

This is an Extract from the draft Minutes of the Virtual Special Public Meeting of the Toronto Police Services Board that was held on January 13, 2021

P2021-0113-3.3 Toronto Police Service Parking Enforcement Unit – 2021 Operating Budget Request

The Board was in receipt of a report dated December 29, 2020 from James Ramer, Chief of Police.

Recommendations:

It is recommended that the Toronto Police Services Board (Board):

- (1) Approve the Toronto Police Service Parking Enforcement Unit's 2021 net Operating Budget request of \$49.2 Million (M) (\$50.5M gross), a 0% increase over the 2020 net budget; and
- (2) Forward this report to the City's Budget Committee for consideration, and to the City's Chief Financial Officer and Treasurer for information.

The following motion was moved and a recorded vote was held.

Motion

- (1) Approve the Toronto Police Service Parking Enforcement Unit's 2021 net Operating Budget request of \$49.2 Million (M) (\$50.5M gross), a 0% increase over the 2020 net budget, with the exception of any proposed budget allocation for items involving Rogers Communications Inc.; *(Approved)*

Result: Approved	
Yes: 7	Jim Hart (Chair), Frances Nunziata (Vice-Chair), Mayor John Tory, Councillor Michael Ford, Marie Moliner, Ainsworth Morgan and Lisa Kostakis
No: 0	
Abstain:0	

- (2) Approve the Toronto Police Service Parking Enforcement Unit's 2021 net operating budget request with respect to all items involving Rogers Communications Inc.; and, *(Approved)*

Result: Approved	
Yes: 6	Jim Hart (Chair), Frances Nunziata (Vice-Chair), Councillor Michael Ford, Marie Moliner, Ainsworth Morgan and Lisa Kostakis
No: 0	
Abstain:1	Mayor John Tory

(3) Forward this report to the City’s Budget Committee for consideration and to the City’s Chief Financial Officer and Treasurer, for information. (Approved)

Result: Approved	
Yes: 7	Jim Hart (Chair), Frances Nunziata (Vice-Chair), Mayor John Tory, Councillor Michael Ford, Marie Moliner, Ainsworth Morgan and Lisa Kostakis
No: 0	
Abstain:0	



Toronto Police Services Board Report

December 29, 2020

To: Budget Committee
Toronto Police Services Board

From: James Ramer, M.O.M.
Chief of Police

**Subject: Toronto Police Service Parking Enforcement Unit – 2021
Operating Budget Request**

Recommendation(s):

It is recommended that the Toronto Police Services Board (Board):

- (1) approve the Toronto Police Service Parking Enforcement Unit's 2021 net Operating Budget request of \$49.2 Million (M) (\$50.5M gross), a 0% increase over the 2020 net budget; and
- (2) forward this report to the City's Budget Committee for consideration, and to the City's Chief Financial Officer and Treasurer for information.

Financial Implications:

The Parking Enforcement Unit (P.E.U.) 2021 net operating budget request is \$49.2M net (\$50.5M gross) which is a 0% increase over 2020 net operating budget.

Background / Purpose:

The purpose of this report is to provide the Board with the P.E.U.'s recommended 2021 operating budget request for consideration and approval. The report includes information on the level of funding required in 2021 to provide parking enforcement services to the City of Toronto (City).

Discussion:

The P.E.U. assists with the safe and orderly flow of traffic by responding to parking concerns and enforcing applicable municipal by-laws. The unit also provides operational support to the Toronto Police Service (Service). The P.E.U.'s operating budget is separate from the Service's operating budget, and is included in the City's consolidated Parking Tag Enforcement Operations budget, which is comprised of the following:

1. Police P.E.U. – responsible for the enforcement program, based on municipal by-laws; community based parking programs; and Municipal Law Enforcement Officer (M.L.E.O.) training and oversight;
2. City Revenue Processing – responsible for processing and collecting fines for all parking tickets issued in the City;
3. City Court Services, Judicial Processing – responsible for supporting and administering the Administrative Penalty Tribunal. Council appointed Hearing Officers have final authority in the review of Screening Officer decisions; and
4. City Legal Services – responsible for administering the dispute review process at screening offices.

Parking Enforcement Unit Responsibilities:

The P.E.U. is staffed to help achieve the safe, efficient and orderly flow of traffic. This goal is achieved by developing and meeting strategic enforcement objectives, responding to calls for service from the community and providing a visible presence to promote compliance. Parking Enforcement Officers (P.E.O.s) are deployed to zones throughout the City to patrol for the aforementioned reasons and support effective service delivery. Any shortfall in staffing levels creates resource shortages, which places pressure on the ability to enforce non-compliance with applicable by-laws (for example by tag issuance) and respond to calls for service - both of which can impact traffic flow. The unit takes all possible action, including the use of available premium pay, to mitigate the overall impact on enforcement activities.

