



STAFF REPORT ACTION REQUIRED

Toronto Police Services Board – 2011 Operating Budget Submission

Date:	January 12, 2011
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 Toronto Police Services Board's (Board) 2011 operating budget submission.

RECOMMENDATION

It is recommended that the Budget Committee approve a 2011 net operating budget request of \$2,347,800 which is a 0% increase over the 2010 net approved budget.

FINANCIAL IMPACT

The Board's 2011 operating budget request of \$2,347,800 represents a 0% increase over the 2010 budget.

ISSUE BACKGROUND

At a special meeting held on January 11, 2011, the Toronto Police Services Board was in receipt of a report, dated January 11, 2011, with regard to the Toronto Police Services Board's 2011 operating budget submission.

COMMENTS

Ms. Joanne Campbell, Executive Director, Toronto Police Services Board, was in attendance and responded to questions by the Board about the foregoing report.

The Board inquired about the differences between the original budget submission which was 1.2% over the 2010 net approved budget and the foregoing revised budget submission which is a 0% increase over the 2010 net approved budget, excluding the impact of any 2011 labour contract settlements. Ms. Campbell advised the Board that efficiencies were identified in some non-salary accounts which netted out at a total of \$27,800.

The Board commended Chair Mukherjee and Ms. Campbell for reviewing the Board operating budget and delivering a revised budget request that incorporates increases to salaries and benefits due to Collective Agreement obligations and nets out at a 0% increase over the 2010 net approved budget.

The Board approved the foregoing 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 approval.

The Board also approved the following Motion:

THAT, prior to the 2012 operating budget process, the Chair conduct a review of the civilian staffing requirements in the Board office and provide the Board with a report on the results of the review indicating whether or not any new staffing efficiencies were identified.

CONCLUSION

A copy of Board Minute No. P12/11, in the form attached as Appendix "A" to this report, regarding this matter is provided for information.

CONTACT

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Toronto Police Services Board
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SIGNATURE

Alok Mukherjee
Chair

ATTACHMENT

Appendix A – Board Minute No. P12/11

cc. Mr. Cam Weldon, Deputy City Manager and Chief Financial Officer

A: 2011 tpsb operating budget.doc

APPENDIX "A"

THIS IS AN EXTRACT FROM THE MINUTES OF THE SPECIAL PUBLIC MEETING OF THE TORONTO POLICE SERVICES BOARD HELD ON JANUARY 12, 2011

#P12. TORONTO POLICE SERVICES BOARD – 2011 OPERATING BUDGET SUBMISSION

The Board was in receipt of the following report January 11, 2010 from Alok Mukherjee, Chair:

Subject: 2011 OPERATING BUDGET SUBMISSION OF THE TORONTO POLICE
SERVICES BOARD - REVISED

Recommendations:

It is recommended that:

1. the Board approve a 2011 net operating budget request of \$2,347,800 which is a 0% increase over the 2010 net approved budget;
2. the Board forward a copy of this report to the City's Deputy City Manager and Chief Financial Officer for information, and
3. the Board forward a copy of this report to the City Budget Committee for approval.

Background:

In accordance with Section 39(1) of the *Police Services Act*, the Board is required to:

...submit operating and capital estimates to the municipal council that will show, separately, the amounts that will be required, (a) to maintain the police force and provide it with equipment and facilities; and (b) to pay the expenses of the board's operation other than the remuneration of board members.

This report addresses the requirements set out in Section 39(1) (b) of the *Act*; however, it should be noted that it has been the practice of the Board to include the remuneration of board members in its budget request.

Discussion:

The proposed 2011 operating budget submission was reviewed by the Board's Budget Sub-Committee (BSC) in November 2010. After conducting its review, the Budget Sub-Committee agreed upon a budget in the amount of \$2,375,600, which is a 1.2% increase over the 2010 approved budget.

At a special public meeting of the Board held on January 5, 2011 (Minute No. #P4/11 refers) the Board deferred consideration of the proposed budget pending a further meeting of the BSC. That BSC meeting was held on January 10, 2011. The BSC conducted a further line-by-line review of the proposed budget and agreed that, while an increase to salaries and benefits was acceptable in the accounts where the increases occurred as a result of Board-approved conditions of Staff report for action on the TPSB – 2011 Operating Budget Submission

employment, the terms of the collective agreement and increases to mandatory deductions (OMERS, CPP etc), further efficiencies were required in non-salary accounts.

The following is a summary of the 2011 operating budget request for the Toronto Police Services Board, as revised after discussion with the BSC, (in thousands):

Salaries/Benefits	\$921,100
Supplies/Equipment	9,800
Services	<u>1,416,900</u>
TOTAL NET REQUEST	\$2,347,800

Salaries/Benefits/Premium Pay

The budget request includes salary, benefits and premium pay required to maintain the Board's staff complement of 7 full time civilian members.

In addition, funds are included for the remuneration of a full time Chair as well as honouraria and per diem payments for the citizen appointees to the Board. The remuneration rates for board members are established by City of Toronto Council.

It is important to note that the current 2011 request does not include any provision for the impact of any potential 2011 labour contract settlements.

Supplies/ Equipment

This account grouping provides funds for office supplies and the printing and binding of the Board's minutes. This account grouping has decreased from the 2010 budget.

Services

This account grouping provides funds for such items as conference attendance, business travel, cellular phone service, lease of a vehicle for the Board, rental of office equipment, and membership fees for the Board (eg. the Ontario Association of Police Boards, the Canadian Association of Police Boards).

