



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 Services Board – 2019 Operating Budget Request

At a meeting held on January 24, 2019, the Board was in receipt of a report dated January 16, 2019 containing the 2019 operating budget request for the Toronto Police Services Board.

RECOMMENDATIONS

It is recommended that the Budget Committee approve a 2019 net Operating Budget of \$2,458,300, over a 2018 adjusted budget of \$2,309,100.

FINANCIAL IMPACT

The Board is seeking a 2019 operating budget request of \$2,458,300, which amounts to a moderate increase of \$149,200 for 2019. With this request, the Board's operating budget would contain no increase in any area as compared to its 2018 operating budget, with the exception only of salary and benefits increases to hire 1.5 new staff and reclassify an existing position to meet new demands.

COMMENTS

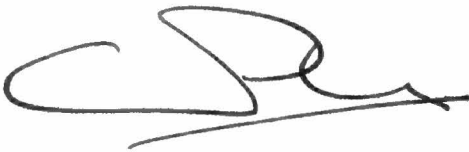
Mr. Ryan Teschner, Executive Director, delivered a presentation with regard to the Board's 2019 operating budget request. A copy of the presentation slides is on file in the Board Office.

The Board approved the report dated January 16, 2019 and agreed to forward a copy to the Budget Committee for approval and to the City of Toronto Chief Financial Officer for information.

CONTACT

Andy Pringle, Chair
Toronto Police Services Board
Telephone No. 416-808-8080
Fax No. 416-808-8082

SIGNATURE

A handwritten signature in black ink, appearing to be 'AP', written over a horizontal line.

Andy Pringle
Chair

ATTACHMENTS

A copy of Board Minute No. P8/19, 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

P8. Toronto Police Services Board 2019 Operating Budget Request

The Board was in receipt of a report dated January 16, 2019 from Andy Pringle, Chair, with regard to this matter. Mr. Ryan Teschner, Executive Director, presented the budget request to the Board*.

Recommendation(s):

THAT the Board:

- (1) Approve 2019 net Operating Budget of \$2,458,300, over a 2018 adjusted budget of \$2,309,100;
- (2) Forward a copy of this report to the City of Toronto Budget Committee for approval; and,
- (3) Forward a copy of this report to the City of Toronto's Chief Financial Officer for information.

Deputations: Derek Moran
DIONNE Renée

*A copy of which is appended to this Minute.

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

Moved by: M. Moliner
Seconded by: J. Tory



Toronto Police Services Board Report

January 16, 2019

To: Toronto Police Services Board

From: Andy Pringle
Chair

Subject: Toronto Police Services Board 2019 Operating Budget Request

Recommendation(s):

It is recommended that the Toronto Police Services Board:

1. Approve 2019 net Operating Budget of \$2,458,300, over a 2018 adjusted budget of \$2,309,100;
2. Forward a copy of this report to the City of Toronto Budget Committee for approval; and,
3. Forward a copy of this report to the City of Toronto's Chief Financial Officer for information.

Financial Implications:

The Board is seeking a 2019 operating budget request of \$2,458,300, which amounts to a moderate increase of \$149,200 for 2019. With this request, the Board's operating budget would contain no increase in any area as compared to its 2018 operating budget, with the exception only of salary and benefits increases to hire 1.5 new staff and reclassify an existing position to meet new demands.

Background / Purpose:

Last year, the Board's budget contained a 0% increase, and in addition, was actually lower than the Board's budget in previous years (e.g. 2014). The Board has also previously eliminated existing full-time positions within the Board Office. The Board has taken these steps to prudently control and reduce its costs, where possible. However, the more complex and demanding nature of police boards' role requires some investment for the Board to meet its statutory obligations.

The Board's legislative responsibilities

Among its core legislative responsibilities under the *Police Services Act*, the Board must:

- ensure the provision of adequate and effective policing within the City of Toronto;
- generally determine the objectives and priorities for police services in the City, after consultation with the chief of police;
- approves a budget for submissions to the City;
- negotiates the collective agreements with the associations that represent the employees of the police service;
- establish policies for the effective management of the police service;
- appoint the members of the police service; and
- recruit the chief of police, deputy chiefs of police and monitor the performance of the chief of police.

