

Analyst Briefing Notes

Budget Committee - February 16, 2010

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Executive Summary

- Court Services provides dispute resolution services to defendants and the public in Toronto in accordance with the Provincial Offences Act and the Memorandum of Understanding between the City of Toronto and the Ministry of the Attorney General in order to ensure justice is fairly administered. The services provided include the following:
 - Provincial Offences and Dispute Resolution, including the support of courtroom based and administrative hearings regarding charges stemming from offences under provincial statutes or Municipal bylaws;
 - Provincial Offences Court Case Management, which includes court administration processes respecting charges issued by enforcement officers and others under Provincial law, including trial scheduling, payment processing and identifying unpaid fines for enforcement; and
 - Default Fine Collection Management, which includes managing, collecting and processing fines and taking collection action on fines in default.
- Court Services' 2010 service objectives include the following:
 - Providing stakeholders with timely access to court and other hearings by reducing wait periods from 12 months to 9 months within the next two years;
 - Reducing the rate of charges going to trial from 50% to 26%, which is in line with the GTA average;
 - Ensuring all new charges are filed with the court within 7 days of receipt by an enforcement agency or officer and subsequent processing occurs within established timelines; and
 - Taking action necessary to enforce compliance of court orders and seek Provincial approval to implement new, more effective enforcement sanctions to prevent non-compliance.
- For 2009, the third quarter projected year-end variance of (\$7.344 million) net revenue is projected to be \$4.581 million or 38.4% below the 2009 Approved Operating Budget of (\$11.924 million) net revenues for Court Services. The revenue shortfall results from a combination of lower than projected Red Light Camera (RLC) charges and deferred fine revenues resulting from the labour disruption. The 2010 Recommended Operating Budget includes a reduction in RLC revenues of \$1.2 million based on actual experience.
- Court Services achieved the following key accomplishments in 2009, highlighted below:
 - Opening of six new courtrooms, assisting in reducing trial wait times and case backlog
 - Consulting with the Province on introduction of Bill 212, which contains several key changes to the Provincial Offences Act with the potential to simplify many court processes, improve public service, and enhance fine enforcement

Table 1: 2010 Recommended Budget

(In \$000s)	2009		2010 Recommended Operating Budget			Change - 2010 Recommended Operating Budget v. 2009 Appvd. Budget		FY Incremental Outlook	
	2009 Appvd. Budget	2009 Projected Actual	2010 Rec. Base	2010 Rec. New/Enhanced	2010 Rec. Budget		%	2011	2012
	\$	\$	\$	\$	\$			\$	\$
GROSS EXP.	47,824.4	47,020.7	52,079.8	0.0	52,079.8	4,255.4	8.9	1,006.7	1,051.1
REVENUE	59,748.8	54,364.6	62,161.8	0.0	62,161.8	2,413.0	4.0	0.0	0.0
NET EXP.	(11,924.4)	(7,343.9)	(10,082.0)	0.0	(10,082.0)	1,842.4	(15.5)	1,006.7	1,051.1
Approved Positions	293.0	293.0	293.0	0.0	293.0	0.0	0.0	0.0	0.0

TARGET COMPARISON	2010 Target	2010 Rec. Budget	2010 Rec. Budget vs. 2010 Target	2011 Target
NET BUDGET	(14,315.6)	(10,082.0)	4,233.6	(16,706.8)
PROGRAM REDUCTION (\$)	(8,047.9)	(3,814.3)	4,233.6	(2,391.2)
PROGRAM REDUCTION (%)	(67.5)	(32.0)	(35.5)	(20.1)

* Program reduction target is based on gross expenditures

- The 2010 Recommended Operating Budget for Court Services of (\$10.082 million) net is \$1.842 million or 15.5% below the 2009 Approved Operating Budget and \$4.234 million or 52.6% below the 2010 reduction target of (\$8.048) million.
- The 2010 Recommended Operating Budget of (\$10.082) million net is fully comprised of base funding and includes savings from projected service level changes and efficiencies of \$2.250 million.
 - The Outlook for 2011 and 2012 includes increases of \$1.007 and \$1.051 million net, respectively, and represents higher staffing costs for progression pay and COLA. The Outlooks for 2011 and 2012 do not include unconfirmed pressures or any service level changes.
- Court Services' 2010 Recommended Operating Budget incorporates funding for the following key cost drivers:
 - Increased costs resulting from court security and off-duty police officers attending trials of \$0.580 million, and increased costs of legislated translators and transcript production of \$0.961 million to reflect actual experience;
 - Other cost pressures include inflationary increases for salaries such as progression pay, COLA, step, and fringe benefits, totaling \$1.326 million, reduction of Red Light Camera revenues of \$1.200 million based on 2009 experience, and increased facilities rent & maintenance costs of \$0.193 million.
- The cost drivers noted above will be partially off-set by savings from recommended efficiencies and service level changes included in the 2010 Recommended Operating Budget:
 - Adjusting the scheduling of police officers attending court by adding more cases to each officer's appearance, resulting in lower overtime costs of \$1.500 million;

