



STAFF REPORT ACTION REQUIRED

Toronto Police Service – 2008 Operating Budget Request

Date:	December 31, 2007
To:	Budget Committee, City of Toronto
From:	Alok Mukherjee, Chair, Toronto Police Services Board

SUMMARY

The purpose of this report is to provide the City of Toronto Budget Committee with the 2008 operating budget request for the Toronto Police Service.

RECOMMENDATIONS

It is recommended that:

- (1) the Budget Committee approve the 2008 operating budget request for the Toronto Police Service in the amount of \$802.3 million (M), a 2.0% increase over the 2007 approved net operating budget, excluding the impact of 2008 labour contract settlements;
- (2) the Budget Committee approve the request for the addition of 24 positions to the Civilian Establishment as outlined in this report.

FINANCIAL IMPACT

If the Budget Committee approves the recommendations contained in this report, it will result in the allocation of funds in the amount of \$802.3M, which is a 2.0% increase over the 2007 net operating budget.

ISSUE BACKGROUND

At its meeting of November 15, 2007, the Toronto Police Services Board was in receipt of a report, dated November 12, 2007, from William Blair, Chief of Police, with regard to the Toronto Police Service's 2008 operating budget request.

COMMENTS

Superintendent Darren Smith, Acting Director of Human Resources Management, was in attendance and responded to questions by the Board about the funds allocated for the e-learning initiative.

The Board approved recommendation nos. 1 and 3 and amended recommendation no. 2 by indicating that the approval pertains to the “request for” the addition of 24 positions. The amended recommendation approved by the Board is reprinted below:

THAT the Board approve the request for the addition of 24 positions to the Civilian Establishment as outlined in this report

CONCLUSION

A copy of Board Minute No. P386/07, in the form attached as Appendix “A” to this report, regarding this matter is provided for information.

CONTACT

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Toronto Police Service
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SIGNATURE

ORIGINAL SIGNED

Alok Mukherjee
Chair

ATTACHMENT

Appendix A – Board Minute No. P386/07

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

A: 2008tpsopbudget.doc

APPENDIX “A”

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON NOVEMBER 15, 2007

#P386. TORONTO POLICE SERVICE – 2008 OPERATING BUDGET REQUEST

The Board was in receipt of the following report November 12, 2007 from William Blair, Chief of Police:

Subject: 2008 OPERATING BUDGET REQUEST FOR THE TORONTO POLICE SERVICE

Recommendations:

It is recommended that:

1. the Board approve the 2008 net operating budget request of \$802.3 million (M), a 2.0% increase over the 2007 approved net operating budget, excluding the impact of 2008 labour contract settlements;
2. the Board approve the addition of 24 positions to the Civilian Establishment as outlined in this report; and
3. 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, for approval.

Financial Implications:

The Toronto Police Service’s 2008 operating budget request is \$802.3M net (\$840.8M gross). This is an increase of \$16.1M (2.0%) over the approved 2007 net operating budget of \$786.2M.

The budget request includes the necessary funds required to keep the average deployed uniform staff strength during the year at the 5,510 approved by the Board and City Council. The Service is however cognisant of the City’s financial constraints, and the 2008 budget has been developed based on specific instructions from the Chief and the Command to all Service units to keep budget increases to an absolute minimum. It is important to note that the current 2008 request does not include any provision for the impact of the 2008 labour contract negotiations.

A summary of the Service’s 2008 net operating budget request is provided below.

2008 Budget Submission Summary	\$(M)*	% Inc. over 2007*
2007 Approved Net Budget	\$786.2	
Increases to salaries and related benefits	8.7	1.1%
Increases to non-salary expenditures & revenues	<u>7.4</u>	<u>0.9%</u>
2008 Net Budget Request	\$802.3	2.0%

*all amounts exclude impacts from 2008 contract negotiations

Staff report for action on the TPS – 2008 Operating Budget Request

Background/Purpose:

This report provides the Board with information on the Service's 2008 net operating budget request for consideration and approval. This submission is the result of detailed reviews conducted by both the Service and the Board's Budget Sub-Committee, and reflects the level of funding required to deliver effective and efficient policing to the City of Toronto in 2008.

Information on the 2008 operating budget request is provided within the following categories.

- Service Priorities and Key Performance / Crime Indicators
- 2008 Operating Budget Development Process
- 2008 Operating Budget Request
- 2008 Effectiveness and Efficiency Initiatives
- Court Services History and Pressures

Service Priorities and Key Performance / Crime Indicators

The Service's current priorities, as outlined in the 2006-2008 business plan, are:

- Community Policing Partnerships,
- Safety of Vulnerable Groups,
- Community Safety and Security,
- Traffic Safety,
- Delivery of Service, and
- Human Resources.

