | | | | | 0.0 |

The pilot project was launched on November 1, 2005, as an officer/community safety initiative, based on a direction from the Toronto Police Services Board to evaluate the effectiveness and cost of in-car camera systems and technology. Twelve marked cars at 13 Division and six at Traffic Services were outfitted with the in-car systems.

Since that time, there have been a number of technical challenges impacting the reliability and performance of the equipment. All resources applied by both the vendor and TPS since the launch have been focused on responding to equipment failures and the Service has not been able to concentrate on the primary objectives of the pilot project which are to test, measure and evaluate the impact of using the in-car camera system.

As of the end of September 2006, there have been marked improvements with respect to stabilizing the equipment. The team is planning on issuing an RFP by the 4th quarter of 2006, to allow other vendors to participate in a competitive process for the in-car camera system and technology. The monitoring and evaluation process of the pilot program will continue and the Service plans to report to the Board on the results of this project in March 2007. The 2006 budget includes \$100,000 for a Project Manager for the full implementation of the project. As this amount will not be spent, it will be carried forward to 2007. The rest

of the available funding for the pilot project is expected to be utilized as planned.

- Automated Vehicle Location System Expansion (\$1.59M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|-------|-------|-------|------|------|-----------|---------|
| Board-approved Budget | 385.0 | 395.0 | 405.0 | 405.0 | 0.0 | 0.0 | 0.0 | 1,590.0 |
| Carry-Forward | | 44.4 | 0.0 | 0.0 | | | | |
| Available Budget | | 439.4 | 405.0 | 405.0 | | | | |
| Actual YTD | 340.6 | 86.1 | | | | | | |
| Proj. yr-end spending | 340.6 | 439.4 | 405.0 | 405.0 | | | | 1,590.0 |
| Variance | 44.4 | 0.0 | 0.0 | 0.0 | | | | 0.0 |

This project provides for the second phase of the Automated Vehicle Location (AVL) System, which encompasses the installation of 1,000 Global Positioning System (GPS) transceivers and the associated software in police vehicles between 2005 and 2008. Staff is currently working on completing the preparation work and assembling the hardware and the infrastructure to outfit the cars. The project is on schedule, and the available funding in 2006 will be fully spent for the installation of the wireless modems and the associated Computer Aided Dispatch (CAD) interface by the 4th quarter of 2006. The total project is anticipated to be finished in 2008, on budget.

- Strong Authentication (\$1.56M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|----------|-------|------|------|------|-----------|---------|
| Board-approved Budget | 595.0 | 960.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,555.0 |
| Carry-Forward | | (272.9) | 658.0 | | | | | |
| Available Budget | | 687.1 | 0.0 | | | | | |
| Actual YTD | 867.9 | 29.1 | | | | | | |
| Proj. yr-end spending | 867.9 | 29.1 | 658.0 | | | | | 1,555.0 |
| Variance | (272.9) | 658.0 | 0.0 | | | | | 0.0 |

Strong Authentication provides the ability to identify an individual requesting access to applications and systems accurately and reliably. This system is coupled with individual digital certificates that provide secure communication over any network (including the Internet), providing the reliable identification of the user through Digital Signatures. The plan is to hire a consultant and to purchase/develop the software in early 2007.

- Digital Video Asset Management II (\$5.67M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|---------|---------|---------|------|-----------|---------|
| Board-approved Budget | 0.0 | 2,350.0 | 300.0 | 2,015.0 | 1,000.0 | 0.0 | 0.0 | 5,665.0 |
| Carry-Forward | | 0.0 | 2,092.0 | 0.0 | 0.0 | | | |
| Available Budget | | 2,350.0 | 2,392.0 | 2,015.0 | 1,000.0 | | | |
| Actual YTD | 0.0 | 396.9* | | | | | | |
| Proj. yr-end spending | 0.0 | 258.0 | 2,392.0 | 2,015.0 | 1,000.0 | | | 5,665.0 |
| Variance | 0.0 | 2,092.0 | 0.0 | 0.0 | 0.0 | | | 0.0 |

* Actual YTD concludes commitment for future years. This will be adjusted at year-end.