- Increasing gapping from 1.9% in 2009 to 4.5% in 2010, by not filling 8 vacant positions in court administration during 2010, resulting in savings of \$0.550 million; and
- Reducing hours of operation of courts by eliminating Saturday court sessions and closing ½ hour earlier on weekdays, resulting in savings of \$0.200 million
- Increasing gapping may result in increased counter wait times of up to 45 minutes, while reducing hours of operation may result in longer trial wait times. Approval of the service adjustments will have no impact on the Court Services approved staffing complement.
- The mandatory requirement of having police officers attend trials remains one of highest expenditures for Court Services and unless new processes are instituted that ensure police officer availability during their regular hours or the legislation changes the requirement of a police officer to appear, Court Services can expect the costs to continue rising.
- As per statistics provided by Transportation Services, the Red Light Camera (RLC) initiative has resulted in a 60% decline of accidents at RLC sites since 1999. The 2010 Recommended Operating Budget includes a \$1.2 million RLC revenue reduction to reflect actual experience of lower than predicted charges and increased fines.
- The 2010 Recommended Operating Budget will allow Court Services to continue to support efficient court administration and services to the public using the Provincial Offences Courts in City of Toronto. The 2010 Recommended Operating Budget will:
 - Continue to address trial delays and reduce wait times from 12 months to the Provincial average of 9 months, by fully utilizing all 30 courtrooms and 10 intake rooms;
 - Continue to manage court cases, resulting in over 700,000 new yearly charges processed in accordance with Provincial legislation;
 - Process over 400,000 trials regarding Provincial Offences matters and 300,000 other hearings;
 - Continue to process payments from fines within 48 hours of receipt, with over 400,000 payments processed annually; and
 - Continue to support Toronto Licensing Tribunal, resulting in over 500 applications filed each year
 - Continue to provide counter service in French, English, Cantonese, as well as over 40 other languages providing interpretation services during a trial.

Recommendations

The City Manager and Chief Financial Officer recommend that:

1. Council approve the 2010 Recommended Operating Budget for Court Services of \$52.080 million gross and \$(10.082) million net revenue, comprised of the following services:

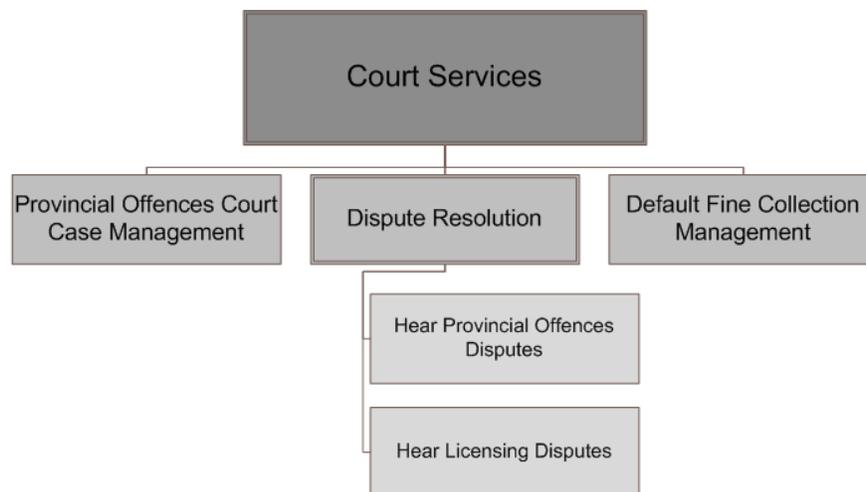
<u>Service:</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
Finance & Administration	30,762.8	6,063.9
Court Administration	10,592.2	46,330.0)
Court Support	6,149.4	6,149.4
Planning & Liaison	4,034.8	4,034.8
Licensing Tribunal	540.5	
	<hr/>	<hr/>
Total Program Budget	<u>52,079.6</u>	<u>(10,082.0)</u>

2. the Director of Court Services continue to work with the Province and advocate to implement Bill 212 amendments available under the Good Government Act, 2009 by mid 2010 to reduce the requirement of police officers appearing at trials, improve public service access and to introduce other changes that can result in higher fine collection results.