These priorities are based on a commitment to accountability, transparency, and to our City's diverse communities, and are used in the determination of where resources should be deployed.

As outlined below, the Service has also taken steps to increase and redeploy the resources available to achieve these priorities:

- Since 2006, the Service has redeployed 200 officers to front-line operations;
- As a result of the Province's Safer Communities grant program and City Council's support, the Service has increased its uniform strength by 250 officers, deployed to divisional front-line and investigative functions;
- \$5.0M in funding from the Province in 2007 has allowed the Service to continue its Toronto Anti-Violence Intervention Strategy (TAVIS). Under this strategy, the Service deploys officers from divisional units to address priority crime issues in various communities. The provincial funding is used to backfill the officers deployed to the TAVIS rapid response teams and, in effect, adds the equivalent of 72 full-time officers;
- Activities related to traffic enforcement programs have been increased, to address fatality and accident trends;
- A new deployment model has been implemented to ensure officers are used in the most efficient and effective manner possible; and
- Absenteeism has continued to decrease in 2007 for both uniform and civilian personnel.

These initiatives, as well as strategic prevention and enforcement activities, contributed to the Service's achievements in 2007. Figure 1 indicates that overall crime has decreased by 5% in 2007, compared to 2006 (as of October 19, 2007). All crime categories have decreased except for robbery and homicide.

Although overall arrests are down 3%, the Service has increased enforcement activities (Provincial Offences Tickets are up 18% and contact with the public, as measured by field contacts, has increased 21%). Although we have significantly increased our contact with the public, the number of public complaints has decreased by 17% (from 341 to 282). Traffic fatalities, which are of concern to the Service and the public, have decreased by 12%. The Service's own departmental vehicle collisions have been reduced by 14%. Note: (All statistics are as of October)

Major Crime Indicators Comparison 2007 / 2006, as of October 19, 2007

Overall Crime	↓	5%
– Auto Theft	↓	4%
– Theft	↓	10%
– Break & Enter	↓	9%
– Robbery	↑	1%
– Assault	↓	4%
– Homicide	↑	25%

Figure 1 - Major Crime Indicators

In order to ensure that the Service is managing its operations efficiently and cost effectively, reviews of specific areas or functions are conducted on a regular basis. Some of the reviews that have been recently completed or are currently underway are:

- Divisional Policing Review (in progress)
- IMPART - Information Management & Process Review Team (in progress)
- City Auditor General's reviews:
 - Training & Education unit (complete)
 - Court Services (in progress)
 - Fleet Operations (in 2008)
- Employment Systems Review
 - Civilian (in progress)
 - Uniform (complete)
- CWW (compressed work week) Schedule
- Facilities Management Unit (complete)
- Radio & Electronics Unit (complete)

2008 Operating Budget Development Process

The development of the Service's 2008 operating budget commenced with specific instructions from the Chief and Command to all Service units. This included direction to only consider increases if they are contractual, or as a result of annualization or an impact from the implementation of an approved capital project. Requests for new initiatives were not to be considered unless they resulted in a net benefit to the Service, increased the efficiency and cost effectiveness of existing resources, or mitigated a significant risk.

The Service budgets from a zero starting point wherever possible. A zero-based methodology is used to develop all salary budgets, based on existing staff, approved staffing levels for both Staff report for action on the TPS – 2008 Operating Budget Request

uniform and civilian positions, and anticipated attrition, hiring, leaves, etc. Salary-related benefits are also calculated from zero, as are estimates for accounts such as consulting services, maintenance services, equipment, and training and development, where the need and funding level required could change from year to year. The remaining portion of the budget is developed based on historical actual experience, need, and current information.

The Service's budget development and review process ensures that the budget request is fiscally responsible and addresses service demands. The 2008 funding requirements have been prepared by the respective Command areas, and reviewed in detail by each respective Command Officer and the Service's Budgeting and Control unit. The overall funding request and key line item information (increases and decreases) was then presented to, reviewed and approved by the Command.

In addition to the Service's internal budget review process, and consistent with previous years, the Board's Budget Sub-Committee (BSC) was provided with a line-by-line budget request and completed a detailed review of each program budget, as well as centralized accounts. Six review meetings were held over a period of one month.

Once approved by the Board, the Service's 2008 budget request will be forwarded to the City Budget Committee for consideration. City Council approval is anticipated in March 2008.

2008 Operating Budget Request

The 2008 net operating budget request of \$802.3M includes the funding required to maintain the 5,510 average deployed uniform strength approved by the Board and City Council, as well as services and equipment to effectively support our officers. Funding levels in the various non-salary accounts have been adjusted to reflect historical spending patterns and justified need, and one-time costs incurred in the previous year have been eliminated. The Service's initial 2008 budget request was reduced by \$1.0M during the BSC review process, based on discussion at those meetings as well as any new or updated information.

