

Attachment 1

P2022-0111-3.2. Toronto Police Service – 2022 Operating Budget Request

The Board was in receipt of a report dated December 31, 2021 from James Ramer, Chief of Police.

Recommendations:

- 1) Approve the Toronto Police Service's 2022 net operating budget request of \$1,100.6 Million (M), a \$24.8M or 2.3% increase over the 2021 approved budget; and
- 2) Forward this report to the City of Toronto's (City) Budget Committee for consideration and to the City's Chief Financial Officer and Treasurer for information.

The following Motion was moved, and a recorded vote was held.

MOTION

- (1) Approve the Toronto Police Service's 2022 net operating budget request of \$1,100.6 Million (M), a \$24.8M or 2.3% increase over the 2021 approved Budget, with the exception of any proposed budget allocation for items involving Rogers Communications Inc.; (Approved)**

Result: Approved	
Yes: 7	Jim Hart (Chair), Frances Nunziata (Vice-Chair), Mayor John Tory, Councillor Michael Ford, Ainsworth Morgan, Lisa Kostakis and Ann Morgan
No: 0	
Abstain:0	

- (2) Approve the Toronto Police Service's 2022 net operating budget request with respect to all items involving Rogers Communications Inc.; (Approved)**

Result: Approved	
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Yes: 6	Jim Hart (Chair), Frances Nunziata (Vice-Chair), Councillor Michael Ford, Ainsworth Morgan, Lisa Kostakis and Ann Morgan
No: 0	
Abstain:1	Mayor John Tory

(3) Forward this report to the City's Budget Committee for consideration and to the City's Chief Financial Officer and Treasurer, for information. (Approved)

Result: Approved	
Yes: 7	Jim Hart (Chair), Frances Nunziata (Vice-Chair), Mayor John Tory, Councillor Michael Ford, Ainsworth Morgan, Lisa Kostakis and Ann Morgan
No: 0	
Abstain: 0	



Toronto Police Services Board Report

December 31, 2021

To: Toronto Police Services Board

From: James Ramer
Chief of Police

Subject: Toronto Police Service – 2022 Operating Budget Request

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Recommendation(s):

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

- (1) approve the Toronto Police Service’s 2022 net operating budget request of \$1,100.6 Million (M), a \$24.8M or 2.3% increase over the 2021 approved budget; and
- (2) forward this report to the City of Toronto’s (City) Budget Committee for consideration and to the City’s Chief Financial Officer and Treasurer for information.

Overview:

The 2022 budget request: a maintenance budget that is responsible and responsive

The Toronto Police Service’s (Service) 2022 net operating budget request is \$1.10 Billion (B) (\$1.26B gross), an increase of \$24.8 Million (M) or 2.3% above the Service’s 2021 approved budget. This request is for a maintenance budget, essentially covering only the financial impact of the Service’s collective agreement obligations in 2022 (2.2%), during a period of time when the rate of

inflation is on the rise. Other inflationary, contractual and legislated increases have been absorbed by the Service, within the budget request. This maintenance budget will allow the Service to maintain adequate service delivery throughout the city, while creating some ability to reallocate existing resources into priority areas.

This is a fiscally responsible budget that follows an average annual increase of 1.5% over the previous five years, including 0% budget increases in three of those five years. In addition, from 2010 to 2021, the Service reduced its combined uniform and civilian position complement by over 400 positions – resulting in a sustained savings of \$40M-\$50M annually.

The Service has been modernizing and reforming, and is a leaner Service today

After a decade of reductions, policing costs as a percentage of the City's overall net budget decreased by 3% from 2011 to 2021, again demonstrating the Service's continued commitment to fiscally responsible budgets. During this time, the Service continually looked for ways of doing business more effectively and efficiently. Examples include: alternative service delivery, civilianizing uniform positions where the authority of a sworn officer is not required; integrating technology and innovation into what we do; using retired officers to do background checks; implementing the District Special Constable program to de-task uniform officers where appropriate; moving to a four platoon shift pilot in most divisions; and, divesting ourselves of the life-guard and school crossing guard programs.

The Service's modernization has also led to the overall reduction of 400 positions since 2010. Some of this has been accomplished by civilianizing, at a lower cost, functions that were traditionally carried out by police officers. Some of this has been accomplished simply by not staffing positions after they became vacant through attrition or other means.