Mission Statement

Court Services is committed to providing dispute resolution services to defendants and the public in Toronto in accordance with the Provincial Offences Act and the Memorandum of Understanding between the City of Toronto and the Ministry of the Attorney General in order to ensure justice is fairly administered. Court Services also provides administrative support services to the Toronto Licensing Tribunal.

Program Map



2010 Recommended Services: Overview

Court Services is responsible for court administration processes respecting charges issued under Provincial law. In accordance with its legislated mandate, the Program provides information about court processes to the public, processes payments and schedules trials and hearings. In addition, Court Services supports courtroom hearings respecting contested charges involving Provincial statutes and Municipal by-laws.

2010 Recommended Services: Overview

Dispute Resolution supports courtroom based and administrative hearings regarding charges stemming from offences under provincial statutes or Municipal bylaws. Two types of hearings occur within Dispute Resolution services and include:

- Hearings on Provincial Offences matters such as breaches under Provincial law, by-laws and regulations with over 300,000 trials per year, as well as parking ticket trials, which will

increase from 130,000 trials in 2009 to 190,000 in 2010 as a result of three additional courtrooms allocated to parking trials in 2010.

- Administrative based hearings for applications under Toronto Licensing by-law. Toronto Licensing Tribunal hears over 500 cases per year.

Provincial Offences Court Case Management includes court administration processes respecting charges issued by enforcement officers and others under Provincial law, including trial scheduling, payment processing and identifying unpaid fines for enforcement.

Default Fine Collection Management includes managing, collecting, processing fines and taking collection action on fines in default.

Service Objectives

Court Services has developed a multi-year plan that prioritizes and aligns strategic initiatives that directly address its challenges and opportunities as well as a number of Council's priorities. They include:

- Providing stakeholders with timely access to court and other hearings and reducing case backlog and wait periods from 12 months to 9 months within the next two years;
- Reducing rate of charges going to trial from 50% to 26% within 5 years;
- Ensuring all new charges are filed with the court within 7 days of receipt and enforcing compliance of court orders;
- Providing a fair and unbiased review process to each person contesting charges;
- Ensuring off-duty Police court attendance to reduce the number of cases withdrawn and increase number of convictions;
- Decreasing the length of time the public waits for service from up to 45 minutes to under 20 minutes;
- Improving the quality and availability of transcripts by using digital audio recording technology;
- Monitoring the availability of Justices of Peace and encourage the Province to commit to succession planning for Justices of the Peace to avoid trial disruptions that occur as a result of judicial unavailability; and
- Simplifying court processes by identifying and implementing legislative and regulatory reforms as part of the amendments made to the Provincial Offences Act.

2009 Accomplishments

- Six additional courtrooms opened in the second half of 2009, increasing trial capacity by 70,000 trials and reducing trial wait times from 12 months to 9-12 months.
- From January to September of 2009, over 70,000 individuals were served each month, and over 85,000 calls and inquiries were addressed. The average wait time of a call was 8.2 minutes and the average counter wait was between 30-45 minutes.
- The Ministry of Attorney General, in consultation with Court Services, developed several favourable amendments to the Provincial Offences Act. Bill 212, the Good Government Act, 2009 was introduced on October 27, 2009 and passed on December 15, 2009. It includes some key changes to the POA Act, such as reducing the requirement for police officers to attend trials as a witness, changing various court processes, and implementing stricter fine collection sanctions. This legislation is being implemented in stages and will require Regulations before some of these changes can occur.

Table 2: 2009 Budget Variance Review (\$000s)

(In \$000s)	2008 Actuals	2009 Approved Budget	2009 Projected Actuals*	2009 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	%
GROSS EXP.	39,132.1	47,824.4	47,020.7	(803.7)	(1.7)
REVENUES	50,717.9	59,748.8	54,364.6	(5,384.2)	(9.0)
NET EXP.	(11,585.7)	(11,924.4)	(7,343.9)	4,580.5	(38.4)
Approved Positions	293.0	293.0	293.0	0.0	0.0

*Projected Actuals Based on the September 30, 2009 Variance Report

2009 Budget Variance Analysis

Court Services' projected year-end net unfavourable variance is anticipated to be \$4.581 million or 38.4 % below the 2009 Approved Operating Budget of (\$11.924 million) net revenue.

The unfavourable variance is the result of a net revenue shortfall attributable to the lower than projected number of Red Light Camera charges (\$2.385 million) and deferred fine revenues resulting from the labour disruption (\$3.0 million). Red Light Camera (RLC) charges issued in 2009 and filed with the court totalled 27,580 compared to a 2009 estimate of 54,737. While the labour disruption resulted in no RLC charges issued in July and part of August, the main reason for the variance is due to fewer red light infractions.