The 2008 budget request also includes \$0.9M for additional permanent positions (Ministry of Attorney General (MAG) Disclosure project, Freedom of Information (FOI) Disclosure Analysts), temporary positions for the Divisional Excellence pilot, and funding for the e-learning initiative. Details on these initiatives are provided later in this report.

Revenue accounts, including grants and cost recoveries, have been maximized wherever possible and within the limits of the Municipal Act.

Figure 2 shows that, on a gross basis, 89% of the Service's budget is for salaries and benefits. The remaining 11% is required for the support of our human resources in terms of the vehicles, equipment and information

Staff report for action on the TPS – 2008 Operating Budget Request

Breakdown of 2008 TPS Budget Request

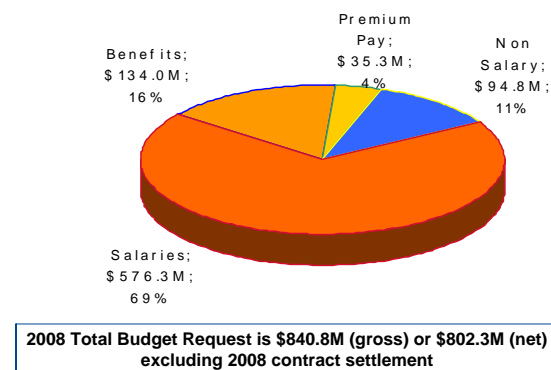


Figure 2 - Overall Budget Request

they use, facilities they work in, and training they require.

2008 initiatives have been included in the respective budget categories in Figure 2. The current request does not include any provision for the impact in 2008 of the labour contract settlements, as bargaining is currently underway.

Table 1 below summarizes the current 2008 request by category of increase. Discussion on each category follows.

Table 1 - Summary of 2008 Budget Request

	Request (\$Ms)	Increase (\$Ms)	Inc. (Dec) over 2007 %
2007 Approved Net Budget - \$786.2M			
(a) Salary Requirements	575.8	5.0	0.6%
(b) Premium Pay	35.3	0.0	0.0%
(c) Statutory Deductions and Fringe Benefits	133.9	3.2	0.4%
(d) Vehicle and Equipment Reserve	12.3	4.6	0.6%
(e) Other Expenditures	82.6	3.0	0.4%
(f) 2008 Effectiveness & Efficiency Initiatives	0.9	0.9	0.1%
(g) Revenues	<u>(38.5)</u>	<u>(0.6)</u>	<u>(0.1%)</u>
2008 Net Budget Request	\$802.3M	\$16.1M	2.0%

(a) Salary Requirements (increase of \$5.0M or 0.6%)

The staffing assumptions for both uniform and civilian staff used in the development of the 2008 budget request are contained in the Service's Staffing Strategy report, scheduled to be submitted to the Board's November 15, 2007 meeting. The Staffing Strategy provides detailed projections for staff attrition and hiring.

The 2008 salary budget is based on the following:

- It is estimated that 275 officers will retire or resign in 2008. In order to maintain an average deployed strength of 5,510 officers (the approved target), the Service is projecting to hire 271 replacement officers in 2008. The part-year savings of those leaving through the year, and the part-year costs of those being hired through the year, has the net effect of reducing the Service's budget by \$8.8M.
- Given that the Service budget is based on actual timing of hires and separations and salary levels, each following year these impacts must be annualized. Furthermore, the officers hired in 2007 and previous years continue to move up through the ranks, creating

annual pressures until officers become first-class constables (a four-and-a-half year process from date of hire). The net cost of these requirements in 2008 is \$11.7M.

- The Service continues to experience an increase in the number of officers on extended leaves (maternity, parental, etc.). Salary budgets have therefore been reduced by \$1.4M to reflect the increased number of staff anticipated to be on leave in 2008.
- Leap year has a significant impact every four years, as salaries are budgeted based on the number of days in the year. The \$1.4M added this year will be a reduction in the 2009 operating budget request.
- Court Services has been an on-going pressure over the last several years. 90 new court officer positions were added to the Service's civilian establishment in 2007, in order to address the provincial government's decision to open new courts, holding cells and wandering areas, as well as convert some existing courtrooms. The \$3.5M that was included in 2007 represents part-year salary costs and one-time expenditures and equipment. The annualization of the salary costs for these 90 officers is \$2.8M, but this pressure is partially offset by a reduction of \$0.8M in extra funding that had been budgeted for the staffing of high-security courts, for a net 2008 impact of \$2.0M.
- Two new civilian positions approved in 2007 (a database management position in Information Technology and an Executive Assistant position in Legal Services), civilian salary increments, and other detailed budget adjustments (e.g., increase in maternity / parental top-up due to increased leaves) have a \$0.2M impact (increase) on the 2008 budget.

