

## BRIEFING NOTE

### Funding Agreement for Court Security

February 6<sup>th</sup> Council item CC16.3 (new business)

#### Issue / Background:

In 2008 the Province, under the Provincial-Municipal Fiscal and Service Delivery Review (PMFSDR), committed to phasing in funding of \$125 million per year, province-wide, to offset municipal costs for court security and related prisoner transportation, starting in 2012. The following schedule shows the phase-in timing of the funding, and the City's share over the three-year term of the funding agreement:

	2012	2013	2014	2015	2016	2017	2018
Phase-in percentage toward the provincial maximum	14%	29%	43%	57%	71%	86%	100%
Province-wide amounts of upload (\$M)	17.50	36.25	53.75	71.25	88.75	107.50	125.00

City Share (approx 38%)	2012	2013	2014	2012-2014 total
Total	\$6,615,524.52	\$13,231,049.05	\$19,846,573.57	\$39,693,147.14
Share	37.8%	36.5%	36.9%	

#### Key Points:

**Urgency:** The agreement was finalized after Committee agenda close, requiring a report direct to Council. The 2012 \$6.6 million payment is withheld pending execution. Legal Services (Christina Hueniken) advises that staff do not have standing authority to enter into funding agreements containing obligations on the City.

**Recommendation:** Authorize execution of three year agreement, and subsequent agreements for these funds.

**Counterparty:** The Ontario Ministry of Community Safety and Correctional Services, through the Court Security and Prisoner Transportation (CSPT) Program.

**City Obligations:** Standard Provincial requirements, paraphrased in the report (page 3).

**Questions and Answers:**

**Q. How are the funds shared between municipalities?**

A. Available funds are shared in proportion to local share of total province wide eligible expenditures.

**Q. How much is the City spending on Court Security/ Prisoner Transportation?**

A. The City reported eligible costs of \$45.917 million in the 2010 Court Security Information Survey completed for the Province in 2011. This amount is approximately 38% of province-wide eligible expenditures in 2010.

**Q. Will the City's costs be fully offset by 2018?**

A. About 90% will be covered. Based on 2010 figures, province-wide eligible costs are already near the limit of 2018 funding. Any increase in costs over \$125 million due to inflation or service levels will not be covered based on the current arrangement, and will result in less than full recovery in each jurisdiction.

**Q. How are the funds to be allocated by the City?**

A. The Agreement requires that the funds be allocated to offset Court Security and Prisoner Transportation spending. The Police Services 2012 Approved Budget and Outlook includes estimated funding entitlements in its revenue budget. Interdepartmental charges to Court Services are reduced proportionately. In addition, 2013 and 2014 outlooks were estimated, as follows:

Provincial Transfers for CSPT	2012 budget	2013 outlook	2014 outlook	2012-2014 Total
Police	6,292,284.70	12,584,569.39	18,876,854.09	37,753,708.18
Courts	315,884.49	631,768.99	947,653.48	1,895,306.96
<b>Total</b>	<b>\$6,608,169.19</b>	<b>\$13,216,338.38</b>	<b>\$19,824,507.57</b>	<b>\$39,649,015.14</b>

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**Date:** February 2, 2012