Impact of 2009 Operating Variance on the 2010 Recommended Budget

The 2010 Recommended Operating Budget includes a reduction of \$1.200 million from the RLC revenue base of \$5.200 million. The revenue reduction is a result of lower than predicted volumes of RLC infractions based on actual experience (\$2.2 million), offset by increased fines per ticket from \$190 to \$260, increasing revenues by \$1.0 million.

Statistics show that the average fine paid for the RLC offence is 50% of the face value, and with 2010 projected charges of 31,150 it is reasonable to conclude that the amount of \$4.0 million in RLC revenues will be realized in 2010. For a further discussion, please refer to page 17.

Table 3: 2010 Recommended Base Budget (\$000s)

	2009 Appvd. Budget	2010 Recommended Base	Change 2010 Recommended Base v. 2009 Appvd. Budget		FY Incremental Outlook	
					2011	2012
(In \$000s)	\$	\$	\$	%	\$	\$
GROSS EXP.	47,824.4	52,079.8	4,255.4	8.9	1,006.7	1,051.1
REVENUE	59,748.8	62,161.8	2,413.0	4.0	0.0	0.0
NET EXP.	(11,924.4)	(10,082.0)	1,842.4	(15.5)	1,006.7	1,051.1
Approved Positions	293.0	293.0	0.0	0.0	0.0	0.0

TARGET COMPARISON	2010 Target	2010 Rec. Budget	2010 Rec. Budget vs. 2010 Target	2011 Target
NET BUDGET	(14,315.6)	(10,082.0)	4,233.6	(16,706.8)
PROGRAM REDUCTION (\$)	(8,047.9)	(3,814.3)	4,233.6	(2,391.2)
PROGRAM REDUCTION (%)	(67.5)	(32.0)	(35.5)	(20.1)

* Program reduction target is based on gross expenditures

Table 3a: Program Reduction Requirements (\$000s)

(In \$000s)	2010 Required Reductions	2011 Required Reductions
2009 Approved Budget (September 30)	(11,924.4)	
Pressures Reported with 2010 Outlook	0.0	0.0
5% Reduction Target (based on gross expenditures)	(2,391.2)	(2,391.2)
Additional Pressures not in 2010 Reported Outlook	(5,656.7)	TBD
Program Reduction Target	(8,047.9)	(2,391.2)
Net Budget Target	(14,315.6)	(16,706.8)

2010 Recommended Base Budget

The 2010 Recommended Base Budget of (\$10.082) million net represents a \$1.842 million or 15.5% decrease over Court Services' 2009 Approved Operating Budget of (\$11.924) million net. The 2010 Recommended Base Budget includes \$4.092 million or 34.3% in base budget increases, which have been partially offset by decreases of \$2.250 million or 18.9% arising from efficiencies and service level changes.

The 2010 Recommended Base Budget of (\$10.082) million net is \$4.234 million below the Court Services reduction target of \$8.048 million. The 2010 reduction target for Court Services is based on taking -5% of the Program's 2009 Approved Operating Budget gross expenditure and adding the Program's net incremental 2010 base pressures.

The increase in gross expenditures is largely due to increased costs for transcripts and court interpreters reflecting actual experiences, and increases in wages of off-duty Police officers attending court as well as police security. Furthermore, progression pay, step, and fringe benefit cost increases, as well as a reduction in Red Light Camera revenues contribute to lower net revenues.

Wherever possible, Court Services has offset these higher net expenditures, however further reductions to reach the reduction target of \$8.048 million would result in significant service level impacts and are not recommended.

The 2010 Recommended Base Budget results in no changes to the 2009 approved staffing complement.

2010 Base Budget Key Cost Drivers

The 2010 Recommended Base Budget provides funding for the following key cost drivers:

- Annualization costs to operate six additional courts, based at half-year costs for 2009, which opened in the second half of 2009, of \$3.564 million gross, offset by \$3.571 million in revenues, out of which \$3.03 million is funded from Parking Tags and Enforcement Operations for use of 3 new courts dedicated to reducing the backlog of parking ticket trials;
- Increased salary expenditures for COLA, progression pay, step, and fringe benefits of \$1.326 million;
- Reduction in Red Light Camera revenues of \$2.2 million to reflect 2009 actual experience of fewer than predicted charges;
- An increase in mandatory interpretation and transcript expenditures to reflect 2009 actual experience and increased case load of \$0.961 million;
- Higher police officer salaries resulting in increases in overtime costs for mandatory court attendance of off duty police officers (\$0.500 million) as well as courtroom security (\$0.080 million);
- Inflationary increases for rent and maintenance fees \$0.192 million as well as other non salary economic increases of \$0.201 million;
- These pressures have been partially offset by:
 - Increased RLC revenues of \$1.0 million, resulting from increased fines of \$190 to \$260 per ticket (Provincially set); and
 - Absorption of increased, inflationary costs of various non-payroll expenditures, such as Hydro, water, and office supplies of \$0.201 million.