Toronto Police Service officers serve more residents today than officers from other comparators

Today, the number of uniform officers that the Service has per capita remains significantly lower when compared to other large police services in Canada, the United States (U.S) and the United Kingdom (U.K.). For example, based on 2019 population data, a single Toronto Police Service officer serves an average of 617 people, whereas a Vancouver police officer serves 510, a Montreal police officer serves 472, a London, U.K. police officer serves 271, a New York police officer serves 229, and a Chicago police officer serves 206. In other words, as compared to Chicago, one Toronto Police officer serves three times the number of people than an officer in the Chicago Police Department.

The Service must be able to address increasingly complex community safety demands in a growing city so it can serve residents, visitors, businesses and social service agencies

As the fastest growing city in North America, Toronto is changing rapidly. The City has seen tremendous growth in population, resulting in a significant increase in demands for services, coupled with the increasing complexity of policing (e.g. emergency calls, more complex investigations, increased time spent on calls, demonstrations/protests etc.). Essentially the Service has more calls that require more robust responses. Amid these growing and differing demands for service, it is critical to maintain staffing levels and to prioritize service delivery.

This budget request is based on the expectations of Torontonians in terms of what public safety services we provide and more importantly, how our members provide those services. It will enable the Service to invest in some key priorities, mainly through the reallocation of existing resources, and without increasing the Service's share of the City's overall budget. These priorities, established in consultation with the Board and the City, will involve expanding the Neighbourhood Community Officer (N.C.O.) program, addressing gun and gang violence, human trafficking, child exploitation, hate crimes, and other forms of victimization. It is important to recognize that investments in these key areas come at the cost of reducing services in other areas.

This maintenance budget request will allow us to address public and organizational priorities

This budget is guided by the direction set out by the Board, through the 81 recommendations in its Police Reform roadmap, and is also informed by public input. Throughout 2021, we heard firsthand from various stakeholders about the areas where more support is wanted and needed from the Service.

This has largely informed our priorities for 2022.

Areas of importance that the Service's budget request will help address include:

- **Growing the Neighbourhood Community Officer program** – which currently has 178 officers in 38 neighbourhoods – by redeploying resources to help increase the number of officers working to make communities in Toronto safer and to build public trust and confidence in the Service. Based on population growth, the total number of defined City neighbourhoods has recently increased from 140 to 158. While this redeployment will allow the Service to expand the program, it is important to recognize that we will still be unable to serve all neighbourhoods with a N.C.O.
- **Supporting City Council's Vision Zero initiative** by ensuring we have the resources to make our roads safer for cyclists, pedestrians and motorists. Traffic volumes in Toronto decreased by 50% during the pandemic, but speeding is up by more than 150% and stunt driving by

more than 186% since 2019. The Service's Vision Zero team – a group of 18 officers fully dedicated to traffic law enforcement – was specifically established to address these trends as well as aggressive driving, distracted driving and driving while impaired. This unit alone has issued more than 41,000 traffic tickets in 2021, with the goal of changing driver behaviour.

- **Further increasing resources dedicated to investigating hate crimes**
Toronto experienced a more than 50% spike in reported hate crimes in 2020 – an increase that continued in 2021. In order to better support the city's vulnerable communities, the Service has expanded its dedicated Hate Crime Unit and is increasing its collaboration with its Community Consultative Committees (C.C.C.s), including the Service's Black, Lesbian, Gay, Bisexual Transgender, Queer and Two-Spirit (L.G.B.T.Q.2.S.+), Indigenous and new Jewish C.C.C., who advise the Chief directly on how we can better serve their communities.
- **Expanding the number of police officers who receive enhanced mental health training and continuing to invest in and support alternative crisis response models** so we can better respond to persons in crisis. This also includes our work with the City and community partners on various alternative service delivery models, such as the Service's Crisis Call Diversion Pilot Project with the Gerstein Centre and the Community Crisis Support Service Pilot that the City will implement in 2022. We are also committed to continued partnerships in this area, which began with our Mobile Crisis Intervention Teams (M.C.I.T.) 20 years ago.
- **Strengthening relationships with the communities we serve by continuing to implement comprehensive police reform** through the Board's 81 Recommendations Report and the recommendations from the Honourable Gloria Epstein's *Missing and Missed Review* (Epstein Report), including prioritizing Major Case Management to reduce victimization, save lives, and comply with mandated requirements.
- **Introducing a dedicated team, who will provide a targeted response to emerging crime trends including the significant increase in auto thefts** comprised of officers from across the Service.
- **Further enhancing our ability to deploy our resources in the most effective and efficient manner**, by identifying and prioritizing calls that require the attendance of a uniform officer, and enabling other calls to be reported and responded to either online or through another appropriate response, such as having a district special constable attend.
- **Maintaining and improving service levels alongside the continued growth of the City and corresponding work load**, by expanding the four platoon pilot shift schedule. This schedule increases the number of available officers and will, in time, help the Service move to a 70/30

reactive/proactive service model to better address crime and connect with the community.