Within this account area, \$1.3M is required for professional services. Key elements of the professional services accounts are as follows:

\$610,600 Contribution to a Reserve for Costs of Independent Legal Advice

This budget is required to deal with anticipated grievances, arbitration and other labour relations proceedings in 2011. From time to time, the Board may require legal advice independent of the advice provided by City Legal and of the labour relations legal advice provided by our contracted labour relations legal firm, Hicks Morley. It is very difficult to establish a budget in this area as the Board cannot necessarily forecast the number, scope or complexity of legal proceedings.

The Toronto Police Services Board cannot predict or control the number of grievances filed or referred to arbitration. The bargaining units have a right to bring matters to hearing, and the Board is responsible for bearing half of the arbitrator's fees and costs in addition to the costs of its own legal counsel for preparation and attendance at the hearings. Failure to defend grievances would result in an award whether the matter has merit or not. Since most grievances deal with human rights, employee discipline (including termination), the exercise of managerial rights and authority to direct the workforce, the implications of allowing these grievances to be unchallenged would be substantial, in both operational impact and financial impact.

\$680,000 for City Legal Chargeback

The amount requested is the same as the 2010 approved budget. City Council has directed that the cost of work performed by the City Legal Department be charged back to the Police Services Board. City Legal provides day to day legal advice to the Board, including policy development, contract management and may represent the Board in civil actions, human rights complaints, at Coroner's inquests and at various inquiries. The requested amount is equal to the Inter-Departmental Chargeback (IDC) reflected in the Legal Services budget at the City of Toronto.

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	2009 Final	2010 as of Dec 31st	2010 Budget	2011 Request	2011 Req over 2010 Bud	% inc/ (decr) over 2010 Req.
CIVILIAN SALARIES	773,100	785,649	809,100	812,100	3,000	
ALTERNATE RATE	1,834	0	0	0	0	
SHIFT BONUS	6	12	0	0	0	
TOTAL REGULAR SALARIES	774,940	785,661	809,100	812,100	3,000	0.1%
CIVILIAN OVERTIME	0	0	0	0	0	
CIVILIAN CALLBACK	0	0	0	0	0	
CIV LIEU TIME CSH PM	9,788	8,940	9,800	9,800	0	
TOTAL PREMIUM PAY	9,788	8,940	9,800	9,800	0	0.0%
EMPLOYMENT INSURANCE	8,317	8,177	8,400	8,600	200	
CANADA PENSION PLAN	18,297	18,513	20,600	20,800	200	
OMERS	57,377	60,508	61,400	69,800	8,400	
TOTAL BENEFITS	83,991	87,198	90,400	99,200	8,800	0.4%
STATIONERY AND OFF	2,534	4,433	7,800	7,400	(400)	
PRINTED MATERIAL	0	2,100	2,000	1,900	(100)	
BOOKS & MAGAZINES	443	0	500	500	0	
MISC MATERIALS	0	97	0	0	0	
FURNISHINGS	1,814	824	0	0	0	
COMPUTER HARDWARE	0	709	600	0	(600)	
OTHER OFFICE EQUIPMENT	0	1,515	0	0	0	
TOTAL SUPPLIES/EQUIPMENT	4,791	9,678	10,900	9,800	(1,100)	0.0%
PROFESSIONAL SERVICES - LEGAL	57,342	0	0	25,700	25,700	
PROF & TECH SERV INDUS	776,474	432,041	0	407,100	407,100	
PUBLIC RELATIONS/PROMOTIONS	15,183	17,560	25,000	16,600	(8,400)	
C-SVS MGMT/RES & REV	0	0	35,000	0	(35,000)	
C-SVS SVS EXT LAWYERS	41,760	26,873	600,000	203,500	(396,500)	
BUSINESS TRAV - MILEAGE ALLOWANCE	(424)	21	300	300	0	
BUSINESS TRAV - PUBLIC TRANSIT	0	5	0	0	0	
BUSINESS TRAV - OTHER EXPENSES	4,109	6,739	2,000	4,100	2,100	
CONF -OTHER EXPENSES	18,137	26,948	26,000	26,500	500	
COURSES/SEMINARS	0	0	10,000	8,500	(1,500)	
ADVERTISING & PROMOTION	10,001	8,885	15,000	10,300	(4,700)	
RENTAL OF VEHICLES	7,317	7,105	8,700	8,700	0	
RENTAL, OFF. EQUIP.	1,346	817	2,300	2,300	0	
REPAIR & MAINT FURN	410	147	0	0	0	
REIMB -MEMBERSHIP FEES	11,167	11,218	11,200	11,200	0	
PARKING EXPENSES (IN TOWN)	36	0	100	100	0	
WIRELESS DEVICES	550	0	800	0	(800)	
TELEPHONE	141	263	500	500	0	
CELLULAR TELEPHONES	5,439	4,364	8,200	8,400	200	
INTERNET	299	299	500	1,000	500	
COURIER SERVICES	0	6	0	0	0	
SERVICE & RENT GENERAL	1,012	1,818	2,000	2,100	100	
CONTRIBUTION TO RESERVES	0	450,000	0	610,600	610,600	
IDC - LEGAL SERVICES	595,733	366,351	680,000	680,000	0	
TOTAL SERVICES	1,546,032	1,361,460	1,427,600	2,027,500	599,900	25.6%
MISCELLANEOUS REVENUE	11,815	0	0	0	0	
CONTRIBUTION FROM RESERVES	0	279,733	0	610,600	610,600	
TOTAL REVENUE	11,815	279,733	0	610,600	610,600	26.0%
TOTAL	2,407,727	1,973,204	2,347,800	2,347,800	0	0.0%
Note: The above figures exclude adjustments to be made as part of routine year-end accounting processes						

2011 Board Budget as at January 11th 2011.xls, Sheet: Presentation Form, 2011.01.11