



Toronto 2016 BUDGET

OPERATING BUDGET NOTES



Parking Tags Enforcement and Operations

2016 OPERATING BUDGET OVERVIEW

Parking Tags Enforcement and Operations provides safe and efficient free flow of traffic by responding to local neighbourhood parking concerns, 7 days a week, 24 hours a day. The Program collects and processes fines for issued parking infraction tickets.

2016 Budget Highlights

The total cost to deliver these services to Toronto residents is \$65.674 million gross and (\$36.740) million net as shown below.

(in \$000's)	2015 Approved		Change	
	Budget	2016 Budget	\$	%
Gross Expenditures	64,219.4	65,673.7	1,454.3	2.3%
Gross Revenues	95,270.0	102,413.5	7,143.5	7.5%
Net Expenditures	(31,050.6)	(36,739.8)	(5,689.2)	18.3%

The 2016 Preliminary Budget will see an overall increase of \$5.689 million in revenues from 2015. Expenditures are expected to increase by \$1.454 million, while parking ticket revenues are anticipated to increase by \$7.144 million due to increased Parking Ticket Fines, "no standing or stopping" fines during rush hour, the continuation of the Habitual Offender Program and the Fixed Fine System.

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Fast Facts

- Over 40,000 vehicles in 2015 were towed in relation to parking and enforcement violations which is up significantly from an annual average of 25,000.
- Over 16,000 vehicles were towed under the Habitual Offender Program.
- Over 600 stolen vehicles were located.
- Parking Enforcement Officers are hired and trained as a class consisting of between 20 and 30 Parking Enforcement Officers.

Trends

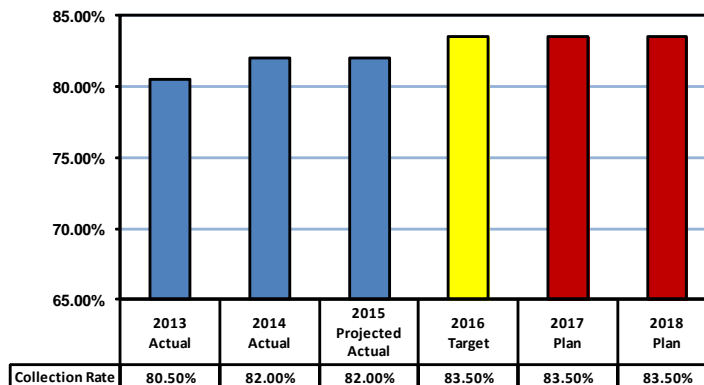
- The number of parking tickets issued is projected to fall by 250,000 tickets from the 2015 budgeted level to 2.350 million in 2016 and remain stable through to 2018 due to initiatives to address traffic congestion.
- The collection rate of parking tickets being paid is trending upwards and is projected to increase by 1.5% over 2015 to 83.5% in 2016 due to the continuing success of the Fixed Fine System and Habitual Offender Program.

Our Service Deliverables for 2016

Parking Tags Enforcement and Operations is comprised of 4 inter-related services, each of which promotes the safe and efficient free flow of traffic. The 2016 Preliminary Operating Budget will provide funding for the following services:

- The Parking Enforcement Unit ensures the safe and orderly flow of traffic and regulates parking by enforcing the Parking By-laws through the issuance of parking tickets to illegally parked vehicles and the training of Municipal Law Enforcement Officers (MLEO's) who are empowered to issue parking tickets on private and municipal properties.
- Revenue Services is responsible for the processing and collection of fines for all parking tickets issued in the City of Toronto.
- Court Services schedules and supports Part II (Parking Ticket) Trials of the Provincial Offences Act. This includes the receipt and file maintenance of all parking infraction trial requests that are delivered to court for adjudication purposes and managing default convictions.
- Parking Ticket Revenues are included in the Non-Program Revenue Budget for revenues generated from parking tickets issued to support parking by-law initiatives and other related City programs.

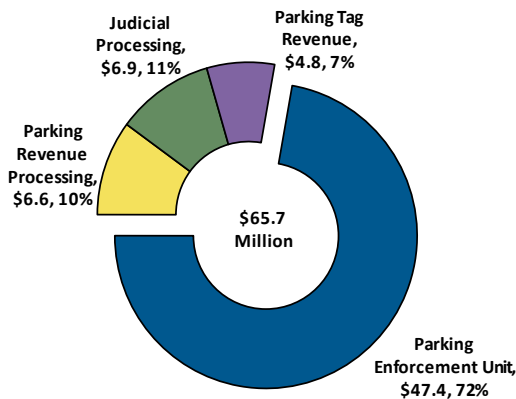
Collection Rate of Parking Tickets



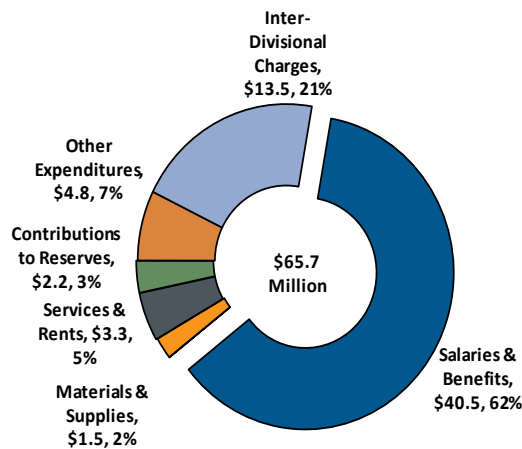
2016 Operating Budget Expenses & Funding

Where the money goes:

2016 Budget by Service

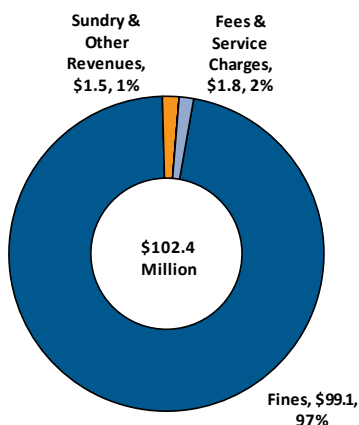


2016 Budget by Expenditure Category



Where the money comes from:

2016 Budget by Funding Source



Our Key Issues & Priority Actions

- Promote behavioural changes** and increased compliance to By-laws by:
 - ✓ Continuing the Fixed Fine System and Habitual Offender Program
 - ✓ Continuing the increased Rush Hour Route Fines during peak City travel times.
 - ✓ Implementing more strict enforcement during rush hours with regular updates to the public.
 - ✓ Responding to public emergencies/needs during rush hour.