- **Providing continued training to Service members on workplace harassment and anti-racism.**
- **Ensuring our members, as our most important investment, maintain their physical and mental health wellness**, by providing them with the tools and programs they need.

We are coming out of another unique and challenging year— much of it driven by the COVID-19 pandemic – a year where we also saw a significant increase in homicides (20%) and a high rate of gun violence. While the Service has an impressive track record for solving shootings and homicides, gun and gang violence continues to persist and it is clear that demands for our services in this complex area will continue to grow.

We are therefore asking for a modest investment in order to maintain adequate policing services that Torontonians want and deserve.

The request does not include any new initiatives, other than the funding required to implement one of the key recommendations in the Epstein report, regarding the requirement to comply with provincially mandated Major Case Management protocols.

The budget request maintains staffing levels, but does not address growth or increasing complexity. These issues will become relevant for budget discussions beyond 2022.

The budget being requested comes with a level of risk. For example, containing premium pay which has historically been significantly overspent to meet workload requirements, investigations (e.g. homicides) as well as planned and unplanned special events and protests, will continue to be problematic.

Managing within this financially constrained budget, will mean having to be continually responsive and nimble in adapting to changing demands and requirements, and at the same time meet the priorities of the public. It will require the redeployment of uniform officers to key priority areas at the expense of reducing or eliminating other public safety services. It will also limit the Service's ability to effectively and efficiently respond to special and exigent events while still maintaining business continuity in other areas of the City.

Financial Implications:

The Service 2022 net operating budget request is \$1,100.6M (\$1,262.4M gross), which is \$24.8M or 2.3% above the 2021 approved budget. A full 2.2% (\$23.4M) of the 2.3% is related to the financial impact of applying wage increases from the collective agreements with the Toronto Police Association and Senior Officers' Organization.

Included in the budget is \$2.3M in funding for a new and enhanced initiative in support of Major Case Management. This is the only new initiative in the budget request and is in response to a key recommendation in the Epstein report and would place the Service in a position of better compliance with existing adequacy standards.

Table 1 summarizes the 2022 budget request by category. The budget development process, specific inclusions and year-over-year changes are discussed in more detail in the *2022 Budget Details* section of this report.

The Service has worked diligently to absorb and address cost pressures, enabling the containment of the increase to 2.3%. This maintenance budget request amounts to a 0.1% increase above the impact of the collective agreements even though these agreements are not the primary drivers in the request. This has been accomplished through strategic reductions of \$30M and strategic redeployments with the added challenges created by population growth, increased call demand, inflationary pressures and increasing complexity in police responses.

Table 1- Summary of 2022 Budget Request by Category

Category	2021 Budget \$Ms	2022 Request \$Ms	\$ Change over 2021 Budget	% Change over 2021 Budget
Salary Requirements	\$821.8	\$828.9	\$7.1	0.7%
Premium Pay	\$48.8	\$45.3	(\$3.5)	(0.3%)
Statutory Deductions and Benefits	\$227.3	\$237.7	\$10.4	1.0%
Reserve Contributions	\$36.0	\$36.0	\$0.0	0.0%
Other Expenditures	\$86.1	\$91.2	\$5.1	0.5%
Revenues	(\$144.2)	(\$161.8)	(\$17.6)	(1.6%)
Subtotal without Collective Agreement	\$1,075.8	\$1,077.2	\$1.4	0.1%
Collective Agreement Impacts		\$23.4	\$23.4	2.2%
Net Budget Request	\$1,075.8	\$1,100.6	\$24.8	2.3%

Note: due to rounding, numbers presented may not add up precisely.

Purpose:

The purpose of this report is to seek Board approval for the Service's 2022 net operating budget request.

Discussion:

A Budget Focused On Serving Torontonians and Those Who Work and Visit Toronto

Mission and Goals (What We do and Why We Do It)

Under Ontario's *Police Services Act* (P.S.A.), the Board is legally obligated to ensure the delivery, through the Toronto Police Service, of adequate and effective police services throughout the city of Toronto. This must include, at a minimum, the following services, with examples to help illustrate how the Service meets these requirements:

- **Crime prevention** - e.g. gang prevention strategy, community policing
- **Law enforcement** - e.g. responding to 911 calls, patrolling, making arrests, traffic enforcement and investigating crimes
- **Assistance to victims of crime** - e.g. Victim Services, Intimate Partner Violence strategy, the human trafficking section, Child and Youth Advocacy Centre collaboration with hospitals and Children's Aid
- **Public order maintenance** – e.g. presence at demonstrations, parades and other public events
- **Emergency response** – e.g. responding to extreme and exigent events; resource coordination through Toronto Police Operations Centre as well as response to major events