Robust and independent governance

The need for robust and independent civilian police governance is core to the legislative system in the *Police Services Act*. As the report of the Honourable John W. Morden described:

The responsibility of police boards is considerable. Through their policy-making and resource allocation powers, police boards shape the way in which policing is done. Therefore, effective fulfillment of the governance role that police boards play ensures that decisions made and actions taken by police are reflective of the community's values. (Hon. John W. Morden, *Independent Civilian Review into Matters Relating to the G20 Summit* (June 2012) at p. 6).

The important role and function of a police board in providing independence to the governance process, while being proactive on issues impacting members of the municipality's community, was more recently underscored in the report by the Ontario Civilian Police Commission concerning the Thunder Bay Police Services Board:

These problems can be traced back to an absence of leadership from the Board. Under the authority of the PSA, police service boards are mandated to provide civilian oversight and to develop policies and plans reflecting the entire community's best interests. While no board has a mandate to engage in operational matters, it is clearly the responsibility of the TBPSB to identify critical issues and trends, and to address them through direction,

proactive policy development, and planning. (Ontario Civilian Police Commission, *Thunder Bay Police Services Board Investigation – Final Report* (November 2018) at vii.)

The need for some investment to meet increasing demands and complexity

Given the increased demand on police services, a significant modernization agenda that serves as the Board's business plan for 2017 to 2020, and the emphasis on independent police governance in leading recent reports, it is necessary to invest in the Board Office so it can continue to provide the professional services the Board depends on. The Board, as the employer of the police service, currently discharges its legislative duties for a police service that has:

- 5,012 uniform employees and 2,365 civilian employees;
- a total operating budget of \$996.5M (2018) for Police, \$44.7M for Parking and a ten-year capital expenditure budget of \$263.9M (2018-2027);
- a new collective agreement with the Toronto Police Association that will be negotiated in 2019; and
- a changing legislative environment with a review of the *Safer Ontario Act* and other key policing legislation currently in progress.

In addition, all metrics suggest that the demand for police services in Toronto has increased alongside the increasing municipal population. As the largest city in the country, Toronto is not only home to over 2.7 million residents, but also a place to which people from across the Greater Toronto Area come daily to work, enjoy entertainment and spend time. As a result, the Service had approximately 5 million contacts with members of the public in 2018.

Investment in continuing to push the transformation agenda forward

An increased demand on the delivery of adequate and effective police services will require robust, professional and effective governance from the Board. This is especially so in an environment that has embraced transformation, flowing from the work of the Transformational Task Force and its final report, *The Way Forward*. The Board has committed, "as governors...to hold the Service accountable for action that results in real change" and transformation in the manner police services are delivered in Toronto (*The Way Forward* (January 2011) at p. 4).

As the demand on policing grows and the implementation of transformation continues, the governance issues the Board must address have become more complex.

Therefore, some increase to the Board Office to support the Board's legislative function and maintain its commitment to the public has become necessary.

Discussion:

A table outlining the 2019 Board operating budget request is included at the end of this report.

Non-salary Accounts

The requested budget does not include any new initiatives or programs.

In terms of non-salary accounts, when the amounts allocated for (i) the City Legal chargeback, (ii) chargeback for external labour relations legal counsel, and (iii) ongoing consulting costs arising from a Memorandum of Settlement with the Ontario Human Rights Commission are factored out of the budget, the total non-salary costs proposed in the 2019 budget amount to approximately \$100,000.

Based on this proposal, there will be no funds available should the Board require legal advice from counsel outside of the City's Legal Division or from the Board's contracted labour relations law firm. Similarly, no funds will be available should the Board require any additional external consulting advice or professional services. Legal expenditures are difficult to predict as they are often incurred in response to an action or event that cannot be predicted. Recent settlement statistics related to labour disputes and grievances do indicate that fewer matters proceed to a hearing; however, the matters that do proceed to hearings are increasingly complex. With the implementation of projects and initiatives from *The Way Forward*, it is anticipated that there will be an increased frequency of labour relations legal expenditures in 2019. Due to the complexity and in many cases novel features of these files, they will likely consume substantial legal resources, including time for hearing preparation.