2010 Service Changes

The Program's 2010 Recommended Base Budget includes additional service adjustment savings of \$2.250 million with no incremental impacts in 2011. The recommended service adjustments are comprised of \$1.500 million in 2010 efficiency savings and \$0.750 million in 2010 savings arising from service review actions.

The recommended service changes are summarized below:

Efficiencies:

- Currently police officers appear as witnesses in court for an average of 5 cases per appearance. To generate greater efficiencies and savings of \$1.500 million, additional cases will be added to each officer's appearance. The number of additional cases will depend on the number of tickets issued by a particular officer, officer availability, and trials requested by persons charged with an offence.

Minor Service Level Changes:

- Saturday court sessions that are currently offered 3 times per month, will no longer be available to the public. In addition, court operations will close ½ hour earlier at 4:30 pm instead of 5:00 pm during weekdays. This is in line with most other court offices outside of Toronto. As additional trials will have to be accommodated within the reduced hours of operations, trial wait times may increase.
- Eight vacant positions in court administration will remain unfilled in 2010. These positions were approved in 2009 as part of the expansion of six new courtrooms and were required to reduce public wait times at counters. By delaying the hiring for these positions, counter wait times may increase from between 30 to 45 minutes to over 45 minutes, depending on number of individuals requiring service.

2011 and 2012 Outlook: Net Incremental Impact

The Outlooks for 2011 and 2012 reflect a net expenditure increase of \$1.007 million and \$1.051 million, respectively, representing increases in salary costs for progression pay, step and COLA increases.

It should be noted that the 2011 and 2012 Outlooks do not include unconfirmed pressures and revenues driven by inflation and volume increases.

At present time there are no service level changes or efficiencies identified for 2011. However, as noted below the Program is reviewing opportunities that may result in savings and efficiencies in 2011 and beyond. These will be further reviewed during the 2011 Operating Budget process. They include:

Bill 212

On October 27, 2009, Bill 212 was tabled in the Ontario legislature and includes changes to the Provincial Offences Act as well as City of Toronto Act regarding collections of unpaid fines.

Among other items, this legislation includes reducing the requirements for Police Officers to attend court as witnesses. Other key changes include pre-trial and procedural improvements that include electronic based processes, fine increases and expansion of offences eligible for ticketing, and collections of some fines through municipal taxes. More details may become available during 2010 and the impact will be identified as part of the 2011 Operating Budget process.

Online self-service site

The 2010 Recommended Capital Budget includes funding to complete an online self-service site that allows customers to look up their information (tickets, trial dates & times, fines) for a nominal fee. The fee has not yet been established and the site will not be fully completed until the end of 2010. However, a possibility exists to generate additional revenues once the site becomes available in 2011. Further review will be undertaken during 2010.

E-Ticketing

Toronto Police Service (TPS) and Court Services have been assessing the feasibility and viability of an electronic ticketing system which would capture Provincial Offence Notices, print tickets at road side, and transmit ticket data wirelessly to corporate servers. This system will increase the accuracy of tickets, eliminate manual sorting and transportation of tickets, save time with respect to disclosure requests and streamline various business processes.

It is anticipated that the implementation of an eTicketing solution would result in expenditure savings for Court Services through the elimination of data entry services, reduced costs for the supply of ticket books and a reduction in clerical activity. It is also projected that Court Services would experience an increase in revenues given that this system would eliminate current ineligibility or incompleteness of tickets which cannot be processed, allow enforcement officers to file tickets within the prescribed timeframe and provide clear information about the charge to persons who receive a ticket.

Depending on further analysis and consultations between TPS and Court Services, implementation of E-Ticketing could have a positive impact on the Court Services revenues and expenditure reductions. More details will become available during the 2011 Capital Budget process.