The City requires a modern, transparent and accountable police service that is committed to delivering these essential community safety services and that:

- is trusted by the public and is present when the public needs us the most. Torontonians expect that when they call 911, their call will be answered and our officers will be there to protect them, their families and their community;
- embraces community relationships and partnerships to create safe communities; and is committed to maintaining and further building those relationships, through reform, in a spirit of partnership and reconciliation with all diverse communities;
- is focused on the complex needs of a large city: our members are expected to receive world-class training, with the latest practices around de-escalation, mental health and delivering policing to our diverse communities, in a bias-free and trauma-informed manner; and
- is enabled by information and technology to deliver effective and value added public safety services as efficiently as possible.

Our vision, informed by data, research and experience, is to be an intelligence-led Service that:

- aims to achieve a balance of proactive (having an appropriate police presence that allows for meaningful partnership with communities and social service agencies to enhance community safety) and reactive (responding to emergency calls and follow up investigations) policing;

- is technologically advanced; and
- is properly resourced by a team of dedicated, well-trained and responsive officers and civilians - the kind of progressive policing that a large and growing city needs.

The Service's transformation efforts have been an ongoing journey over the last number of years. Guided by the Board and City Council recommendations, the Service and Board have made progress on implementing policing reforms – and, this proposed budget recognizes that reform is an ongoing priority that will continue through 2022 and beyond.

Budget Modernization for Better Informed Budget Discussions and Decisions

The Service is facing significant impediments in terms of:

- increasing demands for improved service delivery - improved efficiency, effectiveness and quality of services along with increased volumes and complexity;
- changes in legislation that increase service costs;
- increasing labour costs that make services more expensive; and
- greater and ever evolving demands for public accountability.

In addressing these impediments, it is important to provide information on the budget that clearly articulates the value of services, in the context of municipal priorities, limited resources and increasing demands, so that informed decisions can be made in the budget process. This will allow for a balance between controlling costs and understanding the impacts that reductions may have on public safety services. The Service uses data, trend analysis and a variety of analytics to accomplish this balance.

Budget modernization is critical to supporting the achievement of this objective. The Service will continue to examine and reinvent its processes in developing and communicating future budget requests.

The Service is currently moving toward service and outcomes based budgeting. In addition, budget modernization will aid in answering the recommendations for greater budget transparency, as outlined in the 81 Recommendations for Police Reform, approved by the Board in August 2020. This is a multi-year initiative and we will work with the City as it modernizes its overall budget process. Once fully implemented, Torontonians can expect a budget that is described in a manner that more clearly articulates budget costs with the services delivered by that budget. It will continue to be supported by metrics that include performance measures and outcomes tied to services provided. This is important work that

will allow the Service to continue to make investments where they are needed while ensuring residents and visitors to the City remain safe.

Further information on this initiative, including progress to-date, can be found in the *2022 Budget Details* section of this report.

Public Engagement, Education and Awareness

Budget transparency and education are key components of building successful engagement on the Service's budget with Toronto residents, businesses and stakeholders.

Building on previous years' efforts to share more information on the budget, the Service is continuing with a public education campaign for the 2022 budget that includes fulsome website content, including line-by-line budgets (excluding sensitive or privileged investigative/intelligence items), infographics, budget notes and links to more information on our Public Safety Data Portal, along with media releases and engagement through social media.

Budget material related to the 2022 budget as well as previous year's budgets can be found at: <http://www.torontopolice.on.ca/budget/>

All of this information allows the public the opportunity to know more about the Service's budget, to strengthen public trust through education and transparency, and to promote greater accountability. This is aligned with the Board's objectives for greater transparency in the budget process, as outlined in the Board's 81 Recommendations on Police Reform.

The Service is committed to building a budget that is representative of our desire to provide services that address the needs and demands of our diverse city. This budget is a reflection of service priorities, direction set out by the Board through the police reform roadmap and otherwise, legislative requirements, and is informed by public input and feedback.

Public touchpoints and consultations that occurred in the previous year, help to provide feedback to improve our understanding of the complex needs of the communities we serve. These initiatives allow the Service to gather information about the public's perceptions of safety, of police, of police service delivery, as well as on current issues that are having an impact on policing and the community.