The objective of the Digital Video Asset Management (DVAM) system is to eventually eliminate the use of physical video evidence media within the organization. The Video Services Unit (VSU) has conducted research and identified several computer technologies to move the organization in the direction of realizing this objective. The DVAM project will reduce the manual work involved in the acquisition, transportation, management, disclosure and purging of video evidence, and allow the Service to avoid increased physical infrastructure requirements and costs.

The DVAM system will provide the Service with the capability for the acquisition of digital video assets in four (4) divisions/units (central lockups) and in three (3) Headquarters locations, and the transfer of these digital video assets over a secured network-based system.

An Executive Steering Committee has been formed to oversee overall management of the project. An RFP was issued in April 2006 for a Project Manager and Developer. The Project Manager was hired in September and the Developer will be hired in late 2006. One of the first priorities for the Project Manager will be to review and confirm the cost estimate for the project and develop a detailed project plan. It is anticipated that \$0.3M of the 2006 available funding will be spent in 2006. The remaining \$2.1M will be carried forward to 2007.

Replacements / Maintenance / Equipment Projects:

- Radio Replacement (\$35.53M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|------|---------|---------|---------|-----------|----------|
| Board-approved Budget | 100.0 | 8,430.0 | 0.0 | 4,000.0 | 2,000.0 | 9,600.0 | 11,400.0 | 35,530.0 |
| Carry-Forward | | 35.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Available Budget | | 8,465.5 | 0.0 | 4,000.0 | 2,000.0 | 9,600.0 | 11,400.0 | |
| Actual YTD | 64.5 | 8,261.6 | | | | | | |
| Proj. yr-end spending | 64.5 | 8,465.5 | 0.0 | 4,000.0 | 2,000.0 | 9,600.0 | 11,400.0 | 35,530.0 |
| Variance | 35.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Current radios are obsolete and repair parts are unavailable. Furthermore, a joint TPS/Fire/Emergency Medical Services (EMS) project will soon commence to replace the entire radio system infrastructure by 2011. All mobile and portable radios must therefore be

replaced before that time, as the existing radios will not work with the new radio system infrastructure.

At its June 2006 meeting (BM #P193/06 refers), the Board approved a Radio Replacement project to begin in 2006 and be completed by 2011 at a total amount of \$35.5M, as part of the revised capital program submitted to the Board. In September 2006, the Service purchased 454 mobile radios and 753 portable radios, at a cost of \$8.3M. The remaining funds will be utilised for the cost of training and installation.

- State of Good Repair (On-going)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|---------|---------|---------|---------|-----------|----------|
| Board-approved Budget | 9,130.0 | 1,600.0 | 1,700.0 | 1,800.0 | 1,900.0 | 1,900.0 | 9,000.0 | 27,030.0 |
| Carry-Forward | | 69.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Available Budget | | 1,669.1 | 1,700.0 | 1,800.0 | 1,900.0 | 1,900.0 | 9,000.0 | |
| Actual YTD | 9,060.9 | 916.8 | | | | | | |
| Proj. yr-end spending | 9,060.9 | 1,669.1 | 1,700.0 | 1,800.0 | 1,900.0 | 1,900.0 | 9,000.0 | 27,030.0 |
| Variance | 69.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

This project provides funds for the on-going maintenance and repair of police-occupied facilities. The scope of the work includes flooring replacement, window coverings, painting, and Occupational Health & Safety requirements.

The current plan for 2006 funding is for the commencement of the TPS Headquarters renovation, lifeguard stations, Marine Unit and the renovations of the two Telecom facilities. Painting of three Divisions (namely 42, 12 and 33) and the locker room expansion at 12 Division is planned for 2006. This is an on-going project and all funds allocated for 2006 are projected to be spent as planned.

- Facility Security (\$3.67M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|-------|-------|------|------|-----------|---------|
| Board-approved Budget | 1,830.0 | 915.0 | 400.0 | 515.0 | 0.0 | 0.0 | 0.0 | 3,660.0 |
| Carry-Forward | | 343.8 | 0.0 | 0.0 | | | | |
| Available Budget | | 1,258.8 | 400.0 | 515.0 | | | | |
| Actual YTD | 1,486.2 | 1,196.4 | | | | | | |
| Proj. yr-end spending | 1,486.2 | 1,258.8 | 400.0 | 515.0 | | | | 3,660.0 |
| Variance | 343.8 | 0.0 | 0.0 | 0.0 | | | | 0.0 |

This project addresses site security for police facilities. The initial plan included the installation or upgrading of fences as well as the provision of security gates where required. The installation of fences has been put on hold pending the results of a Service-wide security assessment that is being completed to identify and address any risks to the security of our members, facilities and equipment. Any additional funding required as a result of this

assessment will be included in the Service's 2007-2011 or subsequent capital budget requests.