- Responding to changes in fines** and Provincial Legislation such as the Provincial Offences Act and City By-laws.
 - ✓ Continuous training for Parking Enforcement Officers to keep current on fine rates and By-law amendments.

2016 Operating Budget Highlights

- The 2016 Preliminary Operating Budget for Parking Tags Enforcement and Operations of \$65.7 million in gross expenditures provides funding for 4 services: Police Parking Enforcement Unit, Parking Revenue Processing, Judicial Processing, and Parking Tag Revenue.

- The Program has achieved the overall budget target of a 1% decrease from the 2015 Approved Budget through measures taken based on the following criteria:
 - ✓ Stable revenue adjustments from increased fines of \$5.63 million; and
 - ✓ Target achievement without impacting Council approved Service Levels.

Actions for Consideration

Approval of the 2016 Preliminary Budget as presented in these notes requires that:

1. City Council approve the 2016 Preliminary Operating Budget for Parking Tags Enforcement and Operations of \$65,673.7 million gross, (\$36,739.8) million net for the following services:

<u>Service:</u>	<u>Gross</u> <u>(\$000s)</u>	<u>Net</u> <u>(\$000s)</u>
Police Parking Enforcement:	47,442.4	45,922.9
Parking Revenue Processing:	6,614.5	6,614.5
Judicial Processing:	6,866.8	6,866.8
Parking Tag Revenue:	4,750.0	(96,144.0)
Total Program Budget	<u>65,673.7</u>	<u>(36,739.8)</u>

2. City Council approve the 2016 service levels for Parking Tags Enforcement and Operations as outlined on pages 12, 14, and 16 of this report, and associated staff complement of 394 positions.
3. City Council direct the Toronto Police Service to develop service levels for the Police Parking Enforcement service and performance measures in time for the 2017 Budget process.



Part I:

