



STAFF REPORT ACTION REQUIRED

Toronto Police Service – Parking Enforcement Unit: 2013 Operating Budget Variance Report for the Period Ending May 31, 2013

Date:	September 03, 2013
To:	Budget Committee, City of Toronto
From:	Dhun Noria, Acting Chair, Toronto Police Services Board

SUMMARY

The purpose of this report is to provide the Budget Committee with the 2013 operating budget variance report for the Toronto Police Service – Parking Enforcement Unit for the period ending May 31, 2013.

RECOMMENDATION

It is recommended that the Budget Committee receive this report for information.

FINANCIAL IMPACT

There are no financial implications related to the recommendation contained within this report.

ISSUE BACKGROUND

At its meeting on August 13, 2013, the Toronto Police Services Board (the Board) was in receipt of a report dated July 02, 2013 from William Blair, Chief of Police, with regard to the Toronto Police Service's Parking Enforcement Unit 2013 operating budget variance report for the period ending May 31, 2013

COMMENTS

The Board received the Chief's report and agreed to forward a copy of the report to the City's Deputy City Manager and Chief Financial Officer for information and to the City's Budget Committee for information.

CONCLUSION

A copy of the Chief's report dated July 02, 2013 is contained in Board Minute No. P190/13. A copy of Board Minute No. P190/13, in the form attached as Appendix "A" to this report, is provided for information.

CONTACT

Chief of Police William Blair
Toronto Police Service
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SIGNATURE

Dhun Noria
Acting Chair

ATTACHMENT

Appendix A – Board Minute No. P190/13

cc. Mr. Rob Rossini, Deputy City Manager and Chief Financial Officer

A: 2013 tps parking operating budget variance may 31 2013

APPENDIX "A"

THIS IS AN EXTRACT FROM THE MINUTES OF THE PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON AUGUST 13, 2013

**#P190. TORONTO POLICE SERVICE – PARKING ENFORCEMENT UNIT:
2013 OPERATING BUDGET VARIANCE REPORT FOR THE PERIOD
ENDING MAY 31, 2013**

The Board was in receipt of the following report July 02, 2013 from William Blair, Chief of Police:

Subject: OPERATING BUDGET VARIANCE REPORT FOR THE TORONTO POLICE
SERVICE PARKING ENFORCEMENT UNIT – PERIOD ENDING MAY 31,
2013

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 Budget Committee and to the City's Deputy City Manager and Chief Financial Officer for information.

Financial Implications:

There are no financial implications relating to the recommendations contained within this report.

Background/Purpose:

The Toronto Police Service Parking Enforcement (PEU) operating budget is not part of the Toronto Police Service's (Service) operating budget. While the PEU is managed by the Service, the PEU's budget is maintained separately in the City's non-program budgets. In addition, revenues from the collection of parking tags issued accrue to the City, not the Service.

The Board, at its December 10, 2012 meeting, approved the PEU 2013 operating budget at a net amount of \$42.1 Million (M) (Min. No. P300/12 refers). Subsequently, Toronto City Council, at its January 15 and January 16, 2013 meeting, approved the PEU 2013 net operating budget at \$43.4M. The City-approved amount reflected an additional \$1.3M to avoid the loss of an estimated \$6.3M in gross parking tag revenues to the City. Subsequently, the Board, at its February 19, 2013 meeting, approved the PEU 2013 operating budget at the City-approved amount (Min. No. P32/13 refers).

The purpose of this report is to provide information on the PEU 2013 projected year-end variance as at May 31, 2013.

Discussion:

The following chart summarizes the variance by category of expenditure.

Category	2013 Budget (\$Ms)	Actual to May 31/13 (\$Ms)	Projected Year- End Actual (\$Ms)	Fav/(Unfav) (\$Ms)
Salaries	\$27.68	\$10.70	\$28.09	(\$0.41)
Premium Pay	\$2.65	\$0.58	\$2.21	\$0.44
Benefits	<u>\$7.31</u>	<u>\$1.84</u>	<u>\$7.34</u>	(\$0.03)
Total Salaries & Benefits	\$37.64	\$13.12	\$37.64	\$0.00
Materials	\$1.58	\$0.38	\$1.58	\$0.00
Equipment	\$0.06	\$0.00	\$0.06	\$0.00
Services	\$5.74	\$1.18	\$5.74	\$0.00
Revenue	(\$1.62)	(\$0.14)	(\$1.62)	\$0.00
Total Non-Salary	<u>\$5.76</u>	<u>\$1.42</u>	<u>\$5.76</u>	<u>\$0.00</u>
Total Net	<u>\$43.40</u>	<u>\$14.54</u>	<u>\$43.40</u>	<u>\$0.00</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.

As at May 31, 2013, no variance is projected at year end. Details are discussed below.

Salaries & Benefits (including Premium Pay):

An unfavourable projection of \$0.44M is projected in salaries and benefits. PEU schedules one recruit class per year and hires the appropriate number of officers to ensure that, on average, it is at its full complement of officers during the year. The size of the recruit class is based on projected separations in 2013. Current trends indicate that the 2013 attrition will be less than the budgeted amount. As a result, PEU is projected to be over spent in salaries and benefits.

Nearly all premium pay at the PEU is related to enforcement activities, attendance at court and the backfilling of members attending court. With respect to enforcement activities, premium pay is utilized to staff special events or directed enforcement activities. The opportunity to redeploy on-duty staff for special events is minimal, as this will result in decreased enforcement in the areas from which they are being deployed. Directed enforcement activities are instituted to

address specific problems. All premium pay expenditures are approved by supervisory staff and carefully controlled.

Due to the projected lower-than-budgeted staff attrition, more permanent staff are available for enforcement activities, and the PEU will reduce premium pay to offset the shortfall in the salaries and benefits. Therefore, a surplus of \$0.44M is projected in premium pay.

Non-salary Expenditures:

No variance is anticipated in the non-salary accounts at this time.

Conclusion:

As at May 31, 2013, the PEU operating budget is projected to be on budget at year end.

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

The Board approved the foregoing report.

Moved by: D. Noria