- Boat Replacement (\$1.37M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|-------|------|------|------|------|-----------|---------|
| Board-approved Budget | 1,368.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,368.0 |
| Carry-Forward | | 348.5 | | | | | | |
| Available Budget | | 348.5 | | | | | | |
| Actual YTD | 1,019.5 | 292.6 | | | | | | |
| Proj. yr-end spending | 1,019.5 | 292.6 | | | | | | 1,312.1 |
| Variance | 348.5 | 55.9 | | | | | | 55.9 |

The final replacement boat was received by the Marine unit in early January 2006. The lifecycle replacement of the Marine vessels is now complete and the remaining funds of \$0.06M in the project will no longer be needed. This project will be closed.

- Furniture Lifecycle Replacement (\$3.0M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|--------|-------|-------|------|------|-----------|---------|
| Board-approved Budget | 1,500.0 | 750.0 | 375.0 | 375.0 | 0.0 | 0.0 | 0.0 | 3,000.0 |
| Carry-Forward | | (3.2) | 0.0 | 0.0 | | | | |
| Available Budget | | 746.8 | 375.0 | 375.0 | | | | |
| Actual YTD | 1,503.2 | 491.3 | | | | | | |
| Proj. yr-end spending | 1,503.2 | 746.8 | 375.0 | 375.0 | | | | 3,000.0 |
| Variance | (3.2) | 0.0 | 0.0 | 0.0 | | | | 0.0 |

This project provides for the lifecycle replacement of furniture to better manage the furniture requirements at all Police facilities, and to avoid Occupational Health & Safety issues by improving working conditions. This project, which involved replacement of furniture at a number of locations, commenced in 2004 and is expected to be completed in 2008. The 2006 available funding will be utilized to replace chairs for units at Headquarters, as required. This project is on schedule and on budget.

- Advanced TASER Deployment (\$1.1M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|------|------|------|------|-----------|---------|
| Board-approved Budget | 0.0 | 1,100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1,100.0 |
| Carry-Forward | | 0.0 | | | | | | |
| Available Budget | | 1,100.0 | | | | | | |
| Actual YTD | | 0.0 | | | | | | |
| Proj. yr-end spending | | 1,100.0 | | | | | | 1,100.0 |
| Variance | 0.0 | 0.0 | | | | | | 0.0 |

The Advanced Taser is a battery-powered, handheld, less-lethal conducted energy weapon (CEW) specifically designed to subdue a violent subject within a distance of 21 feet. A pilot program was conducted from March 30, 2006 to June 30, 2006, where the roll out of tasers for use by the front-line supervisors in Divisions 31, 42, 52 and Toronto Anti Violence Intervention Strategy (TAVIS) officially commenced. The Service's Use of Force Review Committee was tasked with providing the Board with a comprehensive report detailing the number of Advanced TASER Deployments, the nature of calls, circumstances of deployment, injuries/non-injuries to subjects/police, and to determine the effective/ineffective usage rates along with a summary of benefits and risks associated with the use of Tasers.

The pilot project demonstrated that at times when tactical communication is not enough, the use of Tasers is a viable option. The report concluded that the Taser was an effective tool in de-escalating and safely resolving many situations where officer and public safety were at risk. The findings were submitted to the Board in September 2006 (BM#281/06 refers) and the Board recommended the continuation of Advanced Taser implementation to front-line supervisors. The Board approved the purchase of four hundred and thirty nine (439) Advanced Tasers and accessories and three thousand five hundred and twelve (3,512) air cartridges. The funds allocated to purchase the Tasers will be fully spent by the end of 2006, and this project will therefore be closed.