The proposed 2019 budget also includes limited funding for important professional development and learning opportunities for Board members and Board Office staff, including funds for their attendance at annual conferences hosted by the Ontario Association of Police Services Boards and the Canadian Association of Police Governance. These events provide opportunities to learn about best practices in the police governance field, consult with colleagues across the province about common issues, and create learning opportunities for application.

Independent Missing Persons Review

In 2018, the Board approved terms of reference for an independent review of the policies, practices and actions of the Board and the Toronto Police Service in relation to missing person reports and investigations (“the Review”). The Board also approved a request to the City of Toronto’s Executive Committee to allocate and transfer to the Board funding for the review in an amount not to exceed \$3.0M and that such funds be made available to the Board beginning in 2018 and until the conclusion of the Review. Subsequently, Toronto City Council, at its July 23, 2018 meeting, approved up to \$3.0M for the Review, including an increase to the 2018 operating budget of the Board by \$0.6M on a onetime basis funded from the Tax Rate Stabilization Reserve for the 2018 costs. The Board will only draw on the reserve to the extent needed to fund the expenditure associated with the Review.

The funds associated with the Review are reflected in the “Other Expenditures” and “Revenue” line items on the chart that is found at the conclusion of this report. These line items fluctuate based on when the funds are expected to be needed for the Review and result in a net zero impact to the Board budget.

Salary and Benefit Accounts

The budget request in the Board’s salary and benefit accounts, totalling \$1,176,000 (an annualized cost of \$1,280,200) includes salary/benefits for its approved staff complement, for the Council-established Board Member remuneration, and for some additional staffing costs.

i. Current Board Office and staff functions

The Board Office’s current staffing complement is six, comprised of: an Executive Director; Senior Advisor; Board Administrator; Researcher; Executive Assistant to the Chair; and, Administrative Assistant. Together, these staff members provide all of the governance, policy, research, communications, government relations and administrative support the Board requires to deliver its legislative civilian oversight function. The work performed by the staff is fundamentally linked to the Board’s ability to provide adequate and effective police services to the community.

The volume of Board work over the course of the year is significant. All of this work requires professional services support delivered by the small Board Office staff. Some of these professional services include:

- organizing and facilitating monthly confidential and public Board meetings, often with agendas that include dozens of items for discussion and decision;
- supporting Board oversight of the complaints process, including reviewing the information provided by the Service with respect to complaints;
- engaging in the oversight of litigation and other legal matters, including Coroner’s Inquests and other public interest inquiries;

- supporting the Board's review, approval and/or modification of the Service's operating and capital budget submissions, as well as the submissions for Parking Enforcement;
- engaging with the Toronto Police Association and Senior Officers' Organization concerning labour relations and collective agreement matters;
- conducting research and work to support the development of policies and policy positions for the Board's consideration;
- reviewing best practices across Ontario and other jurisdictions as the Board develops its priorities and objectives;
- serving as the point of contact for members of the public on a wide variety of issues, complaints and where information is sought; and
- acting as a liaison to the municipal, provincial and federal government on a range of policing issues impacting the Board and the Service.

The Board Office must maintain the capacity to deliver on statutory, regular business (e.g. Board meetings), but also on anticipated policy and other issues that require independent research and consideration. It falls to Board Office staff to discharge these professional services so that the Board is best-equipped to make the ultimate governance decisions required of it.

It is becoming increasingly difficult to meet the significant and evolving governance and public demands of the Board with the Board's limited staff. In addition, the Board's ability to provide support for proactive and strategic policy matters is increasingly challenged given the volume of day-to-day demands. As was noted in Justice Morden's *Independent Civilian Review into Matters Relating to the G20 Summit*:

The Board and its staff in the past have increasingly shouldered a heavy burden in carrying out their responsibilities. If my recommendations are implemented this burden will be increased. Likely, this will necessitate the devotion of further resources to support the Board's work. (Hon. John W. Morden, *Independent Civilian Review into Matters Relating to the G20 Summit* (June 2012) at p. 37)

Since receiving and approving Morden's report, the Board has reduced its staff complement by one position and has significantly reduced its budget in response to the City's budget pressures. At the same time, the range of complex policy issues the Board is addressing, communications and media relations demands it must meet, and public requests and correspondence that must be attended to have increased substantially.