2016 – 2018

Service Overview and
Plan

Program Map

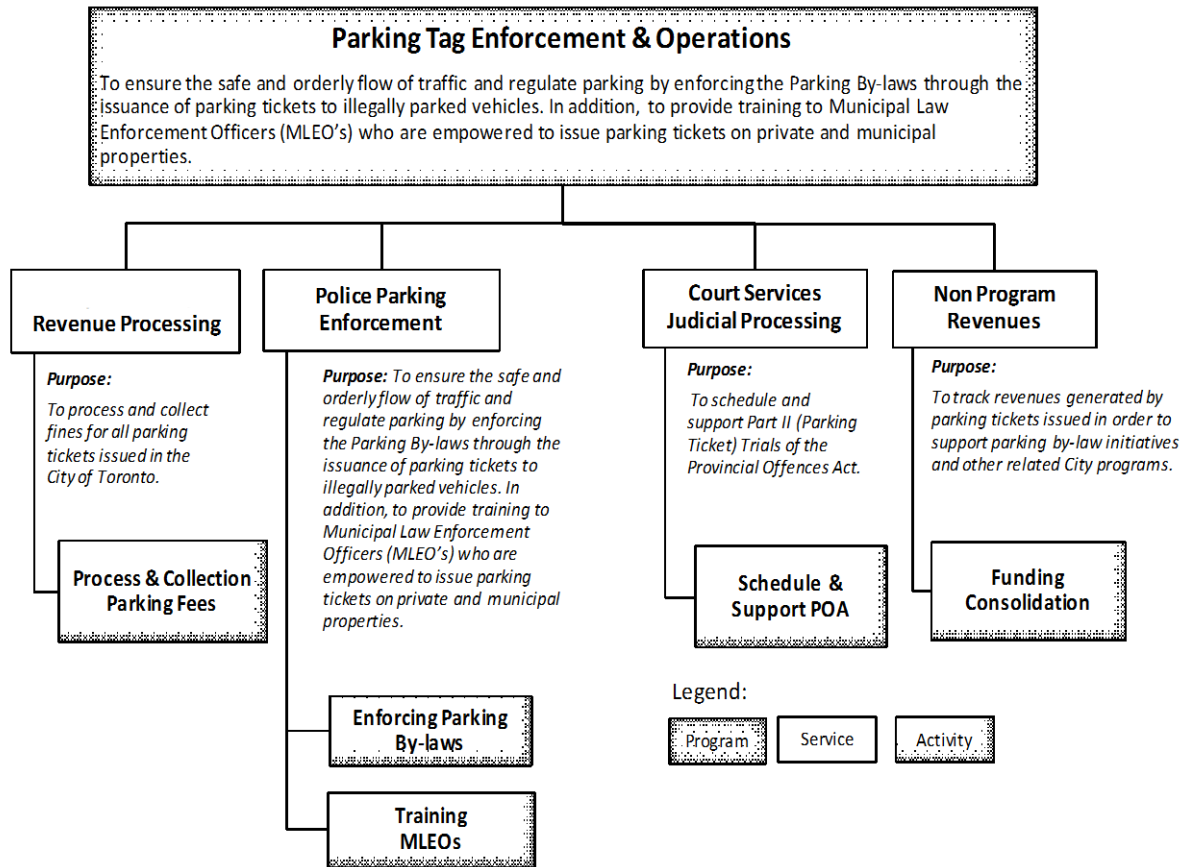


Table 1
2016 Preliminary Operating Budget and Plan by Service

(In \$000s)	2015		2016 Operating Budget			2016 vs. 2015 Budget Approved Changes		Incremental Change 2017 and 2018 Plan			
	Approved Budget	Projected Actual	2016 Base	2016 New/Enhanced	2016 Budget			2017		2018	
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
Toronto Police Parking Enforcement											
Gross Expenditures	46,363.0	45,843.0	47,442.4		47,442.4	1,079.4	2.3%	957.0	2.0%	982.5	2.0%
Revenue	1,484.6	1,484.6	1,519.5		1,519.5	34.9	2.4%				
Net Expenditures	44,878.4	44,358.4	45,922.9		45,922.9	1,044.5	2.3%	957.0	2.1%	982.5	2.1%
Revenue Services											
Gross Expenditures	6,494.0	6,494.0	6,614.5		6,614.5	120.5	1.9%				
Revenue											
Net Expenditures	6,494.0	6,494.0	6,614.4		6,614.4	120.5	1.9%				
Court Services											
Gross Expenditures	6,362.4	6,362.4	6,866.8		6,866.8	504.4	7.9%				
Revenue											
Net Expenditures	6,362.4	6,362.4	6,866.8		6,866.8	504.4	7.9%				
Non Program											
Gross Expenditures	5,000.0	5,000.0	4,750.0		4,750.0	(250.0)	(5.0%)				
Revenue	93,785.4	91,500.0	100,894.0								
Net Expenditures	(88,785.4)	(86,500.0)	(96,144.0)		4,750.0	(250.0)	0.3%				
Total											
Gross Expenditures	64,219.4	63,699.4	65,673.7		65,673.7	1,454.3	2.3%	957.0	1.5%	982.5	1.5%
Revenue	95,270.0	92,984.6	102,413.5		102,413.5	7,143.5	7.5%				
Total Net Expenditures	(31,050.6)	(29,285.2)	(36,739.8)		(36,739.8)	(5,689.2)	18.3%	957.0	(2.6%)	982.5	(2.7%)
Approved Positions	394.0	390.0	394.0		394.0						

The Parking Tags Enforcement and Operations’ 2016 Preliminary Operating Budget is \$65.674 million gross and (\$36.740) million net, representing an 18.3% increase in net revenue over the 2015 Approved Net Operating Budget and exceeds the reduction target as set out in the 2016 Operating Budget Directions and Guidelines.

- Base pressures are attributable to the progression pay and cost of living allowance increases in salaries and benefits particularly for staff in the Toronto Police Parking Enforcement Unit and an increase in charges for adjudication and monitoring costs by the Province recovered by Court Services.
- To help mitigate the above pressures, the Program was able to reduce court costs in response to fewer trial requests and less payments to the Province, resulting from lower ticket issuances and increased compliance.
- 2016 revenues will increase by \$7.1 million, of which, \$5.63 million is attributable to increased fines and the remaining \$1.5 million in revenue is related to the continuation of the Habitual Offender Program, Fixed Fine Systems, and enforcement of "No Standing, No Stopping, and No Parking" fines issued during rush-hour periods.
- The 2017 and 2018 Plan increases are attributable to known salary and benefits adjustments.

Table 2
Key Cost Drivers

(In \$000s)	2016 Operating Budget								2016 Base Budget	
	Toronto Police Parking Enforcement		Revenue Services		Court Services		Non Program		Total	
	\$	Position	\$	Position	\$	Position	\$	Position	\$	Position
Gross Expenditure Changes										
COLA and Progression Pay										
Toronto Police Service COLA, Progression Pay and Fringe Benefit Increases	1,160.7								1,160.7	
Court and Revenue Services' Progression Pay and Fringe Benefit Increases			120.5		29.4				149.9	
Other Base Changes										
Reductions in Equipment and Supplies costs	(81.3)								(81.3)	
Court Security Costs					25.9				25.9	
Reduction due to fewer trial requests					(115.4)				(115.4)	
Provincial increase in adjudication and monitoring costs					567.0				567.0	
Rental of Court Space					(2.4)				(2.4)	
Alignment to actual payments to the Province of Ontario							(250.0)		(250.0)	
Total Gross Expenditure Changes	1,079.4		120.5		504.5		(250.0)		1,454.4	
Revenue Changes (Increase) / Decrease										
Increase in Parking Tag Revenues							(7,108.6)		(7,108.6)	
Other Revenues	(34.9)								(34.9)	
Total Revenue Changes	(34.9)						(7,108.6)		(7,143.5)	
Net Expenditure Changes	1,044.5		120.5		504.5		(7,358.6)		(5,689.1)	

Key cost drivers for Parking Tags Enforcement and Operations are discussed below:

- COLA and Progression Pay:
 - The primary cost driver for Parking Tags and Operations is salaries and benefits including a cost of living allowance for Toronto Police Parking Enforcement, progression pay and associated benefits common across all services. The 2016 COLA for non-union employees is not included as it is subject to collective bargaining.
- Other Base Changes:
 - Increase in charges for adjudication and monitoring costs by the Province will result in \$0.567 million gross and net increase for Court Services.
 - Anticipated fewer trial requests will enable Court Services to reduce the backlog for processing of current trial requests inventory. As parking-related disputes are anticipated to move to the Administrative Penalty System (APS) model, the inventory of disputes will further decrease. The reduction in adjudication costs results in \$0.115 million gross and net savings for Court Services.
 - Initiatives to address traffic congestion and gridlock have resulted in greater compliance with parking regulations. Therefore, the number of parking tickets being issued is projected to decrease by 250,000 resulting in a reduction of \$0.250 million gross and net in payments to the Province.
- Revenue Changes:
 - On January 1, 2016, increased fines will go into effect. The increase will add \$5.63 million in revenues.

- The continuation of the Habitual Offender Program, Fixed Fine System, and enforcement of “No Standing, No Stopping and No Parking” fines issued during rush-hour periods will add another \$1.50 million in revenues.
- Overall, the improved collection rate is able to offset the loss of fine revenue resulting from issuing less tickets in 2016.

Approval of the 2016 Preliminary Budget for Parking Tags Enforcement and Operations will result in a 2017 incremental net cost of \$0.957 million and a 2018 incremental net cost of \$0.983 million to maintain the 2015 service levels, as discussed in the following section:

Table 5
2017 and 2018 Plan by Program

Description (\$000s)	2017 - Incremental Increase					2018 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	# Positions	Gross Expense	Revenue	Net Expense	% Change	# Positions
Known Impacts:										
Toronto Police Service COLA, Progression Pay and Fringe Benefit Increases	817.5		817.5			840.2		840.2		
Increases in Computer and Other Costs	139.5		139.5			142.3		142.3		
Total Incremental Impact	957.0		957.0			982.5		982.5		

Future year incremental costs are primarily attributable to the following:

Known Impacts:

- For 2017 and 2018, \$0.957 million and \$0.983 million, respectively are projected for inflationary increases, including salaries and benefits, fuel, handheld device costs, computer hardware, and contracted services. These estimates do not include COLA provisions for non-union employees which is subject to negotiations.