Other than debt expenditure projects:

- Lifecycle Replacements (\$79.4M)

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|----------|---------|---------|---------|---------|-----------|----------|
| Board-approved Budget | 23,717.0 | 10,432.0 | 5,033.0 | 5,033.0 | 5,033.0 | 5,033.0 | 25,165.0 | 79,446.0 |
| Carry-Forward | | 1,603.3 | 138.4 | | | | | |
| Available Budget | | 12,035.3 | | | | | | |
| Actual YTD | 22,113.7 | 7,933.0 | 5,171.4 | | | | | |
| Proj. yr-end spending | 22,113.7 | 11,982.0 | 5,174.4 | 5,033.0 | 5,033.0 | 5,033.0 | 25,165.0 | 79,446.0 |
| Variance | 1,603.3 | 138.4 | | | | | | 0.0 |

This project reflects the lifecycle replacement programs for the Service's fleet and IT requirements funded from the Vehicle and Equipment Reserve. This project is on budget and on schedule and \$0.138M of the available funding will be carried forward to 2007.

Conclusion:

The Service is projecting a capital expenditure of \$37.1M (excluding land) in 2006 compared to \$43.4M in available funding. Of the \$6.3M under-expenditure, \$5.2M will be carried forward to 2007. The remaining \$1.1M will be lost due to the City's one year carry-forward rule. Any significant issues or concerns that the Board should be aware of have been highlighted in the Key Highlights/Issues section at the beginning of this report.

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

The Board received the foregoing and agreed to forward copies to the City's Deputy City Manager and Chief Financial Officer and the City of Toronto Policy and Finance Committee.

CAPITAL BUDGET VARIANCE REPORT AS AT September 30, 2006

| Project Name (\$000s) | Available to Spend in 2006 | YTD Actual + Commitment as at September 30, 2006 | 2006 Projected Actual | Year-End Variance (Over)/ Under | Total Budget Project Cost |
|---|----------------------------------|---|-----------------------------|--|---------------------------------|
| Facility Projects: | | | | | |
| 43 Division | 651.5 | 603.6 | 651.5 | 0.0 | 16,200.0 |
| Traffic Services and Garage Facility | 1,725.0 | 1,484.5 | 1,500.0 | 225.0 | 7,100.0 |
| New Training Facility | 4,098.3 | 3,925.8 | 4,098.3 | 0.0 | 66,000 |
| 23 Division | 10,408.1 | 12,012.1 | 12,408.1 | (2,000.0) | 17,665.0 |
| 11 Division | 200.0 | 0.0 | 0.0 | 200.0 | 21,371.0 |
| 14 Division | 1,000.0 | 0.0 | 0.0 | 1,000.0 | 21,013.0 |
| Police Command Centre | 34.8 | 2.0 | 34.8 | 0.0 | 725.0 |
| Information Technology Projects: | | | | | |
| Livescan Fingerprinting System | 20.4 | 7.5 | 20.4 | 0.0 | 4,979.4 |
| Police Integration System | 1,596.8 | 109.2 | 1,296.8 | 300.0 | 5,250.0 |
| Voice Logging Recording System | 574.0 | 203.8 | 474.0 | 100.0 | 974.0 |
| Lawfully Authorized Electronic Surveillance | 2.6 | 0.0 | 0.0 | 2.6 | 1,850.0 |
| Investigative Voice Radio System | 0.2 | 0.0 | 0.0 | 0.2 | 3,600.0 |
| Jetforms Replacement | 1,200.0 | 0.0 | 638.0 | 562.0 | 1,200.0 |
| HRMS additional functionality | 1,915.0 | 246.4 | 500.0 | 1,415.0 | 3,160.0 |
| TRMS additional functionality | 2,202.8 | 320.9 | 645.0 | 1,557.8 | 2,668.0 |
| Smartzone Upgrade | 42.3 | 42.3 | 42.3 | 0.0 | 1,195.0 |
| Centracom Upgrade | 3.2 | 3.0 | 3.2 | 0.0 | 222.0 |
| Replacement of Call Centre Management Tools | 395.6 | 96.8 | 395.6 | 0.0 | 886.0 |
| In – Car Camera | 273.8 | 53.3 | 173.8 | 100.0 | 11,033.0 |
| Automated Vehicle Location System Expansion | 439.4 | 86.1 | 439.4 | 0.0 | 1,590.0 |
| Strong Authentication | 687.1 | 29.1 | 29.1 | 658.0 | 1,555.0 |
| Digital Video Asset Management II | 2,350.0 | 396.9 | 258.0 | 2,092.0 | 5,665.0 |
| Replacements / Maintenance / Equipment Projects: | | | | | |
| Radio Replacement | 8,461.2 | 8,261.5 | 8461.2 | 0.0 | 35,530.0 |
| State of Good Repair –Police | 1,669.1 | 916.8 | 1,669.1 | 0.0 | 18,030.0 |
| Facility Security | 1,258.8 | 1,196.4 | 1,258.8 | 0.0 | 3,660.0 |