(b) Premium Pay (increase of \$0.01M or 0.0%)

Excluding the cumulative impact of wage increases, the Service's net premium pay budget has remained at a constant level since 2002 (see Figure 3). The 2008 net premium pay budget is increasing only marginally (\$12,900) over 2007.

The budget determination for premium pay takes into account prior years' spending history, estimated changes in activity levels and Service initiatives that may impact future requirements.

The majority of premium pay (53% or \$19M) is incurred due to the requirement for officers to attend court to testify. While the ability to impact criminal court scheduling is limited, the CASC (Computer Assisted Scheduling of Court) system allows officers to be scheduled for traffic court (Provincial Offences Act) more efficiently by considering the officer's working schedule.

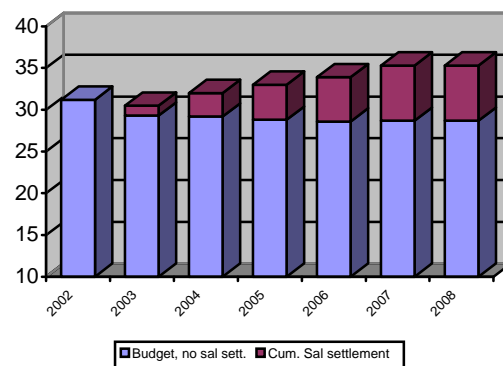


Figure 3 – Net Premium Pay History

It should be noted that actual premium pay expenditures for TAVIS and off-duty court are over-and-above the net premium pay budget, but are fully offset by provincial funding (for TAVIS), and City funding (for off-duty court). Therefore, there is no impact on the net premium pay cost.

(c) Statutory Deductions and Fringe Benefits (increase of \$3.2M or 0.4%)

As shown in Figure 4, fringe benefits for the Service are basically comprised of: payroll deductions (e.g., pensions, statutory deductions) medical and dental coverage, Workers Safety Insurance Board (WSIB), and other benefits (e.g., life insurance, sick pay provisions, etc.).

The increases in statutory deductions and fringe benefits are attributable to the following:

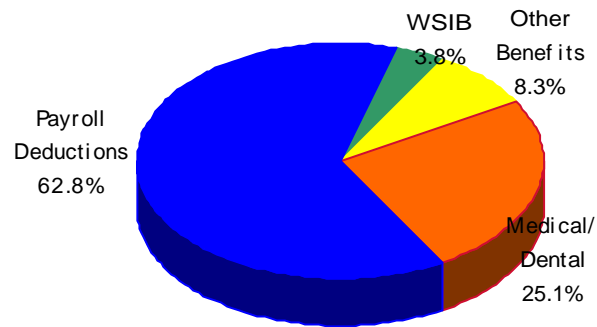


Figure 4 - Breakdown of Statutory Deductions and Fringe Benefits

- The budget for statutory payroll deductions is based on the number of employees and their salaries. The increase in statutory deductions, taking into account salary costs and various rate changes, is estimated at \$0.4M.
- Based on the Service's past four years' actual experience, the average annual increase for medical and dental claims is 9% and 3.9% respectively. These rates are below projected industry average increases for 2008, and the Service is pursuing independent advice regarding 2008 projections. Applying the Service's four-year average annual increase to the projected 2007 year-end actual expenditures for medical and dental costs results in an increase of \$1.5M in 2008.
- The 2005-2007 collective agreements included the introduction of a Pay Direct Drug Card. This card was introduced in October 2007. Industry experience indicates that drug claims increase by 15% as a result of this card (since members are more likely to obtain needed prescriptions, and claims are not lost or forgotten). The annualized impact of the drug card in 2008 is estimated at \$1.3M.

(d) Vehicle and Equipment Reserve (increase of \$4.6M or 0.6%)

The Service has been replacing its fleet of vehicles through provisions and draws from the Vehicle and Equipment Reserve for several years, and contributes just over \$5.0M annually for this purpose.

In 2006, the Service adopted a similar policy for the purchase of IT and other equipment. As a result, computer (e.g., workstations, printers, servers) and other equipment (e.g., furniture, lockers) are now purchased from the Reserve, and the Reserve is replenished for the future replacement cost of these items. The replenishment amount is determined by the cost and life span of the item being purchased.

In addition to the \$5.0M contribution for vehicles, the Service contributed \$2.63M for computer and related equipment in 2007 for a total contribution of \$7.63M. In 2008, this contribution is increasing by \$4.63M to \$12.3M, specifically to cover an increased provision for computer and other equipment.

Given the current strategy, reserve contributions for computer and other equipment will grow each year to 2012. While this approach will create an operating budget pressure each year until 2012, it reduces the Service's capital requirements, stabilizes expenditures in the long term, and is consistent with the City's approach for IT equipment replacement.