Part II: 2016 Budget by Service

Police Parking Enforcement

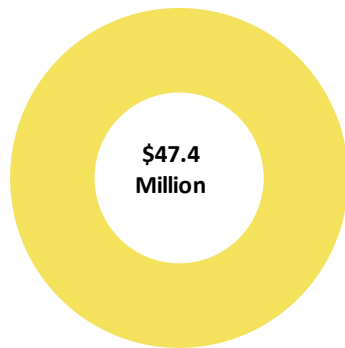


What We Do

- Enforce Parking By-laws: Issuance of parking infraction tickets;
- Parking tag inventory control;
- Handle complaints against Municipal Law Enforcement Officers; and
- Train Municipal Law Enforcement Officers as required.

2016 Service Budget by Activity (\$millions)

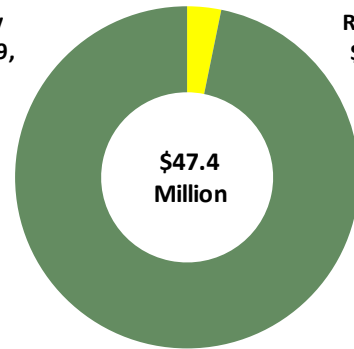
Police Parking Enforcement, \$47.4, 100%



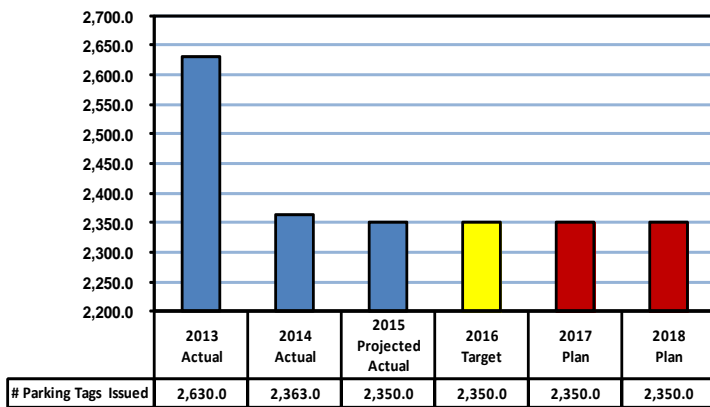
Service by Funding Source (\$millions)

Property Tax, \$45.9, 97%

Sundry Revenues, \$1.5, 3%



Number of Parking Tags Issued ('000s)



- Introduction of the Fixed Fine System, and increases in fines during rush hour are expected to result in greater compliance.
- With greater compliance due to initiatives introduced in 2014, tickets issued have gradually fallen each year.
- Parking tags issued are expected to stabilize in 2016 at 2.35 million.

2016 Service Levels

Police Parking Enforcement

Activity	Sub-Activity/Type	Status	2013	2014	2015	2016
			Police Parking Enforcement	Number of Parking Tags Issued	Approved	2.8 million
		Actual	2.63 million	2.363 million	2.35 million	

The 2016 Service Levels are consistent with the approved 2015 Service Levels for Police Parking Enforcement. The City of Toronto will lower its target for parking tickets issued due to greater compliance with parking regulations.

Table 6

2016 Preliminary Service Budget by Activity

	2015		2016 Operating Budget			2016 vs. 2015 Budget		Incremental Change 2017 and 2018 Plan			
	Approved Budget	2016 Base	2016 New/Enhanced	2016 Budget	Approved Changes	2017		2018			
						\$	%	\$	%		
(In \$000s)	\$	\$	\$	\$	\$	%	\$	%	\$	%	
By Service											
Police Parking Enforcement											
Gross Expenditures	46,363.0	47,442.4		47,442.4	1,079.4	2.3%	957.0	2.0%	982.5	2.0%	
Revenue	1,484.6	1,519.5		1,519.5	34.9	2.4%					
Net Expenditures	44,878.4	45,922.9		45,922.9	1,044.5	2.3%	957.0	2.1%	982.5	2.1%	
Approved Positions	394.0	394.0		394.0							

The Police Parking Enforcement's 2016 Preliminary Operating Budget of \$47.442 million gross and \$45.923 million net is \$1.045 million or 2.3% over the 2015 Approved Net Budget.

- The cost of living allowance, progression pay and fringe benefit increases totaling \$1.16 million are driving the costs for this service.
- In order to offset the above net pressures, the 2016 Operating Budget includes savings of \$0.151 million derived from a reduction in lease expenditures following relocation of Parking Tags Enforcement Headquarters to 330 Progress Avenue.

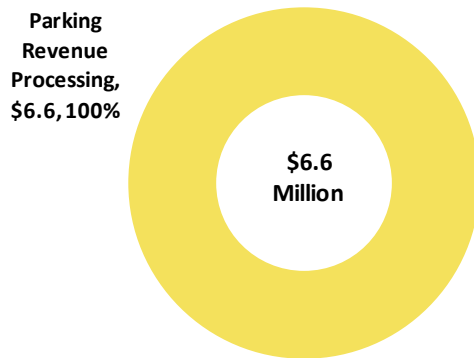
Parking Revenue Processing



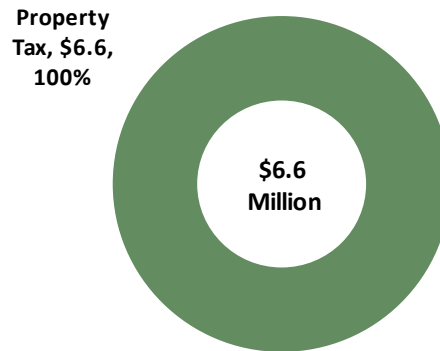
What We Do

- Process and collect fines for all parking tickets issued in the City of Toronto; and
- Provide parking ticket appellants a forum for disputing parking tickets, filing trial requests, obtaining judicial documentation and paying parking tickets through Payment Counters / First Appearance Facilities.