| Project Name (\$000s) | Available to Spend in 2006 | YTD Actual + Commitment as at September 30, 2006 | 2006 Projected Actual | Year-End Variance (Over)/ Under | Total Budget Project Cost |
|--|----------------------------------|---|-----------------------------|--|---------------------------------|
| Boat Replacement | 348.5 | 292.6 | 292.6 | 55.9 | 1,368.0 |
| Furniture Lifecycle replacement | 746.8 | 491.3 | 746.8 | 0.0 | 3,000.0 |
| Advanced TASER Deployment | 1,100.0 | 0.0 | 1,100.0 | 0.0 | 1,100.0 |
| Total | 43,405.30 | 30,781.9 | 37,136.8 | 6,268.5 | 258,589.4 |
| TOTAL Other-than-debt expenditure | 12,035.5 | 7,249.2 | 11,897.1 | 138.4 | 35,305.6 |
| TOTAL including other than debt expenditure | 55,440.8 | 38,031.1 | 49,033.9 | 6,406.9 | 293,895.0 |

APPENDIX "B"

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON NOVEMBER 28, 2006

#378. TORONTO POLICE SERVICE – PARKING ENFORCEMENT UNIT: 2006 CAPITAL BUDGET VARIANCE REPORT AS AT SEPTEMBER 30, 2006

The Board was in receipt of the following report October 30, 2006 from William Blair, Chief of Police:

Subject: 2006 CAPITAL BUDGET VARIANCE REPORT FOR THE TORONTO POLICE SERVICE - PARKING ENFORCEMENT AS AT SEPTEMBER 30, 2006

Recommendations:

It is recommended that:

- (1) the Board receive this report; 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 Policy and Finance (P&F) Committee for information.

Background:

The approved Parking Enforcement 2006-2010 Capital Program includes one project. This project provides for handheld parking ticket devices at a total cost of \$4.1M, of which \$0.9M was spent in 2005 and \$3.2M was carried forward to 2006.

Project Status:

| (\$000s) | To YE 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011-2015 | Total |
|------------------------------|------------|---------|------|------|------|------|-----------|---------|
| Budget | 4,100.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4,100.0 |
| Carry Forward | | 3,200.0 | 0.0 | 0.0 | | | | |
| Available Budget | | 3,200.0 | 0.0 | 0.0 | | | | |
| Actual YTD | 900.0 | 1,701.3 | | | | | | |
| Proj. yr-end spending | 900.0 | 3,200.0 | 0.0 | 0.0 | | | | 4,100.0 |
| Variance | 3,200.0 | 0.0 | 0.0 | 0.0 | | | | 0.0 |

A vendor was selected (Board Minute #P81/05 refers) and the contract was signed on December 21, 2005. The detailed design is finalized and all the hardware equipment has been received. Also, Information Technology Services (ITS) has reviewed the technology component that is being used, to ensure system compatibility. The field pilot program commenced in July 2006 with 40 Parking Enforcement Officers (PEO) for three weeks. The pilot was successful and more officers were trained in September. Full training and system implementation is expected to be

completed by the of end of October 2006. This project is on budget and it is expected that all funds will be utilized as planned.

Conclusion:

As at September 30, 2006 the Toronto Police Service's Parking Enforcement unit is projecting a zero variance. It is recommended that the Board receive this report and forward a copy to the City's Deputy City Manager and Chief Financial Officer, and to the City Policy and Finance (P&F) Committee for information.

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

The Board received the foregoing and agreed to forward copies to the City's Deputy City Manager and Chief Financial Officer and the City of Toronto Policy and Finance Committee.