Table 4: 2010 Recommended Service Change Summary
(In \$000s)

Description	2010 Recommended Service Changes				Net Incremental Impact	
	Position Change	Gross Exp.	Net Exp.	% Change over 2009 Budget	2011	
	#	\$	\$	#	\$	# Pos
Base Change Summary	0.0	(364.3)	(1,564.3)	-13.1%	0.0	0.0
Service Efficiencies: Reduce frequency of Police Officers appearing in court		(1,500.0)	(1,500.0)	-12.6%		
Minor Service Level Changes: Terminate Saturday court, adjust operating hours from 8:30 to 4:30, and leave 8 vacant positions unfilled		(750.0)	(750.0)	-6.3%		
				0.0%		
Sub-Total Service Changes	0.0	(2,250.0)	(2,250.0)	-18.9%	0.0	0.0
Total Changes	0.0	(2,614.3)	(3,814.3)	-32.0%	0.0	0.0

2010 Recommended Service Changes

The budgetary impact of implementing the service adjustments noted below is included in the 2010 Recommended Base Budget, with savings of \$2.250 million in 2010.

The 2010 Recommended Operating Budget also includes estimated savings of \$1.564 million captured in the 2010 Recommended Base Budget with no incremental impact in 2011.

Service Changes

The following 3 recommended service changes included in the Court Services' 2010 Recommended Operating Budget, resulting in 2010 savings of \$2.250 million net are discussed below.

Service Efficiencies

Reduce Frequency of Police Officers Appearing in Court

Police officers must appear in court as witnesses during trials and at present time, officers attend court off-duty and on overtime hours. Currently, officers appear in court for an average of 5 charges per appearance. To generate greater efficiencies and savings of \$1.500 million in overtime costs,

additional charges will be added to each officer's appearance effective April 1st, 2010. The number of additional charges will depend on the number of tickets issued by a particular officer as well as the trial rates. Trials may be delayed until a sufficient number of cases exist before an officer is scheduled to appear in court. Having a greater number of charges scheduled per officer appearance makes it imperative that the officer shows up in court. Failure to appear in court results in dismissed cases and lost revenues for the City. At present time, there are no identified 2011 impacts resulting from this initiative.

Minor Service Level Changes

Reduce Hours of Court Operations

Court Services will no longer offer trial attendance on Saturdays and will also close ½ hour earlier during weekdays. Current operations are from 8:30 am to 5:00 pm, 5 days per week, and will change to 8:30 am to 4:30 pm, effective May 1st, 2010. This is in line with most other court offices outside of Toronto.

Saturday court sessions started in the third quarter of 2008 to allow for some after hour court service in view of the cancellation of night court. The Saturday program is not a trial program but rather allows individuals to meet with a prosecutor in an effort to resolve a charge and where agreeable to finalize the matter in front of a Justice of the Peace. The program currently rotates between three court locations on a weekly basis. Each Saturday about a 100 charges are reviewed and on an annual basis, approximately 5% of the court operations workload is handled through Saturday court openings.

No other municipality in Ontario offers Saturday court service. The elimination of this service will require persons to attend the courthouse during business hours Monday through Friday.

The reduced hours of operations will generate savings of \$0.200 million by lowering overtime costs, as well as security, staff and prosecution costs.

Increased Gapping

The 2010 Recommended Operating Budget for Court Services includes increased gapping, bringing the total gapping rate from 1.9% in 2009 to 4.5% in 2010, and generating 2010 savings of \$0.550 million.

Eight vacant positions in court administration will remain unfilled in 2010. These positions were approved in 2009 as part of the expansion of six new courts to address an increase in trial rates and reduce counter wait times. Current counter wait time is 35-45 minutes, and the average telephone wait time is 9 minutes. Should the trial rates increase, delays in hiring of these positions may result in counter wait times of 45 minutes or longer. Telephone wait times are only expected to increase slightly to 10 minutes due to the assistance of 311 Customer Service.

2010 Budget Issues

Off-Duty Police Officer Trial Scheduling

The Provincial Offences Act currently requires the scheduling of police officers in court as the chief witness. At the present time, besides staff salaries, one of the highest expenditures for Court Services is the cost of having police officers attend trials. With the number of trials increasing, more time is required to be spent in court by the police, as their absence at trial results in the charge being dismissed. To ensure police officers are present for a trial, City Council approved an initiative in 2006 to pay off-duty police officers overtime wages (time and a half) for their court attendance. The initiative resulted from officers having difficulties appearing in court during on-duty hours due to more pressing priorities.

The costs of having officers appearing in court on overtime wages have been steadily increasing. In 2007, police overtime costs were \$5.0 million, in 2008, they increased to \$6.1 million, and by 2009, they further increased to \$6.9 million. The rising costs are a result of both police salary increases and a higher number of appearances due to a greater number of courtrooms being open.

The 2010 Recommended Operating Budget includes reduced costs based on a new initiative that optimizes officer's time in court by adding additional charges to his or her trial appearance. This initiative will result in overtime savings of \$1.500 million.