- ii. Proposed moderate enhancements to Board Office and staff to meet Board's legislative mandate

The Board Office staff are critical to delivering professional, best-in-class services to support the Board's various functions. The Board Office must be able to function as a fully independent policy, quality assurance, audit, communications, stakeholder

engagement and government relations entity. To continue to support the Board's governance role, the following three staffing enhancements are proposed:

1. New, full-time role for Senior Advisor, Strategic Audit and Governance (2019 request would total \$104,000, annualized cost would total \$172,400)
 - Strategic audit and governance function that permits the Board Office to critically examine Service Procedures, Ministry standards and best practices to: evaluate compliance; identify organizational risks; develop governance strategies for mitigation and correction; and, provide an independent ability to examine international best practices on critical policing issues to inform the Board's perspectives as well as priority and objective-setting for the Service. This will assist the Board in developing its own 'in-house', independent perspective on a range of policing matters as it engages in its governance function.
 - Strategic quality management function that permits the Board Office to evaluate to what extent quality service delivery in both the Service's operation and administration is maintained, including by independently measuring: the implementation of external recommendations (e.g. Coroner's Inquests, Independent Reviews, Ontario Human Rights Commission reports; etc.); compliance with court or tribunal-ordered settlements; training standards and best practices; communication processes; and, the success of internal control mechanisms.
 - Provides the Board Office with a valuable independent perspective to the evaluation of Service compliance with operational, program, financial and administrative requirements. This independence would alleviate the need to rely on the Service for these functions, and better inform the Board's governance and oversight decisions.

2. New, half-time role for Administrative Assistant (2019 request would total \$26,300, annualized cost would total \$41,000)
 - Review and draft responses to an increasing volume of public correspondence and inquiries; organize and maintain Board Office files and develop electronic filing system; conduct general Board Office budget administration.
 - Will also provide administrative support to Board Office staff and Board Advisory Panels.
 - Provide general administrative support to Board members.

3. Reclassify existing Administrative Assistant role to Executive Assistant to the Executive Director (2019 request would total \$18,900, annualized cost would total \$32,800)
- Provide high-level support to the Executive Director in relation to all new functions that role has assumed.
 - Provide day-to-day Board budget management; respond to public inquiries and complaints; follow up on action items and reports arising from Board meetings on behalf of the Executive Director.
 - Engage in all scheduling, review correspondence and draft responses for the Executive Director's review, and manage the interface with all stakeholders with whom the Executive Director engages on a regular basis (e.g. Chief's Office, Mayor's Office, City of Toronto offices and departments, Government of Ontario, etc.)
 - Provide support to Executive Director in relation to internal and external meeting preparation, and attend certain meetings to create record of meetings, action items, etc.

Safer Ontario Act and Possible Legislative Changes

Following the provincial election of 2018, the new government announced that it was reviewing the *Safer Ontario Act* to determine what changes it would make to this provincial policing legislation. No specific timeline has been announced as to when these changes would be consulted on or tabled.

The Board will assess the impact of any changes made by the provincial government. The Board's 2020 budget request will address any financial pressures that may arise from these changes.

Conclusion:

As policing becomes more complex in Toronto, so too does the governance function that supports it. In order to continue to provide the Board with robust and professional staff support, some moderate investment in the Board Office is required.

Respectfully submitted,



Andy Pringle
Chair

2019 Proposed Operating Budget

Toronto Police Services Board

	2018 Budget	2019 Request	Change	2020 Outlook	Change
Salaries & Benefits	1,037.2	1,176.0	138.8	1,280.2	104.2
Reserves	529.0	529.0	0.0	529.0	0.0
Other Expenditures	1,867.9	3,053.3	1,185.4	1,821.1	(1,232.2)
Total Gross Request	3,434.1	4,758.3	1,324.2	3,630.3	(1,128.0)
Revenue	(1,125.0)	(2,300.0)	(1,175.0)	(1,075.0)	1,225.0
Total Net	2,309.1	2,458.3	149.2	2,555.3	97.0