(e) Other Expenditures (increase of \$3.0M or 0.4%)

The Service's non-salary portion of the budget includes the materials, equipment and services required for day-to-day operations. Wherever possible, accounts within this category have been flat-lined to the 2007 level. Increases have only been included if they are a result of a contractual obligation, an impact from a completed capital project, or a City recovery. One-time reductions have been taken into account where applicable (e.g., Court Services equipment). The following outlines the most significant changes:

- Gasoline (\$1.2M increase): Gasoline prices continue to increase. Compared to the 2007 budget, the price-per-litre (budget to budget) has increased by 12%, and the estimated consumption has increased by 8% (600,000 litres) to reflect projected experience in 2007. The Service is exploring options for reducing gasoline consumption (e.g., evaluation of vehicles used and other feasible initiatives).
- Computer lease and maintenance (\$0.4M reduction): The Service is gradually moving from a lease to a purchase strategy for IT-related equipment replacement. As leases are eliminated, maintenance contracts (previously funded through the leases) must be entered into for the computer equipment purchased. The net impact of the foregoing is a \$0.4M reduction.
- Data and Communication Lines (\$1.1M increase): The Service has a significant investment in telephone and data communication lines. Included in the 2008 request is an additional \$600,000 to lease redundant lines for business continuity (Min. No. C104/07 refers). The remaining increase is due to the introduction of additional data and communication lines related to the completion of facility projects (e.g., 23 Division, 9 Hanna, Gang and Gun) and new and increased user requirements.

The Service is reviewing its existing and future needs for an expanded data transportation network by exploring the feasibility, benefits, costs and other related issues involved in integrating a fibre optic network into its information technology architecture.

- One-time cost for court officers' equipment (\$0.6M reduction): The 2007 budget increase of \$3.5M for the opening of new courtrooms included \$0.6M for court officers' equipment. This one-time cost has been removed in the 2008 request.

- Consulting, contracted services and service contracts (\$0.5M increase): These accounts are budgeted for, justified and supported by specific item. These costs are increasing due to inflation (as specified in certain contracts), as well as the addition of specific contracts to mitigate risk (e.g., maintenance of closed-circuit TVs in Divisions).
- Training (\$0.6M increase): Each unit's specific courses / seminars request was reviewed by the Unit Commander, Staff Superintendent and Director, and Command Officer before being put forward in the overall budget. The reviews were intended to reduce these budgets wherever possible, while recognizing the need for on-going staff development requirements and pressures. The majority of training costs is attributed to specialized training for job performance and maintenance of accreditations. There is also a centralized amount in the Service's Training & Education unit, established to support the Service's initiative towards Leadership training.
- Net other expenditure changes (\$0.6M increase): The remaining expenditure accounts have been analyzed and adjusted to reflect 2008 requirements based on experience and current information.

(f) 2008 Effectiveness and Efficiency Initiatives (increase of \$0.9M or 0.1%)

As part of the Service's commitment to continuous improvement, eight initiatives that would improve Service effectiveness/efficiency or help mitigate certain risks were identified separately in the Service's 2008 budget request to the Board's Budget Sub-Committee. These initiatives, which total \$2M (part-year costs), are summarized below.

- Roll-out of MAG I-IV (22 civilians)
- FOI Disclosure Analysts and Clerks (7 civilians)
- Divisional Excellence Pilot (4 temporary clerks)
- e-learning (funding to acquire software and training modules)
- Intelligence (18 civilians)
- Data Management and Enterprise Security positions in IT (3 civilians)
- SAP Co-Ordinator (1 civilian)
- Quality Assurance Clerk (1 civilian)

The Board's Budget Sub-Committee was advised that these initiatives were still under review. I have now completed that review and have deferred or reduced these requests wherever possible. The four initiatives outlined below are being recommended for approval, with a total impact on the 2008 operating budget request of \$0.9M. The annualized impact of each initiative is also provided where applicable.

- MAG I-IV (\$0.2M net impact): Court Services has been piloting a Ministry of Attorney General (MAG) Disclosure program. A report outlining the cost and benefits of this program was provided to the Board at its August, 2007 meeting (Min. No. P272/07 refers). This program is designed to provide information to case managers that will allow for the effective and efficient prosecution of criminal charges. A real-time, universally accessible database provides critical information on the status of case preparation, case status and additional requirements for disclosure. This ensures the preparation of appropriate disclosure material is expedited, and case preparation on concluded cases is

immediately ceased. Significant efficiencies are created for all stakeholders, and timely delivery of disclosure provides an opportunity for quicker resolutions.

Temporary funding (\$0.2M) was approved in the 2007 budget, to fund 5 temporary staff for MAG-I (the pilot program). Permanent implementation of this program would be phased in over the next three years. \$0.4M is required for 2008, to continue funding MAG-I (5 staff) and to begin to implement MAG-II (4 staff beginning in May, 2008 and 5 staff beginning in November 2008). For 2008, this has a net \$0.2M impact and would add 14 permanent positions to the civilian establishment.