However, even with the above noted scheduling change, the 2010 Recommended Operating Base Budget still includes \$5.4 million of funding committed to off-duty police attendance in court.

Court Services is working with the Toronto Police Services to identify any opportunities that would minimize these expenditures without impacting results or services.

Unless new processes are instituted that ensure police officer availability during their regular hours or the legislation changes the requirement of a police officer to appear, Court Services can expect the costs to continue rising and additional cases to be dismissed, as the volume of cases increases.

Thus, it is recommended that the Director of Court Services continues to work with the Province on implementing new legislation changes that will reduce the requirement of police officers having to attend trials.

Red Light Camera

Transportation Services has confirmed that all 77 red light cameras were functioning throughout 2009, and all RLC enforcement and support positions were filled. It was expected that the Red Light Camera revenues would reach \$5.2 million in 2009, however as a result of the labour disruption and fewer than predicted red light camera infractions, 2009 RLC revenue for Court Services is estimated to be under budget by \$2.385 million by year-end. In addition to fewer red light camera infractions, other factors such as tickets being challenged in court, have also impacted the realization of RLC revenues in 2009.

Actual experience has shown that approximately 1 charge is laid per day per camera. Statistics also show that the average fine paid for the RLC offence is 50% of the ticket face value. Therefore, while the RLC set fine was \$180 in 2009, the average fine paid for the RLC offence was \$95.

Transportation Services notes that the effectiveness of the safety related measures has resulted in decreased fatal collisions and accident rates. The impact of fewer than predicted red lights charges implies that the RLC initiative has been successful. Since the implementation of the RLC Program, collisions at the RLC sites have decreased by over 60% over the ten year period (1999-2009). Furthermore, as a direct result of increased caution at all traffic lights by drivers, collisions have also decreased by over 40% at non RLC sites. This is known as the spill-over effect.

With fewer RLC infractions, the RLC revenue budget should be adjusted to reflect actual experience. Based on statistics showing that the average fine paid for the RLC offence is 50% of the face value, and with 2010 projected charges of 31,150, \$4.0 million in RLC revenues is recommended in 2010. The impact of fewer RLC infractions combined with the newly approved increased fines by the Province for RLC charges, results in a reduction in base budget revenues of \$1.2 million for RLC. While RLC budgeted revenues should be reduced by \$2.2 million from the base of \$5.2 million to reflect actual experiences, this reduction is offset by an increase in 2010 set fines for RLC charges, as summarized below:

Year	Charges			Revenues (\$ in millions)	
	Approved Budget	Projected Actuals	Average Fine Paid	Approved Budget	Projected Actuals
2008	54,400	14,554	\$ 95	\$ 5.2	\$ 1.9
2009	54,747	27,580	\$ 95	\$ 5.2	\$ 2.8
2010	31,150	31,150	\$ 130	\$ 4.0	\$ 4.0
2010 RLC Base Budget Adjustment				<u>(1.2)</u>	

Parking Ticket Trials

In 2010, an additional three courtrooms will be dedicated to parking ticket trials, bringing the total number of courtrooms dedicated to parking tickets trials to six. These additional courts will assist with reducing the backlog of parking trials and ensuring that parking trials are heard in a timely manner. The incremental cost to process the tickets in the three additional courtrooms is \$3.033 million, and the cost is charged to Parking Tags and Enforcement Operations. While the 2010 Recommended Operating Budget for Court Services includes recovering the costs of prosecuting parking tickets, additional revenues of \$0.400 in excess of \$3.033 million could have been achieved if the three courtrooms were used for moving violation trials instead of parking trials.

The increased court capacity provided in 2010 will help reduce the parking ticket trial backlog and respond to the public concern about not having a parking ticket trials scheduled in a timely manner. The additional three courtrooms will process an additional 60,000 cases in 2010. Failure to have all six courtrooms assigned to parking ticket trials, would result in increased trial rates and lost revenues. For more information please refer to the 2010 Operating Budget Analyst Briefing Notes for the Parking Tags and Enforcement Office Program.

2011 and Future Year Issues

BILL 212

On October 27, 2009, Attorney General tabled in the Legislature Bill 212, *the Good Government Act, 2009*. On December 15, 2009, The Good Government Act, 2009 received Royal Assent.

This legislation includes numerous amendments to the Provincial Offences Act. These changes have the potential to simplify many court processes, improve service to the public and administration of justice, enhance fine enforcement, and ensure more efficient use of court resources.

