



Toronto Police Services Board

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January 30, 2019

Budget Committee
City of Toronto
10th Floor, West Tower, City Hall
100 Queen Street West
Toronto, ON
M5H 2N2

Budget Committee Members,

Re: Toronto Police Service – Parking Enforcement Unit - 2019 Operating Budget Request

At a meeting held on January 24, 2019, the Board was in receipt of a report dated January 11, 2019 from Chief of Police Mark Saunders containing the 2019 operating budget request for the Toronto Police Service – Parking Enforcement Unit.

RECOMMENDATIONS

It is recommended that the Budget Committee approve a 2019 net Operating Budget request of \$46.7 Million (M), a zero increase from the 2018 net budget.

FINANCIAL IMPACT

The Toronto Police Service Parking Enforcement Unit's (P.E.U.) 2019 net operating budget request is \$46.7M (\$48.3M gross) which is a 0.0% increase over 2018 net operating budget. This request does not include the 2019 impact of the labour contract settlements for Toronto Police Association (T.P.A.) members.

COMMENTS

Mr. Tony Veneziano, Chief Administrative Officer, and Ms. Svina Dhaliwal, Director, Finance and Business Management, delivered a presentation to the Board with regard to the 2019 operating budget request. A copy of the presentation slides is on file in the Board Office.

The Board approved the following Motions:

- (1) approve a 2019 net Operating Budget request of \$46.7 Million (M), a zero increase from the 2018 net budget;
- (2) forward a copy of this report to the City of Toronto's (City) Chief Financial Officer for information; and
- (3) forward a copy of this report to the City Budget Committee for approval.

CONTACT

Chief of Police Mark Saunders
Toronto Police Service
Telephone No. 416-808-8000
Fax No. 416-808-8002

SIGNATURE



Andy Pringle
Chair

ATTACHMENTS

A copy of Board Minute No. P7/19, in the form attached as Appendix "A", regarding this matter is provided for information. This Minute is subject to approval at the Board's next meeting on February 21, 2019.

cc. Heather Taylor, Chief Financial Officer

Appendix A

This is an Extract from the Minutes of the Public Meeting of the Toronto Police Services Board that was held on January 24, 2019

P7. Toronto Police Service Parking Enforcement Unit - 2019 Operating Budget Request

The Board was in receipt of a report dated January 11, 2019, from Mark Saunders, Chief of Police, with regard to this matter. Mr. Tony Veneziano, Chief Administrative Officer and Ms. Svina Dhaliwal, Director and Finance and Business Management, presented the budget request to the Board*.

Recommendation(s):

THAT the Board:

- (1) Approve a 2019 net Operating Budget request of \$46.7 Million (M), a zero increase from the 2018 net budget;
- (2) Forward a copy of this report to the City of Toronto's (City) Chief Financial Officer for information; and
- (3) Forward a copy of this report to the City Budget Committee for approval.

Deputation: DIONNE Renée

*A copy of which is appended to this Minute.

The Board received the deputation and presentation. The Board approved the foregoing report.

Moved by: M. Ford
Seconded by: M. Moliner



Toronto Police Services Board Report

January 11, 2019

To: Chair and Members
Toronto Police Services Board

From: Mark Saunders
Chief of Police

**Subject: Toronto Police Service Parking Enforcement Unit – 2019
Operating Budget Request**

Recommendation(s):

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

- (1) approve a 2019 net Operating Budget request of \$46.7 Million (M), a zero increase from the 2018 net budget;
- (2) forward a copy of this report to the City of Toronto's (City) Chief Financial Officer for information; and
- (3) forward a copy of this report to the City Budget Committee for approval.

Financial Implications:

The Toronto Police Service Parking Enforcement Unit's (P.E.U.) 2019 net operating budget request is \$46.7M (\$48.3M gross) which is a 0.0% increase over 2018 net operating budget. This request does not include the 2019 impact of the labour contract settlements for Toronto Police Association (T.P.A.) members.