The full roll-out of this program (through to 2010) would ultimately result in an increase of 22 civilian positions (including the 14 positions in 2008) at an annualized cost of \$1.0M (as shown in the following table).

Table 2 - Summary of MAG I-IV Rollout

	2007	2008	2009	2010	Total Impact
Funding for MAG I	+\$0.2M (temp)	-\$0.2M (temp) +\$0.2M (+5 staff)	\$0	\$0	\$0.2M (5 staff)
Funding for MAG II	n/a	+\$0.2M (+9 staff)	+\$0.2M (annual'd)	\$0	\$0.4M (9 staff)
Funding for MAG III	n/a	n/a	+\$0.1M (+4 staff)	+\$0.1M (annual'd)	\$0.2M (4 staff)
Funding for MAG IV	n/a	n/a	n/a	+\$0.2M (+4 staff)	\$0.2M (4 staff)
TOTAL MAG Project	+\$0.2M	+\$0.2M (+14 staff)	+\$0.3M (+4 staff)	+\$0.3M (+4 staff)	\$1.0M (22 staff)

- **FOI Analysts (\$0.08M):** The Service's Freedom of Information (FOI) unit is responsible for the administration of the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) within the Service. Its mandate is to ensure compliance with MFIPPA legislation. The number of access requests received has increased annually, without any concurrent increase in staff to respond to these requests.

In 2004, the FOI compliance rate dropped to a low of 32%. With the implementation of new business processes and by borrowing staff from other areas in Records Management Services, the FOI unit has been able to increase the compliance rate to over 80%. Staff cannot be borrowed indefinitely from other areas of Records Management Services as access requests continue to increase.

The unit has requested the addition of seven (7) additional staff (2 analysts, 4 clerks and an assistant co-ordinator) to manage this workload. In order to ensure the Service can continue to effectively comply with MFIPPA legislation, while recognizing budget pressures, two (2) analyst positions are being recommended for approval, at a cost of \$0.08M in 2008, annualizing to \$0.13M in 2009. The FOI Unit will be preparing a long-term plan to manage the continually increasing MFIPPA access requests.

- Divisional Excellence Pilot (\$0.1M): As part of its goal to improve efficiency and effectiveness, the Service is in the process of completing a Divisional Review of Excellence that will cover administrative and operational business practices of the Uniform, Detective and Civilian personnel in divisions. One of the goals of this review is to improve service delivery, the quality of investigations, enforcement, patrol time and crime prevention, by having civilians perform some of the administrative work of police officers. Part-year funding (\$0.1M) for four temporary staff (two in 55 Division, and two in 22 Division) has been included in the 2008 operating budget request for the pilot.
- e-learning Initiative (\$0.4M increase): The recent City Auditor General's audit of training recommended that the Service use e-learning to reduce member time away from front-line duties. e-learning provides a practical and high-quality alternative to classroom learning and can be used on its own or to supplement traditional methods of learning. There are several benefits to e-learning.
 - It is very cost-effective. Where appropriate, e-learning requires significantly less time to deliver than classroom-based learning, resulting in very significant savings in member time away from duties to attend training, and there is no need to schedule groups of members at one time;
 - It is timely and accessible, as it is available 24 hours a day, 365 days a year via the internet, and it can provide on-going performance support through ready reference to easily indexed materials. It is very easy to update to ensure currency and provides active automatic notification of program changes (via e-mail) to members who have already completed the training;
 - It is learner-centred (members can learn at their own pace, at any location with internet access, etc.);
 - It provides detailed records of what was learned, by whom and when;
 - It can address sensitive subject matter, such as personal ethics, as members are not being asked to "expose a weakness" to colleagues.

The use of e-learning to replace certain classroom-based training will result in immediate time savings for officers. For example, Training & Education (T&E) has piloted an "Urban Gang Dynamics" training program (offered through the Canadian Police Knowledge Network, created with the use of TPS subject-matter experts and directly supporting the Service's priorities) and found that the two-hour e-learning program was the equivalent to eight hours of in-house training (a net savings of six hours per officer).

In order to test and track e-learning properly, a Learning Management System (LMS) that houses learning content, tracks learner progress, automates administration, reports results and enables detailed analysis of the effectiveness of the training, must be acquired at a cost of \$0.2M. It is also recommended that two e-learning training programs be acquired for 2008, at a cost of \$0.1M. These are a "general investigators" e-learning course, and the "Urban Gang Dynamics" course, both offered through the Canadian Police Knowledge Network, a police learning not-for-profit consortium sponsored by the Canadian Association of Chiefs of Police. There would be an annual licensing fee of \$35,000 to maintain both courses after 2008. It is estimated that this investment of \$0.3M in 2008 could save up to 20 full-time equivalents (based on staff time saved). The LMS will be used to determine the extent of these savings.