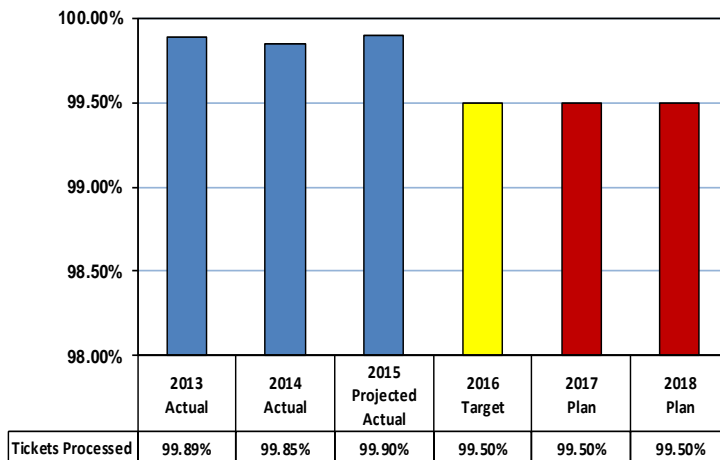
2016 Service Budget by Activity (\$millions)



Service by Funding Source (\$millions)



% of Parking Tickets Processed Within Legislated Time Frames



- The % of parking tickets processed within legislated time frames was 99.9% over the past 3 years.
- It is anticipated that this trend will decline slightly in 2016 and 2017 due to the introduction of the Fixed Fine System and Habitual Offender Program requiring more tickets to be processed.

**2016 Service Levels
Parking Revenue Processing**

Activity	Sub-Activity/Type	Status	2015			2016
			2013	2014	2015	
Parking Ticket Processing	Parking Ticket	Approved	99.5% of parking tickets processed within legislated timeframes			99.5% of parking tickets processed within legislated timeframes
		Actual	99.89%	99.90%	99.90%	
	Notice of Impending Conviction	Approved	99.5% of notices sent within legislated timeframe			99.5% of notices sent within legislated timeframe
	Notice of Fine and Due Date	Approved	99.5% of notices sent within legislated timeframe			99.5% of notices sent within legislated timeframe
	Refunds and Adjustments	Approved	100% of refunds and adjustments processed within 14 days			100% of refunds and adjustments processed within 14 days
	Investigations	Approved	Complete all investigations within 15 days			Complete all investigations within 15 days
	Pre-Court Filing	Approved	99.5% of all court filing documents prepared within the 75 day legislated time frame from date of offence			99.5% of all court filing documents prepared within the 75 day legislated time frame from date of offence.

Overall, the 2016 Recommended Service Levels are consistent with the approved 2015 Service Levels.

**Table 6
2016 Preliminary Service Budget by Activity**

(In \$000s)	2015		2016 Operating Budget			Incremental Change 2017 and 2018 Plan				
	Approved Budget	2016 Base	2016 New/Enhanced	2016 Budget	2016 vs. 2015 Budget Approved Changes		2017		2018	
					\$	%	\$	%	\$	%
By Service	\$	\$	\$	\$	\$	%	\$	%	\$	%
Parking Revenue Processing										
Gross Expenditures	6,494.0	6,614.5		6,614.5	120.5	1.9%				
Revenue										
Net Expenditures	6,494.0	6,614.4		6,614.4	120.5	1.9%				
Approved Positions										

The Parking Revenue Processing Service's 2016 Preliminary Operating Budget of \$6.615 million gross and net is \$0.121 million or 1.9% over the 2015 Approved Net Budget.

Base budget pressures in Parking Revenue Processing are primarily due to the following:

- Salary and benefit increases mainly attributable to progression pay and fringe benefit increases for Revenue Services which is responsible for processing and collecting fines for all parking tickets.
- Postage cost increases for correspondence and communications.

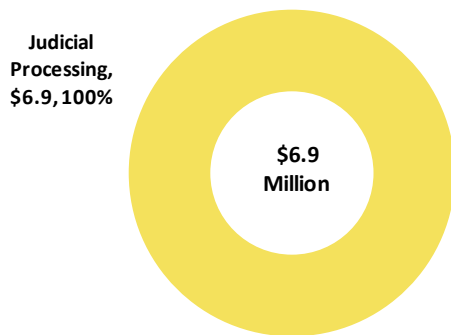
Court Services Judicial Processing



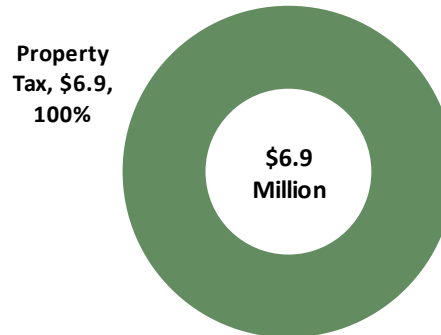
What We Do

- Schedule and support Part II (Parking Ticket) Trials of the Provincial Offences Act
- Receive and maintain files for all parking infraction trial requests that are delivered to court for adjudication purposes.
- Manage default convictions, including cases that are appeals, re-openings or extensions of times to pay fines.

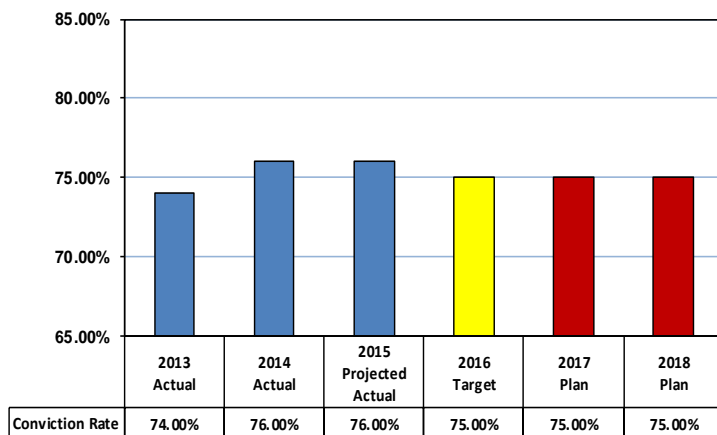
2016 Service Budget by Activity (\$millions)



Service by Funding Source (\$millions)



Conviction Rate (%) – Trial Hearings for Parking Disputes



- Conviction rate for parking disputes are dependent on various factors, including changes to legislations, appearance of Police Officers at trials, technology and quality of information.
- Conviction rates are expected to remain in the 75% range for 2016 and beyond.

**2016 Service Levels
Court Services Judicial Processing**

Activity	Sub-Activity/Type	Status	2013	2014	2015	2016
Judicial Processing	Provincial Offences - Parking	Approved	Receive incoming chargs within 60-76 days			Receive incomeing charges within 60-75 days

Overall, the 2016 Preliminary Service Levels are consistent with the approved 2015 Service Level.