Background / Purpose:

The purpose of this report is to provide the Board with P.E.U.'s recommended 2019 operating budget request. The report includes information on the level of funding required in 2019 to provide parking enforcement services to the City of Toronto (City), based on the current service delivery model.

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. 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. 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 specifically to ensure the safe and orderly flow of traffic, meet enforcement objectives, respond to calls for service from the community and provide 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 shortages, which places pressure on the enforcement (tag issuance) of non-compliance with applicable by-laws and 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.

Parking Tag Revenues:

Although the P.E.U. is responsible for parking tag issuance, actual revenues, as noted above, accrue directly to the City and are collected by the City Treasurer through the Revenue Services division. Revenues collected are impacted by City Council initiatives, by-law changes, increased fines and programs, such as legal parking permit issuance, methods of payment and level of compliance. All of these factors have an impact on enforcement operations, the number of tags issued, public behaviour and the overall amount of revenues collected.

2019 Parking Assumptions:

In preparing the 2019 operating budget for the P.E.U., the following assumptions were made:

- No additional positions added to P.E.U.'s staffing complement;
- Replacement of P.E.O.s continues, based on attrition estimates;
- Where possible, required budget increases were absorbed into existing funding amounts; and
- Budget request took into account historical spending, where appropriate.

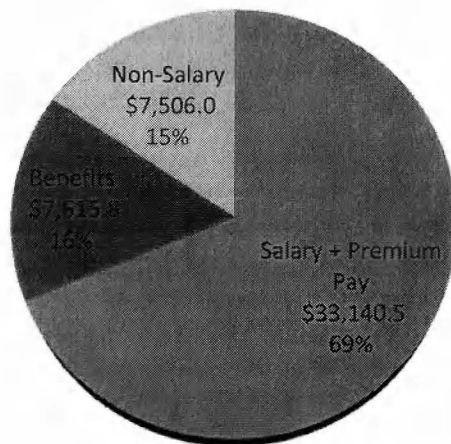
It should be noted that the Transformational Task Force's The Way Forward report includes a recommendation regarding possible alternate service delivery models for Parking Enforcement, and an external consultant has been engaged by the City to conduct this review. Accordingly, at this time, the 2019 request is based on the current service delivery model. However, in order to improve the effectiveness and efficiency of enforcement activities, a pilot is currently underway wherein 23 parking enforcement officers were moved from 330 Progress to the Service's facility at 9 Hanna. This move was made to reduce unproductive travel time by bringing the officer closer to where they enforce in the downtown core. Assuming the pilot is successful, this approach will be expanded to other areas of the City.

2019 Operating Budget Request:

The 2019 operating budget request of \$46.7M (\$48.3M gross) includes the funding required to maintain an average deployed strength of 357 P.E.O.s (the approved deployment target), as well as services and equipment required to effectively support operations. In order to ensure optimal staffing levels to meet operational demands, the Unit works to maintain the approved staffing target, on average, throughout the year.

On a gross basis, 85.0% of P.E.U.'s budget is for salaries, premium pay and benefits. The remaining 15.0% 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.

2019 Gross Parking Enforcement Budget (000s)



The following summarizes the key cost pressures included in the 2019 Operating Budget Request.

Summary of 2019 Budget Request Changes by Category

	Request \$000s	\$ Increase / (Decrease) over 2018	% Increase / (Decrease) over 2018
2018 Net Budget - \$46,722,600			
(a) Impact of 2019 Salary Settlement	\$0.0	\$0.0	0.00%
(b) Salary Requirements	\$30,769.8	-\$114.2	-0.24%
(c) Premium Pay	\$2,370.7	-\$187.3	-0.40%
(d) Statutory Deductions and Employee Benefits	\$7,615.8	\$226.0	0.48%
(e) Reserve Contributions	\$2,813.4	\$0.0	0.00%
(f) Other Expenditures	\$4,692.6	\$75.5	0.16%
2019 Gross Budget Request	\$48,262.3	\$0.0	0.00%
(g) Revenues	-\$1,539.7	\$0.0	0.00%
2019 Net Budget Request	\$46,722.6	\$0.0	0.00%

(a) Impact of 2019 Collective Agreement

The current collective agreement with the Toronto Police Association (T.P.A.) and Senior Officers' Organization (S.O.O.) was expired on December 31, 2018, and as a result, there is no agreement yet in place for 2019 for parking enforcement members. As the cost of the salary settlement is not known at this time, the impact is not included in the 2019 P.E.U. Operating Budget Request. However, the City will make an estimated provision in its corporate accounts for this purpose.