APPENDIX “C”

**THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE
TORONTO POLICE SERVICES BOARD HELD ON NOVEMBER 28, 2006**

**#P375. TORONTO POLICE SERVICE – 2006 OPERATING BUDGET
VARIANCE REPORT AS AT SEPTEMBER 30, 2006**

The Board was in receipt of the following report October 26, 2006 from William Blair, Chief of Police:

Subject: 2006 OPERATING BUDGET VARIANCE REPORT FOR THE TORONTO POLICE SERVICE AS AT SEPTEMBER 30, 2006

Recommendations:

It is recommended that:

- (1) the Board receive this report; 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 Policy and Finance (P&F) Committee.

Background:

Toronto City Council, at its meeting of March 29 and 30, 2006, approved the Toronto Police Service (TPS) Operating Budget at a net amount of \$751.6 Million (M). The budget was subsequently revised upward by \$0.8M to a total of \$752.4M to support a reallocation of the City Insurance Reserve Fund. It should be noted that this change does not result in additional available funds to the Service.

Comments:

The following chart summarizes the variance by category of expenditure.

| Expenditure Category | Annual Budget (\$Ms) | Actual Expend. to Sep 30/06 (\$Ms) | Projected Year-End Actual Expend. (\$Ms) | Projected (Under)/Over-Expend. (\$Ms) |
|---|-----------------------------|---|---|--|
| Salaries & Benefits (incl. premium pay) | \$712.0 | \$502.2 | \$710.0 | (\$2.0) |
| Non-Salary Expenditures | \$84.9 | \$55.2 | \$84.9 | \$0.0 |
| Total Gross | \$796.9 | \$557.4 | \$794.9 | (\$2.0) |
| Revenue | (\$44.5) | (\$38.1) | (\$44.0) | \$0.5 |
| Total | \$752.4 | \$519.3 | \$750.9 | (\$1.5) |

It is important to note that expenditures do not all follow a linear pattern and therefore year-to-date expenditures cannot be simply extrapolated to year end. Rather, the projection of expenditures to year end is done through an analysis of all accounts, taking into consideration factors such as expenditures to date, future commitments expected and spending patterns.

As at September 30, 2006, a year-end surplus of \$1.5M is anticipated. Details are discussed below.

Salaries & Benefits (including Premium Pay)

Uniform separations for 2006 are still projected to be 240, compared to the budget of 200 and actual experience of 231 in 2005. Human Resources is currently analyzing the figures, as current trends indicate that this projection may have to be revised upward. At this point in time, a uniform salary savings of \$3.0M is projected.

Court security spending is projected to be overspent by \$1.5M. Court Services staffing is comprised mostly of full time court officers who are supplemented by part-time court officers. Due to a trend towards longer pre-trial hearings and an increase in trial hours per day, Court Services has been compelled to use more part-time court officers for longer periods of time to ensure court security. In addition, judges are more security conscious and have the authority to suspend court proceedings if they believe that there is inadequate security. This has resulted in additional court security pressures. The projected year-end over-expenditure is based on year-to-date spending patterns and on the assumption that recent high profile cases will be prosecuted during 2006. The over-expenditure situation in Court Services is being reviewed with a view to identifying actions required to address this budgetary pressure in a sustainable manner.

The premium pay budget for 2006 was reduced by \$0.5M from the 2005 level. The importance of controlling premium pay expenditures has been reiterated to all unit commanders. The Service will continue to strictly enforce the monitoring and control of premium pay to achieve the revised funding level. Actual spending patterns for the first eight months of 2006 are in line with the revised budget, and at this time no variance is projected. However, premium pay is subject to the exigencies of policing and uncontrollable events that could have an impact on expenditures.

The Service also continues to closely monitor spending in the benefits category. Early indications are that the medical and dental benefit accounts will be underspent by the end of the year and therefore a \$0.5M favourable variance is projected at this time.

Non-salary Expenditures

Non-salary expenditures are projected to be on budget.

Gasoline prices have fluctuated at high levels since the beginning of the year. Every \$0.01 rise or fall in the average annual cost of gas represents an additional annual cost or saving of \$50,000. Although prices have fallen recently, the annual average gasoline price is higher than

what was budgeted for, and the Service is projecting that gas expenditures will exceed budget by \$0.3M by year-end. The projected over-expenditure on gasoline is offset by savings in the other non-salary accounts.