One of the key amendments includes a provision that certain offences can proceed to court without the officer having to attend trial as a witness. This amendment has the ability to significantly lower the cost of officer attendance and potentially reduce the number of trial requests in the future.

Other changes include pre-trial administrative processes that can be conducted using electronic methods, fine increases, expansion of offences eligible for ticketing, and the collection of some fines through municipal taxes.

Possible savings and efficiency impacts will be reviewed during the 2011 Operating Budget process.

Thus, it is recommended that the Director of Court Services continues to work with the Province to ensure implementation of Legislature Bill 212, *the Good Government Act, 2009* by mid 2010.

Appendix A

2010 Recommended Base Budget Changes vs. 2009 Approved Budget

(In \$000s)	Summary of 2010 Base Budget Adjustments				Net Incremental Outlook	
	Approved Positions	Gross Expenditures	Revenues	Net	2011	2012
		\$	\$	\$	\$	\$
2009 Council Approved Operating Budget	293.0	47,824.4	59,748.8	(11,924.4)	0.0	0.0
Technical Adjustments				0.0		
In-Year Budget Adjustments				0.0		
2009 Approved Operating Budget	293.0	47,824.4	59,748.8	(11,924.4)	0.0	0.0
Prior Year Impacts:						
Annualizations from Prior Year		3,564.4	3,571.1	(6.7)		
Reversals from Prior Year				0.0		
Operating Impacts of Capital				0.0		
Zero Base Items				0.0		
Economic Increases:						
Salary		1,325.8		1,325.8	1,006.7	1051.1
Non Salary		192.0		192.0		
Adjusted Base Budget	293.0	52,906.6	63,319.9	(10,413.3)	1,006.7	1,051.1
Base Expenditure Changes		1,423.2		1,423.2		
Base Revenue Changes			(1,158.1)	1,158.1		
2010 Base Budget Prior to Service Changes	293.0	54,329.8	62,161.8	(7,832.0)	1,006.7	1,051.1
Recommended Service Changes:						
Service Efficiencies		(1,500.0)		(1,500.0)		
Revenue Changes				0.0		
Minor Service Level Changes		(750.0)		(750.0)		
Major Service Level Changes				0.0		
Total Recommended Base Changes	0.0	(2,250.0)	0.0	(2,250.0)	0.0	0.0
2010 Recommended Base Budget	293.0	52,079.8	62,161.8	(10,082.0)	1,006.7	1,051.1

Appendix B

Summary of Service Level Changes

Appendix D

Program Summary by Expenditure Category

CLUSTER A PROGRAM: Court Services							
	2009 Approved Budget	2009 Projected Actuals	2010 Recommended Budget	Change from 2009 Approved Budget		2011 Outlook	2012 Outlook
	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	18,672.1	17,272.1	21,215.8	2,543.7	13.6%	22,222.5	23,273.6
Materials and Supplies	303.0	360.1	354.4	51.3	16.9%	354.4	354.4
Equipment	155.2	174.6	172.0	16.8	10.8%	172.0	172.0
Services & Rents	10,080.0	9,992.4	11,336.7	1,256.6	12.5%	11,336.7	11,336.7
Contributions to Capital	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contributions to Reserve/Res Funds	66.0	66.0	66.0	0.0	0.0%	66.0	66.0
Other Expenditures	1,815.1	1,615.1	1,815.1	0.0	0.0%	1,815.1	1,815.1
Interdivisional Charges	16,732.9	17,540.5	17,119.7	386.8	2.3%	17,119.7	17,119.7
TOTAL GROSS EXPENDITURES	47,824.4	47,020.7	52,079.6	4,255.3	8.9%	53,086.4	54,137.5
Interdivisional Recoveries	1,762.2	1,762.2	4,817.2	3,055.0	173.4%	4,817.2	4,817.2
Provincial Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Federal Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Other Subsidies	0.0	0.0	0.0	0.0	n/a	0.0	0.0
User Fees & Donations	402.2	402.2	422.2	20.0	5.0%	422.2	422.2
Transfers from Capital Fund	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserve Funds	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Contribution from Reserve	0.0	0.0	0.0	0.0	n/a	0.0	0.0
Sundry Revenues	57,584.4	52,200.2	56,922.2	(662.2)	(1.1%)	56,922.2	56,922.2
TOTAL REVENUE	59,748.8	54,364.6	62,161.6	2,412.8	4.0%	62,161.6	62,161.6
TOTAL NET EXPENDITURES	(11,924.5)	(7,343.9)	(10,082.0)	1,842.5	(15.5%)	(9,075.3)	(8,024.2)
APPROVED POSITIONS	293.0	293.0	293.0	0.0	0.0%	293.0	293.0