COVID-19:

The impact of the pandemic has been the reduction of parking tag enforcement activity. This trend is expected to continue into 2021 as businesses continue to be subject to closures and as many people continue to work from home. Parking tag issuance is monitored by the City on a weekly basis, and the City has taken into account reductions

in enforcement activities and associated revenues in the City's overall financial position due to COVID-19. The P.E.U.'s 2021 operating budget request takes into account reduced premium pay spending attributable to the impact of COVID-19.

Parking Tag Revenues:

Although the P.E.U. is responsible for enforcement activities, actual revenues from tag issuance accrue directly to the City and are collected by the City Treasurer through the Revenue Services division. Revenues collected are impacted by many things including: City Council initiatives; by-law changes; and, changes to fines and programs. All of these factors have an impact on enforcement operations, the number of tags issued, public behaviour and the overall amount of revenues collected.

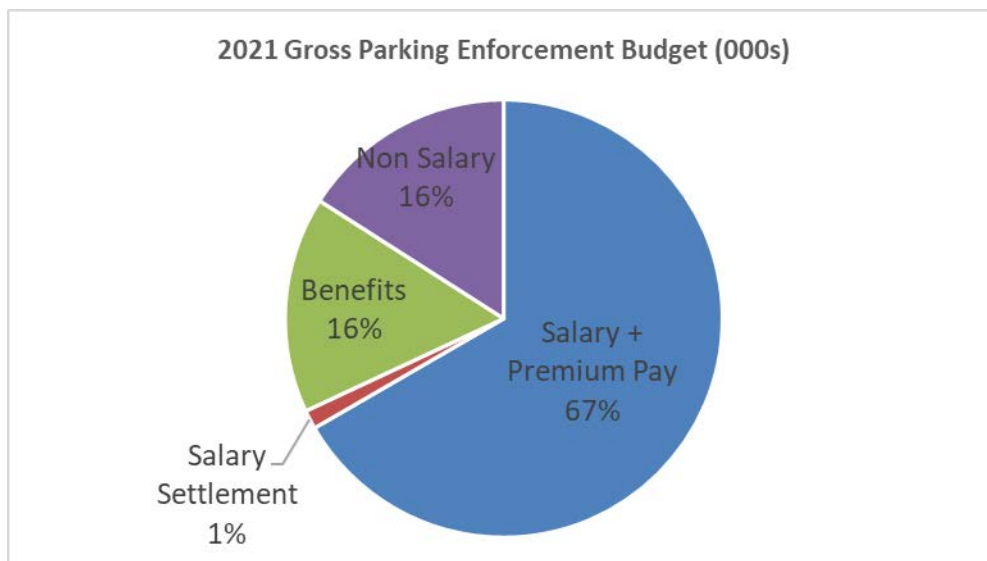
2021 Budget Considerations:

In preparing the 2021-operating budget for the P.E.U., the continuing impacts of COVID-19 were taken into account. In addition, the budget provides for the replacement of the unit's aging Vehicle Impound System.

2021 Operating Budget Request:

On a gross basis, 84% of P.E.U.'s budget is for salaries, premium pay and benefits. The remaining 16% is required to support P.E.O.s in terms of the vehicles, equipment and technology they use, facilities they work in, and training they require.

The 2021 net operating budget request of \$49.2M (\$50.5M gross) includes the funding required to maintain an average deployed strength of 372 P.E.O.s (15 over the approved deployment target), as well as services and equipment required to effectively support operations.



The following summarizes the key cost drivers included in the 2021 Operating Budget Request.

Summary of 2021 Budget Request Changes by Category

	Request \$000s	\$ Increase / (Decrease) over 2020	% Increase / (Decrease) over 2020
2020 Net Budget - \$49,228,800			
(a) 2021 Collective Agreement Impact	\$706.0	\$706.0	1.4%
(b) Salary Requirements	\$32,456.3	-\$521.3	-1.1%
(c) Premium Pay	\$1,234.3	-\$1,200.0	-2.4%
(d) Statutory Deductions and Employee Benefits	\$8,086.4	\$92.8	0.2%
(e) Reserve Contributions	\$2,813.4	\$0.0	0.0%
(f) Other Expenditures	\$5,246.90	\$697.3	1.4%
2021 Gross Budget Request	\$50,543.3	-\$225.2	-0.5%
(g) Revenues	-\$1,314.5	\$225.2	0.5%
2021 Net Budget Request	\$49,228.8	\$0.0	0.0%

(a) Impact of 2021 Collective Agreement (\$0.7M)

The 2021 impact of the 2019 to 2023 salary settlement with the Toronto Police Association (T.P.A.) is approximately \$0.7M, or 1.4%.

(b) Salary Requirements (\$32.5M)

Similar to 2020, the 2021-requested budget assumes the backfill of civilian support staff and staffing to 15 P.E.O.s over the established strength of 357 P.E.O.s.

To attain and maintain the P.E.O. staffing levels, the P.E.O. staffing budget assumes classes of 40 P.E.O.s in November 2020 and 24 in December of 2021. This hiring strategy is required due to P.E.O.s increasingly filling vacancies in other areas of the Service. The hiring strategy will also help mitigate the reduction of enforcement activities. However, parking enforcement officer separations will be monitored in 2021 and the number of recruits in the December class will be adjusted accordingly.