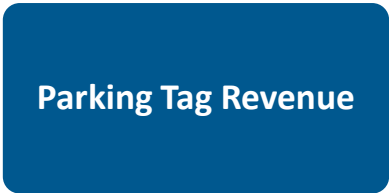
**Table 6
2016 Preliminary Service Budget by Activity**

(In \$000s)	2015	2016 Operating Budget			2016 vs. 2015 Budget		Incremental Change 2017 and 2018 Plan			
	Approved Budget	2016 Base	2016 New/Enhanced	2016 Budget	Approved Changes	%	2017		2018	
By Service	\$	\$	\$	\$	\$	%	\$	%	\$	%
Judicial Processing										
Gross Expenditures	6,362.4	6,866.8		6,866.8	504.4	7.9%				
Revenue										
Net Expenditures	6,362.4	6,866.8		6,866.8	504.4	7.9%				
Approved Positions										

The Court Services Judicial Processing's 2016 Preliminary Operating Budget of \$6.87 million gross and net is \$0.504 million over the 2015 Approved Net Budget.

Base budget pressures in Judicial Processing are primarily due to the increase in charges for adjudication and monitoring costs by the Province resulting in \$0.567 million gross and net increase.

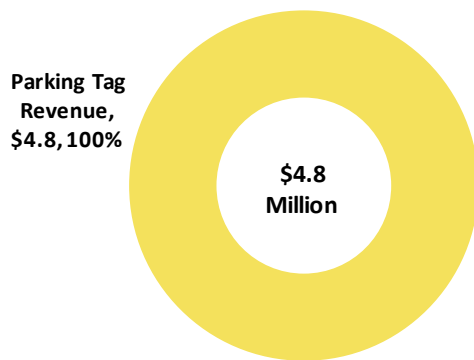
Parking Tag Revenue



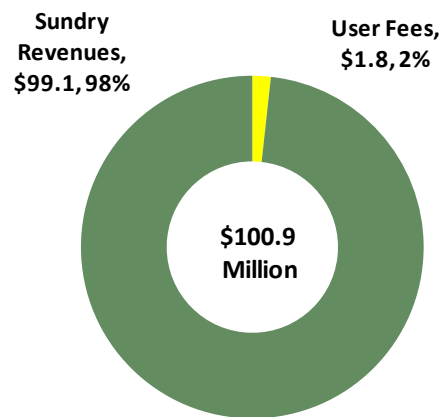
What We Do

- Parking Ticket Revenues are included in the Non-Program Revenue Budget to track revenues generated by parking tickets issued in order to support parking by-law initiatives and other related City programs.

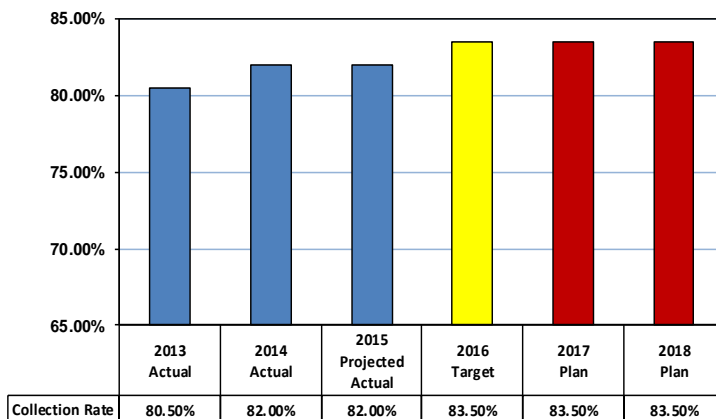
2016 Service Budget by Activity (\$millions)



Service by Funding Source (\$millions)



Collection Rate (%) – Parking Tickets



- The collection rate for parking tickets issued measures the percentage of fines actually collected by the City, where a ticket has been issued for parking violations.
- The collection rate for parking tickets issued increased to projected 82% in 2015, and is expected to increase to 83.5% in 2016 due to the continuation of the Fixed Fine System and Habitual Offender Program.

2016 Service Levels

Parking Tag Revenue

Not applicable

Table 6

2016 Preliminary Service Budget by Activity

(In \$000s)	2016 Operating Budget				2016 vs. 2015 Budget Approved Changes		Incremental Change 2017 and 2018 Plan			
	2015 Approved Budget	2016 New/Enhanced		2016 Budget			2017		2018	
	\$	2016 Base		\$	\$	%	\$	%	\$	%
By Service										
Parking Tag Revenue										
Gross Expenditures	5,000.0	4,750.0		4,750.0	(250.0)	(5.0%)				
Revenue	93,785.4	100,894.0		100,894.0	7,108.6	0.1				
Net Expenditures	(88,785.4)	(96,144.0)		(96,144.0)	(7,358.6)	8.3%				
Approved Positions										

The Parking Tag Revenue's 2016 Preliminary Operating Budget of \$4.750 million gross and (\$96.144) million net is (\$7.349) million or 8.3% over the 2015 Approved Net Budget.

- A reduction in payments to the Province of \$0.250 million gross and net corresponds to the reduction in tickets issued for 2016.
- Increased fines effective on January 1, 2016 and the continuation of the Habitual Offender Program, Fixed Fine System, and enforcement of “No Standing, No Stopping and No Parking” fines issued during rush-hour periods will generate additional \$7.1 million in revenues.



Part III:

Issues for Discussion

Issues for Discussion

Issues Impacting the 2016 Budget

Changing Behaviour

- One of the major contributing factors to traffic congestion in the City of Toronto is the impact of illegally parked vehicles and/or illegally stopped vehicles, particularly on major arterial roads and especially during rush-hour periods. Illegal parking or stopping prevents the effective use of roadways and inhibits traffic flow, resulting in congestion.
- Each year, the City of Toronto issues approximately 2.6 - 2.7 million parking tickets. Approximately 5% of all offenders fail to act on their parking tickets, either by paying the ticket or lodging a trial request, and therefore the fines remain unpaid.
- The initiatives implemented in the past and as outlined below have increased compliance in a measurable way. Although ticket issuances with highly visible Parking Enforcement Officers are expected to be down 250,000 to 2,350,000 for 2016, the collection of outstanding fines has increased from 82% to 83.5%.
- The City's collection rate is anticipated to increase given the continuing success of the Fixed Fine System as offenders are paying fixed fines instead of trying to go to the court in hopes of getting a reduced fine or having their tickets cancelled. Similarly, the Habitual Offender Program has led to the towing of more than 16,000 vehicles for outstanding fines and has resulted in a greater collection rate since drivers are paying their fines to avoid towing.
- Over the years, the City of Toronto has made several changes to alleviate traffic congestion as well as increase the collection of fines:

a) Increased Fines

- Municipalities across Ontario maintain a Parking Ticket Set Fine/Fixed Fines system in accordance with the Provincial Offences Act. These fines are levied when offenders park illegally and receive parking tickets. The City of Toronto reviews its Parking Ticket Set Fines/Fixed Fines annually to ensure comparability to offence seriousness and fines charged by other municipalities.
- In 2013, the City of Toronto took steps to address the issue of illegal stopping during rush-hour periods, by significantly increasing the fine for “No Stopping” during peak periods from \$60.00 to \$150.00.
- Almost immediately after implementing the fine increase, the number of illegally stopped vehicles dropped by 60%. The City previously issued approximately 700 tickets per day for that offence, and following the fine increase, utilizing identical enforcement resources, now issues approximately 280 tickets per day. The increased compliance has significantly improved traffic flow and the increase in the fine amount has the desired effect of increasing compliance.

b) Fixed Fine System and Habitual Offender Program

- More recently, certain parking fines which impact traffic and/or affect human-safety were reviewed to determine the appropriateness of the existing fine amounts.
- In 2014, the fixed fine system and habitual offender program went into effect. These initiatives have improved the collection of defaulted parking ticket fines; provide a further deterrent to parking illegally, and augment the City of Toronto’s existing collection initiatives, including the use of collection agencies and the Provincial Licence Plate Denial System.
- The fixed fine system established a fixed fine amount when a parking ticket recipient requests a trial, and the trial results in a conviction. This change resulted in lower court requests and deters offenders from going to trial hoping for a reduced fine.
- Under the habitual offender towing initiative, the Toronto Police Service will tow parked vehicles found to be illegally parked where the vehicle owner has three or more unpaid and outstanding parking ticket fines.

c) *Rush Hour Initiative*

- In 2015, in an effort to further reduce congestion, a strict enforcement of parking during rush hour in the downtown core went into effect. The zero-tolerance enforcement of no-stopping laws on arterial roads resulted in greater compliance.

Increases to Parking Ticket Set Fines

- The Provincial Offences Act allows for the imposition of a set fine for various parking infractions and other offences. Municipalities have the flexibility, to set the penalty for various parking infractions.
- The City of Toronto implements a balance of enforcement and fine strategies to combat traffic congestion, and one measure is an increase in parking fines to gain greater compliance. The increased fines below will take effect on January 01, 2016 and the anticipated revenue increase is included in the 2016 Preliminary Operating Budget for Parking Tags Enforcement and Operations.

Parking Offense	# of Tags Issued Annually	Current Set Fine 2014	Proposed Set Fine 2015/2016	Anticipated Revenue Increase
No Parking Offences	530,000	\$40.00	\$50.00	\$2.1M
Bus/Transit Stop	27,000	\$60.00	\$150.00	\$1.7M
Sidewalk Offences	25,000	\$60.00	\$150.00	\$1.6M
Park on Roadway (Double Parking)	2,200	\$60.00	\$150.00	\$144,000
HOV Lane	N/A	\$60.00	\$150.00	\$90,000 (est.)
Total	584,200			\$5.63M

*Figures above include anticipated decrease in the number of tickets issued due to higher compliance and a collection rate of 83.5%.

Issues Impacting Future Years

Administrative Penalty System (APS) for Parking Violations

- The Province of Ontario has made removing parking ticket trials from the provincial courts a priority. Several municipalities in Ontario have already established APS programs to streamline parking related disputes.
- An APS program for parking is more accessible to the public, accommodates all disputes, prevents abuse of the dispute resolution process, and increases the amount of court time available for more serious criminal offences. These factors combined with the expected cost savings and additional revenues make the establishment of an APS program for parking violations a viable option for the City of Toronto.
- Under an APS program, an administrative penalty by-law is established and a notice of parking violation is given to those who contravene the by-law. These notices can also be mailed to vehicle owners where officers are not able to provide the notice to the driver or put the notice on the windshield. They represent a penalty that is owed to the City for violating the by-law's terms. An administrative penalty is not a 'fine' since there is no criminal element. However, failure to pay an administrative penalty leads to consequences for the defendant including additional fees and eventual plate denial.
- Court Services is currently working with staff in the City Solicitor's office and Revenue Services to bring forward a report that will recommend the City move all parking matters out of the courts system to an Administrative Penalty system (APS) as permitted by a new Regulation under the City of Toronto Act.
- The report will be submitted to the Government Management Committee in January 2016. Should Council approve the report and its recommendations, work will continue towards passing a by-law with an April 2017 implementation date.

Courier/Delivery Vehicle Parking Permit – Approval and Program Implementation

- On January 4, 2012, the Public Works and Infrastructure Committee considered a report entitled "*Courier/Delivery Vehicle Parking Permit – Approval and Program Implementation*" which addressed the significant number of parking tickets issued to courier and delivery vehicles, and proposed a strategy for a permitting system for such vehicles. The Committee referred the item to Transportation Services to be considered in conjunction with three different studies: downtown traffic, rush hour route and curb space demand. Please refer to the link for the report: <http://www.toronto.ca/legdocs/mmis/2012/pw/bgrd/backgroundfile-43322.pdf>
- The curbside management study is expected to commence in mid-2015, with completion sometime in 2016. Depending on the results of the study, the General Manager, Transportation Services Division will report back to the Public Works and Infrastructure Committee with recommendations for the Courier/Delivery Vehicle Parking Permit System.