(b) Salary Requirements (\$30.8M)

The 2018 operating budget submission took into account savings from the hiring moratorium. The 2019 requested budget still maintains gapping, but will to allow the P.E.U. to work towards an average deployed strength of 357 P.E.O.s.

(c) Premium Pay (\$2.4M)

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.

At its July 12, 2016 meeting, Council adopted the report on the Administrative Penalty System (A.P.S.) for Parking Violations. The new administrative process is intended to:

- Provide a fair and equitable dispute resolution process for parking disputes, ensuring that individuals who contest an administrative penalty (i.e. parking fines) for a parking violation will receive an impartial review in a timely manner, ideally within 60 days.

- Provide customers with greater access to dispute resolution services through the implementation of processes and technologies, including on-line options for disputing or paying a penalty, that are more accessible and efficient than those currently allowed under the Provincial Offenses Act.
- Allow the City sufficient flexibility to respond to fluctuating parking dispute levels, while building capacity within the court system for the processing of offences that are more serious.
- Help the City regulate the flow of traffic by promoting compliance with its by-laws respecting the parking, standing, or stopping of motor vehicles.

The total premium pay budget request for 2019 is \$2.4M. This budget represents a \$0.2M or 0.4% decrease over P.E.U.'s total 2018 budget, as a result of an anticipated decrease in required court attendance due to the implementation of the A.P.S.

(d) Statutory Payroll Deductions and Employee Benefits (\$7.6M)

This category of expenditure represents an increase of \$226,000 or 0.48% over P.E.U.'s total 2018 budget. Employee benefits are comprised of statutory payroll deductions and requirements as per the collective agreements. Canada Pension Plan rates have increased from 2018 and costs have increased slightly for employee benefits.

(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 remaining reserves (the Vehicle and Equipment and Central Sick Bank reserves). The total 2019 budget for contributions to the reserves is \$2.8M. This budget is the same as P.E.U.'s 2018 budget.

(f) Other Expenditures (\$4.7M)

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 or reduced from the 2018 level. Changes have only been included where considered mandatory, and one-time reductions have been taken into account where applicable. The total increase for these expenditures is \$0.1M or 0.2% over the 2018 budget, and is mainly due to increased maintenance costs for the handheld ticketing devices.

(g) Revenues (\$1.5M)

Revenue is comprised of draws from reserves and towing/pound administrative recoveries. This budget is the same as P.E.U.'s total 2018 budget.

2019 and 2020 Outlooks:

City Finance has requested that budget outlooks for 2020 and 2021 be provided for each budget. Based on known pressures and inflationary increases, the current estimate for 2020 is \$47.5M (a \$0.8M or 1.7% increase over 2019) and for 2021 is \$47.7M (a \$0.2M or 0.3% increase over 2020). The 2020 and 2021 outlooks do not include collective agreement impacts, as they are not known at this time.

Conclusion:

The P.E.U.'s 2019 net operating budget request is \$46.7M, which is the same funding level as the 2018 approved budget.

The 2019 budget request includes the funding required to maintain the approved establishment of P.E.O.s, as well as the necessary supporting infrastructure. This budget request will allow the P.E.U. to provide enforcement services to promote compliance and improve the traffic flow within the City.

Mr. Tony Veneziano, Chief Administrative Officer, will be in attendance to answer any questions the Board may have regarding this report.

Respectfully submitted,

Mark Saunders, O.O.M.
Chief of Police

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