(c) Premium Pay (\$1.2M)

Nearly all premium pay at the P.E.U. is utilized to staff enforcement activities at special events and directed enforcement initiatives instituted to address specific problems. 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. All premium pay expenditures are approved by supervisory staff and carefully controlled.

Due to the continuing impact of COVID-19, the P.E.U. expects to see a decrease in special events and directed enforcement initiatives during 2021. The total premium pay budget request for 2021 is \$1.2M. This budget represents a \$1.2M or 2.4% decrease over P.E.U.'s total 2020 budget.

(d) Statutory Payroll Deductions and Employee Benefits (\$8.1M)

This category of expenditure represents an increase of \$92,800 or 0.2% over P.E.U.'s total 2020 budget. Employee benefits are comprised of statutory payroll deductions and requirements as per the collective agreements. Benefits have increased due to an increase in statutory benefit rates.

(e) Reserve Contributions (\$2.8M):

The P.E.U. contributes to reserves and reserve funds through provisions from its operating budget. All reserves and reserve funds are established by the City. The City manages the Sick Pay Gratuity and Insurance reserves, while the Service manages the Vehicle and Equipment and Central Sick Bank reserve. The total 2021 budget for contributions to the reserves is \$2.8M. This amount is the same as 2020.

(f) Other Expenditures (\$5.2M)

Other expenditure categories include the materials, equipment and services required for day-to-day operations. Wherever possible, accounts within this category have been flat-lined to or reduced from the 2020 level. Increases have only been included where considered mandatory, and one-time reductions have been taken into account where applicable. The requested budget includes funding of \$1.0M to replace the Vehicle Impound Program (V.I.P.) discussed further below. The amount required for the replacement system has been partially offset by a \$0.3M reduction in other expenditures as compared to the 2020 budget, resulting in a net increase of \$0.7M in this category, or 1.4% over P.E.U.s total 2020 budget.

Vehicle Impound System Replacement:

The Service is looking to replace the V.I.P. application, which is used to manage vehicles towed by the Service. This application was developed in-house and went live in March 1999, and was upgraded in 2008. The application provides basic information as it relates to the tracking of all vehicles that have been impounded by the Service, and is used exclusively by Traffic Services, Parking Enforcement and Contract Tow Pound Contractors.

Over time, factors such as legislative changes, increased audit responsibilities, procedural and financial reporting requirements, have greatly exceeded the capability of the application. In its current state, the existing system requires a great deal of manual data manipulation. It is inefficient, as it requires manual spreadsheet creation, entries, logs, copying and other administrative work, which detracts from the unit's core responsibilities. In addition, the current V.I.P. has technically reached its end of life, as it is based on obsolete and unsupported technology.

In order for the Service and P.E.U. to fulfil its obligations, financial and statistical reporting improvements are necessary. Enhancements are needed to the automated functionality to include dispatch and interfaces to other systems both internal and with other agencies to reduce the inefficiencies in the application.

A replacement V.I.P. system will fall in line with The Way Forward direction, by improving capabilities related to data, information, and analysis (Recommendation # 2), improved towing information in neighbourhoods (Recommendation # 17), and utilizing alternative service delivery models, and future trends in information technology in policing (Recommendation # 19).

Yearly maintenance and support costs will be incorporated into the towing contracts.

The proposed enhancements would include:

- Improved vehicle validation reporting
- Improved vehicle-tracking capabilities from tow initiation to release
- Vehicle document control
- More efficient information sharing with internal and external organizations
- Improved financial reporting and reduced liabilities
- Re-architecture of the V.I.P. to improve application performance, by removing unsupported components (i.e. JetForms) and utilizing current industry standard technologies (Adobe P.D.F.)

(g) Revenues (\$1.3M)

Revenue is comprised of draws from reserves and towing/pound administrative recoveries. The decrease (\$225K) is a result of a decrease in projected tows.

2022 and 2023 Outlooks:

City Finance has requested that budget outlooks for 2022 and 2023 be provided for each budget. Based on known pressures and inflationary increases, the current estimate for 2022 is \$50.7M (a \$1.5M or 3% increase over 2021) and for 2023 is \$51.7M (a \$1.0M or 2.0% increase over 2022). The majority of the increase relates to the collective agreement impacts.

Conclusion:

The P.E.U.'s 2021 net operating budget request is \$49.2M (\$50.5M gross), which is a 0% increase over the 2020 approved budget.

The 2021 budget request includes the funding required to meet the P.E.U. 2021 collective agreement obligations. It also includes funds to enable the P.E.U. to replace its V.I.P system. This budget request will allow the P.E.U. to provide strategic enforcement activities which promote compliance and improve traffic flow within the City.

Mr. Tony Veneziano, Chief Administrative Officer and Deputy Chief Peter Yuen, Priority Response Command, will be in attendance to answer any questions the Board may have regarding this report.

Respectfully submitted,

James Ramer, M.O.M.
Chief of Police

*original copy with signature on file in Board office