(f) Revenue Increases (increased revenue of \$0.6M or 0.1%)

All revenue accounts have been analyzed and adjusted to reflect 2007 experience and/or known changes in 2008. For example, the Safer Communities grant revenue has been increased by \$0.2M to reflect continued annualization impacts. The other significant revenue change is a \$0.4M increase for paid duty administration fees (based on 2007 experience). Various other accounts have increased or decreased with a net zero impact on the budget.

Court Services History and Pressures

Until January 1, 1990, the Province of Ontario and then-Metropolitan Toronto were involved in a cost sharing agreement for court security. Upon the proclamation of Bill C-187 (*The Police and Sheriffs Statute Law Amendment Act*), responsibility and liability for security and prisoner custody at all court facilities in Metropolitan Toronto were downloaded to the Metropolitan Board of Commissioners of Police, and all cost sharing ceased.

Ontario is the only province where court security costs are borne by each Police Service. Although the Provincial Government determines the number and type of courtrooms in operation at any given time, the Service is mandated by law to provide court security for the courtrooms, associated public areas, and cells.

As shown in Figure 5, the cost of Court Services has increased from \$15.5M in 1990 (when these services were downloaded from the province to the municipality), to \$45.8M in the 2008 request.

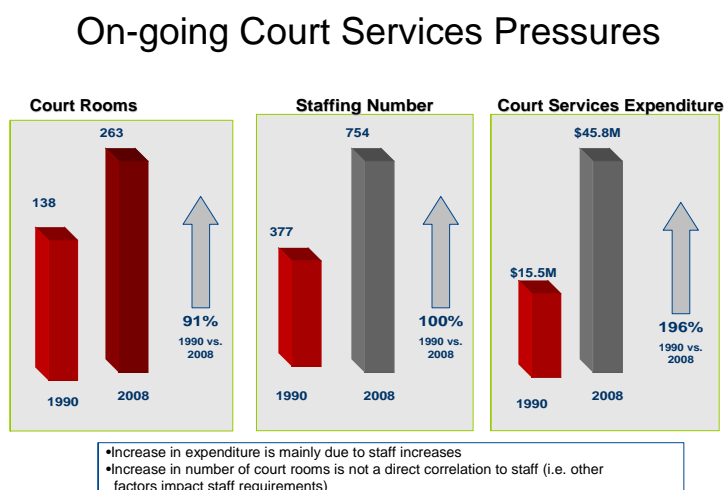


Figure 5 - Court Services Pressures

A breakdown of the Court Services budget is provided in table 3 below. As the table illustrates, court security, including prisoner transportation, is the largest component at \$41.4M or 91% of the Court Services budget.

Table 3 - Breakdown of Court Services

Court Security	\$38.2M
Prisoner Transportation	\$3.2M
Scheduling of Court and Pre-Trial Liaison	\$1.2M
Summons and Subpoenas	\$2.7M
Department of Justice Disclosure Program	<u>\$0.5M</u>
Total:	\$45.8M

In 1990, 138 courtrooms were in use, and the Service employed 352 police and full-time and part-time court officers (excluding administrative staff). In 2008, 263 courtrooms are in use, and 687 police and full-time and part-time court officers are employed.

Court Services staffing and the required funding have been increasing for several reasons:

- There are more trials with multiple accused, high risk and gang arrests, which require significantly more security, both in the courtrooms and in the perimeter areas;
- There is an increasing demand for more security by the judiciary and the crown attorneys;
- As the number of courtrooms, holding cells, waiting areas and X-ray areas expand in facilities that are not ideally suited for these uses, the deployment of court officers becomes less and less efficient;
- Of the 263 courtrooms in use, a number of them are special courts (Mental Health court, Domestic Violence court, Child Abuse court, etc.) with specialized security needs, which require increased staffing;
- As arrests continue to increase, the volume of cases moving through the courts increases;
- In addition to an increasing number of courtrooms, Court Services has also had to deal with expanded responsibilities, such as the implementation of 24-hour bail courts in the mid-1990s, and the implementation of DNA sample collection in 2000; and
- The Service is responsible for the transportation of approximately 200,000 prisoners each year, a number that grows every year (although the province does provide separate funding for prisoner transportation).

The Service has implemented several measures over the years to manage the increasing pressures wherever possible:

- 51 positions have been civilianized (positions previously staffed by police officers are now staffed by court officers, at a savings of approximately \$20,000 per position);
- The Service has increased its use of part-time court officers, to increase flexibility and better target court officer availability to peak time requirements;
- Increased focus on better training and education and staff development of existing resources;
- The working relationships with the Chief Administration Justices have been improved, to address staffing issues wherever possible (for example, where individual judges have

attempted to affect the level of court security, open dialogue has enabled the Service to ensure an appropriate level of security is provided).