Revenue

An unallocated \$1.5M budget reduction was made at the time of budget approval by City Council. The Service had already made reductions to its operating budget submission and therefore was unable to identify further reductions. As a result, miscellaneous revenue was arbitrarily increased by \$1.5M to accommodate the budget reduction by City Council. Current revenues (excluding this reduction and excluding grants) are projected to be on budget, resulting in an overall \$1.5M shortfall in the revenue category (excluding grants).

Safer Communities Partnership Program

The 2006 operating budget includes \$1.9M net funding for the hiring of an additional 204 police officers under the Safer Communities Partnership Program. The funding is comprised of \$6.3M for salaries, outfitting and recruiting costs. The Service is currently on target to hire the additional staff.

These costs are partially offset by grants from the Province. Grant funding (originally estimated at \$4.4M) has been re-evaluated, in conjunction with the Province. Total grant funding is now estimated at \$5.4M in 2006, resulting in a favourable variance of \$1.0M in the Safer Communities Grant Program.

Conclusion:

As at September 30, 2006, a favourable variance of \$1.5M is projected. Lower salary and benefit expenditures and higher-than-estimated grant funding have offset pressures related to court security, gasoline price increases and an unallocated budget reduction. Expenditures and revenues will continue to be closely monitored throughout the year, and any changes to the projected variance will be reported on at future Board meetings.

This variance report is unchanged from the August 2006 variance report submitted to the October 19, 2006 Board meeting.

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

The Board received the foregoing and agreed to forward copies to the City's Deputy City Manager and Chief Financial Officer and the City of Toronto Policy and Finance Committee.

APPENDIX ‘D

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON NOVEMBER 28, 2006

#P376. TORONTO POLICE SERVICE – PARKING ENFORCEMENT UNIT: 2006 OPERATING BUDGET VARIANCE REPORT AS AT SEPTEMBER 30, 2006

The Board was in receipt of the following report October 26, 2006 from William Blair, Chief of Police:

Subject: 2006 OPERATING BUDGET VARIANCE REPORT FOR THE TORONTO POLICE PARKING ENFORCEMENT UNIT AS AT SEPTEMBER 30, 2006

Recommendations:

It is recommended that:

- (1) the Board receive this report; 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 Policy and Finance (P&F) Committee.

Background:

Toronto City Council, at its meeting of March 29, 30, 2006 approved the Toronto Police Parking Enforcement Operating Budget at a net amount of \$32.7 Million (M).

Comments:

The following chart summarizes the variance by category of expenditure.

| Expenditure Category | Annual Budget (\$Ms) | Actual Expend. to Sep 30/06 (\$Ms) | Projected Year-End Actual Expend. (\$Ms) | Projected (Under)/Over-Expend. (\$Ms) |
|---|----------------------|------------------------------------|--|---------------------------------------|
| Salaries & Benefits (incl. premium pay) | \$28.3 | \$18.9 | \$28.3 | \$0.0 |
| Non-Salary Expenditures | <u>\$4.4</u> | <u>\$2.8</u> | <u>\$4.4</u> | <u>\$0.0</u> |
| Total | <u>\$32.7</u> | <u>\$21.7</u> | <u>\$32.7</u> | <u>\$0.0</u> |

It is important to note that expenditures do not all follow a linear pattern and therefore year-to-date expenditures cannot be simply extrapolated to year end. Rather, the projection of

expenditures to year end is done through an analysis of all accounts, taking into consideration factors such as expenditures to date, future commitments expected and spending patterns.

Salaries & Benefits (including Premium Pay)

Staff attrition is in line with the anticipated levels included in the 2006 approved budget. Benefits are also trending to be within the approved budget amounts. As a result, no variance is projected in this category.

Non-salary Expenditures

Expenditures in this category are projected to be on budget.

Conclusion:

As at September 30, 2006, it is anticipated that year-end expenditures will be within the approved budget and therefore no variance is projected.

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

The Board received the foregoing and agreed to forward copies to the City's Deputy City Manager and Chief Financial Officer and the City of Toronto Policy and Finance Committee.