Appendices:

Appendix 1

2015 Service Performance

2015 Key Service Accomplishments

In 2015, Parking Tags Enforcement and Operations accomplished the following:

- ✓ Very successful expansion of Habitual Offender Towing Program for Out-of-Province vehicles
- ✓ Increased collection rate for parking ticket payments to 92% in 2015.
- ✓ Increased revenues related to fine increases and collection initiatives
- ✓ Implementation of an On-line Parking Ticket Look-up Web Application

Appendix 2

2016 Preliminary Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2013	2014	2015	2015	2016	2016 Change from		Plan	
	Actual	Actual	Budget	Projected	Budget	2015 Approved		2017	2018
	\$	\$	\$	Actual *	\$	\$	%	\$	\$
Salaries and Benefits	36,988.5	38,523.4	37,159.3	36,639.3	40,469.3	3,310.0	8.9%	41,286.8	42,127.0
Materials and Supplies	1,330.8	1,621.8	1,620.8	1,620.8	1,479.1	(141.7)	(8.7%)	1,508.7	1,538.9
Equipment	10.3	53.2	93.0	93.0	28.0	(65.0)	(69.9%)	28.6	29.2
Services & Rents	7,588.0	7,647.0	5,340.6	5,340.6	3,304.6	(2,036.0)	(38.1%)	3,413.9	3,525.4
Contributions to Capital	1,554.0	1,554.0	1,554.0	1,554.0	1,554.0			1,554.0	1,554.0
Contributions to Reserve/Res Funds	580.8	580.8	595.3	595.3	607.4	12.1	2.0%	607.4	607.4
Other Expenditures	4,974.2	4,658.7	5,000.0	5,000.0	4,750.0	(250.0)	(5.0%)	4,750.0	4,750.0
Interdivisional Charges	11,038.3	11,403.0	12,856.4	12,856.4	13,481.3	624.9	4.9%	13,481.3	13,481.3
Total Gross Expenditures	64,064.9	66,041.9	64,219.4	63,699.4	65,673.7	1,454.3	2.3%	66,630.7	67,613.2
Interdivisional Recoveries									
Provincial Subsidies									
Federal Subsidies									
Other Subsidies									
User Fees & Donations									
Transfers from Capital Fund									
Contribution from Reserve/Reserve Funds									
Sundry Revenues	89,588.7	105,644.9	95,270.0	92,984.6	102,413.5	7,143.5	7.5%	102,413.5	102,413.5
Total Revenues	89,588.7	105,644.9	95,270.0	92,984.6	102,413.5	7,143.5	7.5%	102,413.5	102,413.5
Total Net Expenditures	(25,523.8)	(39,603.0)	(31,050.6)	(29,285.2)	(36,739.8)	(5,689.2)	18.3%	(35,782.8)	(34,800.3)
Approved Positions	394.0	394.0	394.0	390.0	394.0			394.0	394.0

* Based on the 2015 9-month Operating Variance Report

For additional information regarding the 2015 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2015" approved by City Council at its meeting on December 9, 2015. .

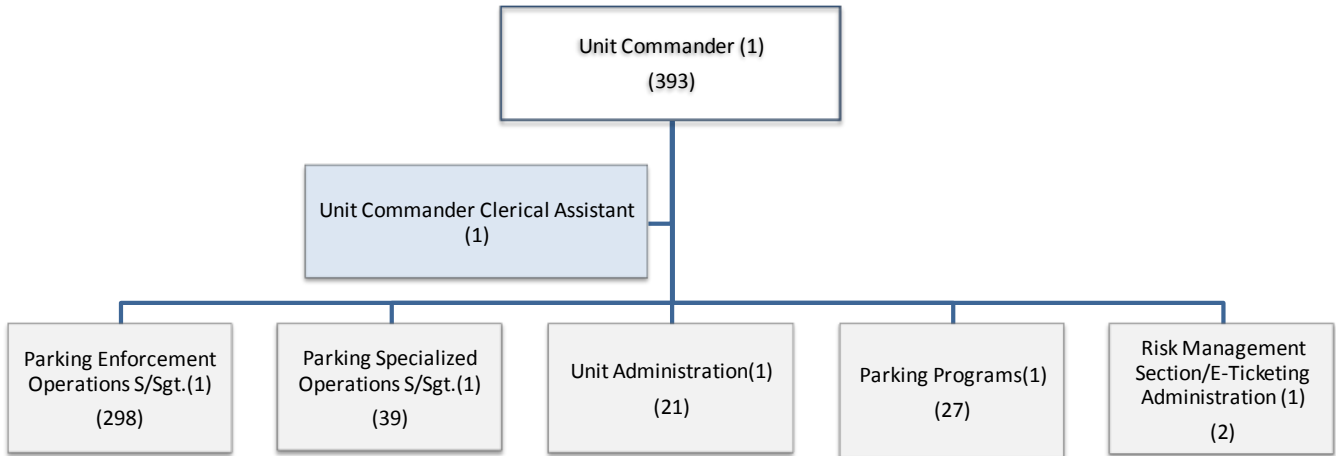
<http://www.toronto.ca/legdocs/mmis/2015/ex/bqrd/backgroundfile-85887.pdf>

Impact of 2015 Operating Variance on the 2016 Preliminary Operating Budget

- There is no impact to the 2016 Preliminary Operating Budget as all vacancies will be filled by the end of 2015.

Appendix 3

2016 Organization Chart



2016 Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent			1.0	393.0	394.0
Temporary					
Total			1.0	393.0	394.0

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 *	Withdrawals (-) / Contributions (+)		
			2016	2017	2018
		\$	\$	\$	\$
Projected Beginning Balance		1,274.0	1,274.0	2,828.0	4,382.0
Vehicle Equipment Reserve	XQ1701				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			1,554.0	1,554.0	1,554.0
Total Reserve / Reserve Fund Draws / Contributions		1,274.0	2,828.0	4,382.0	5,936.0
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		1,274.0	2,828.0	4,382.0	5,936.0

* Based on 9-month 2015 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 *	Withdrawals (-) / Contributions (+)		
			2016	2017	2018
		\$	\$	\$	\$
Projected Beginning Balance		60,355.7	60,355.7	60,120.0	59,884.3
Sick Pay Gratuity Reserve	XR1007				
<i>Proposed Withdrawals (-)</i>			(235.7)	(235.7)	(235.7)
<i>Contributions (+)</i>					
Total Reserve / Reserve Fund Draws / Contributions		60,355.7	60,120.0	59,884.3	59,648.6
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		60,355.7	60,120.0	59,884.3	59,648.6

* Based on 9-month 2015 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 *	Withdrawals (-) / Contributions (+)		
			2016	2017	2018
		\$	\$	\$	\$
Projected Beginning Balance		420.7	420.7	(13.2)	(447.1)
Police Central Sick Pay Reserve	XR1701				
<i>Proposed Withdrawals (-)</i>			(433.9)	(433.9)	(433.9)
<i>Contributions (+)</i>					
Total Reserve / Reserve Fund Draws / Contributions		420.7	(13.2)	(447.1)	(881.0)
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		420.7	(13.2)	(447.1)	(881.0)

* Based on 9-month 2015 Reserve Fund Variance Report