Senior management in Court Services has been striving to build and enhance partnerships with the Ministry of the Attorney General (MAG) and with the Ministry of Safety and Correctional Services (MSCS). As a result, the Ministries now consult with the Service on their plans to build new courthouses and plans for further expansion. For example:

- After discussion with the Service, and recognizing our Court Services pressures, MAG has put on hold the implementation of storefront courtrooms, and WASH (weekend and statutory holidays) bail courts. These courtrooms, which would have been in many locations throughout the city, would have put a tremendous strain on our court services;
- MSCS is including the Service at the planning stages of its planned new “Toronto South Detention Centre.” This will ensure that the new facility, from design to completion, takes into consideration the Service’s procedures and systems (for example, delivery of prisoners, appropriate set up for video remands, etc.). This is expected to result in significant long-term efficiencies.

These measures help mitigate but do not eliminate the on-going pressures on the Court Services budget. In order to ensure that this unit is being effectively managed, and to identify any opportunities for improvement, the City Auditor General (at my request) is currently conducting an operational review of this unit. His findings are anticipated in early 2008.

However, as noted above, while the Police Services Act requires the Service to provide an adequate level of court security, the Service does not control the timing and number of new courts opened, and judges are consistently demanding increased security in their courtrooms. These demands have placed significant financial pressures on the Service and impact our ability to effectively address other priorities. It is therefore critical that the Province recognize this impact (which is beyond the Service’s control) and take measures to assist the Service and City to deal with this increasing budget pressure.

Conclusion:

The Toronto Police Service’s 2008 net operating budget request of \$802.3M is \$16.1M, or 2.0%, over the 2007 budget of \$786.2M. The 2008 request does not include the impact of labour contracts which are currently being negotiated. As Figure 6 shows, the Service’s operating budget has been increasing by about 1.7% to 2% annually, excluding the cumulative impact of labour contract settlements.

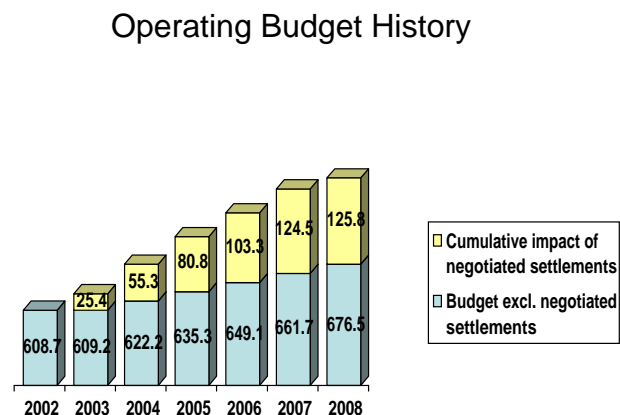


Figure 6 - Operating Budget History

The 2008 net operating budget request includes the funding required to maintain the 5,510 average deployed uniform strength Staff report for action on the TPS – 2008 Operating Budget Request

approved by the Board and City Council and the necessary supporting infrastructure (e.g., civilian staffing, equipment, services). Funding levels in the various non-salary accounts have been adjusted to reflect historical spending patterns and justified need, and one-time costs incurred in the previous year have been eliminated.

The 2008 budget request also includes \$0.9M for additional permanent positions (Ministry of Attorney General (MAG) Disclosure project, Freedom of Information (FOI) Disclosure Analysts), temporary positions for the Divisional Excellence pilot, and funding for the e-learning initiative.

Revenue accounts, including grants and cost recoveries, have been maximized wherever possible and within the limits of the Municipal Act.

The level of funding being requested is required to carry out the priorities in the Service's business plan. Consistent with this business plan, the Service will continue its anti-violence initiatives in 2008. In addition, more emphasis will be placed on the increasing trend of domestic violence and the development of further strategies and initiatives to achieve improved safety on City roads. Operations and management processes will also continue to be reviewed to ensure risks are properly mitigated and services delivered efficiently and effectively.

This budget request has been reviewed in detail by the Service and the Board's Budget Sub-Committee, and all identified opportunities for reductions have been incorporated. Staff continue to review estimates, particularly those that rely on 2007 experience, and any adjustments as a result of 2007 year-end expenditures will be reported to the Board accordingly.

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

Superintendent Darren Smith, Acting Director of Human Resources Management, was in attendance and responded to questions by the Board about the funds allocated for the e-learning initiative.

The Board approved recommendation nos. 1 and 3 and amended recommendation no. 2 by indicating that the approval pertains to the "request for" the addition of 24 positions. The amended recommendation approved by the Board is reprinted below:

THAT the Board approve the request for the addition of 24 positions to the Civilian Establishment as outlined in this report