The information gathered is critical in helping the Service gauge and measure police performance, analyze how police services are delivered, and set service priorities. In turn, the allocation of our resources and budget is a reflection of priorities informed through this feedback. Some of the ways in which the Service and Board have gathered input from Torontonians include:

- The Board's July 2020 virtual town halls (culminating in the 81 Recommendations, which underpin this budget)
- Monthly Board meetings, where various topics and initiatives are considered, along with deputations from members of the public and organizations
- Race-based data information sessions
- Community policing information sessions
- Policing and community safety related public opinion surveys and focus groups
- Chief selection process, including extensive, independent public consultations as part of the Board's process for selecting the next Chief of Police
- Community Policing Liaison Committees for each Division and Community Consultative Committees
- The Board and the Service engaging extensively with regulatory bodies, different levels of government, community organizations, academic experts, subject matter experts within and outside of the Service, as well as the Board's own Anti-Racism Advisory Panel and Mental Health and Addictions Advisory Panel, and the public as a whole, including the Police and Community Engagement Review Committee (P.A.C.E.R.), on a series of issues and initiatives related to policing reform and improved services.

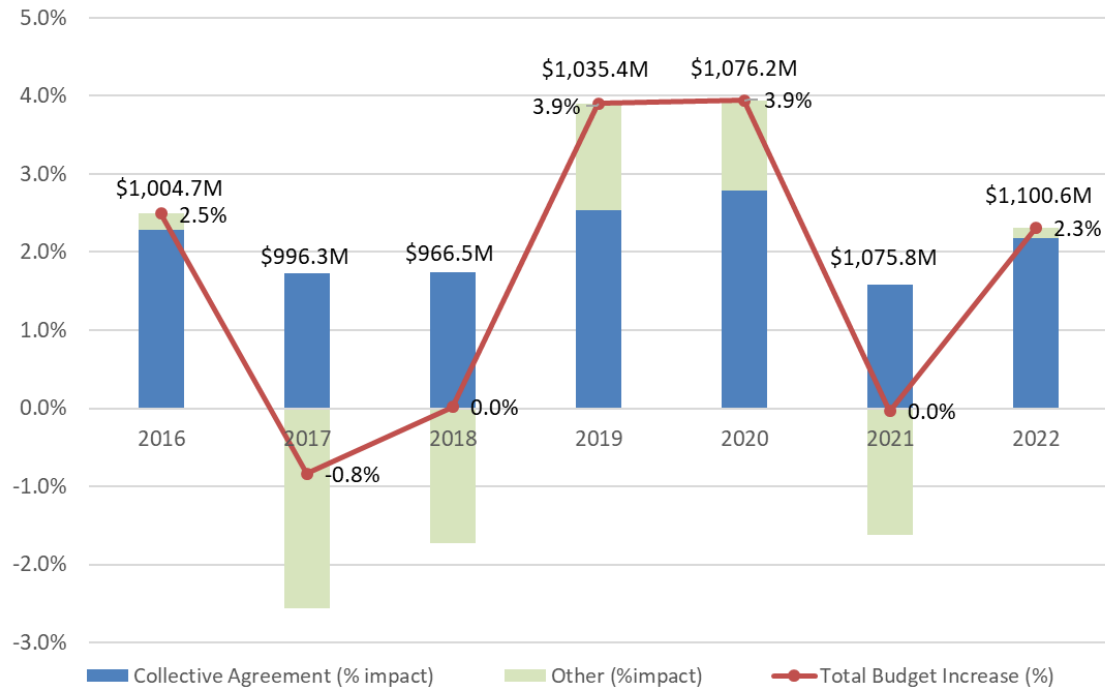
As public consultations are key to the budget process, the Service is developing a more robust public engagement strategy that will commence much earlier in the year. Starting in the spring of 2022, a series of engagements will begin to gather public input for the 2023 budget process.

A Lean Police Service After More Than a Decade of Reductions

0% Budget Increase in Three of Last Five Years

The average annual budget increase from 2017 to 2021 is 1.5%, which is below the rate of inflation during that period. As figure 1 shows, the Service has delivered a 0% (or lower) budget increase in each of 2017, 2018 and 2021. In 2019 and 2020, the budget increase was 3.9% in both years, driven mainly by collective agreement increases as well as required key investments for modernization. This 2022 proposed budget is built on absorbing as much of these costs as possible, while still implementing the reforms, priorities and other initiatives that are required of a police service in a world-class city.

Figure 1 – Historical Budget Increases 2016 - 2022



Significant Reductions Over a Decade

The Service has been reducing its budget for over a decade, with significant reductions occurring since 2016. As Table 2 shows, a significant enabler of these savings is the reduction of 408 Service positions and increased civilianization of previous police officer positions, between 2010 to 2021.

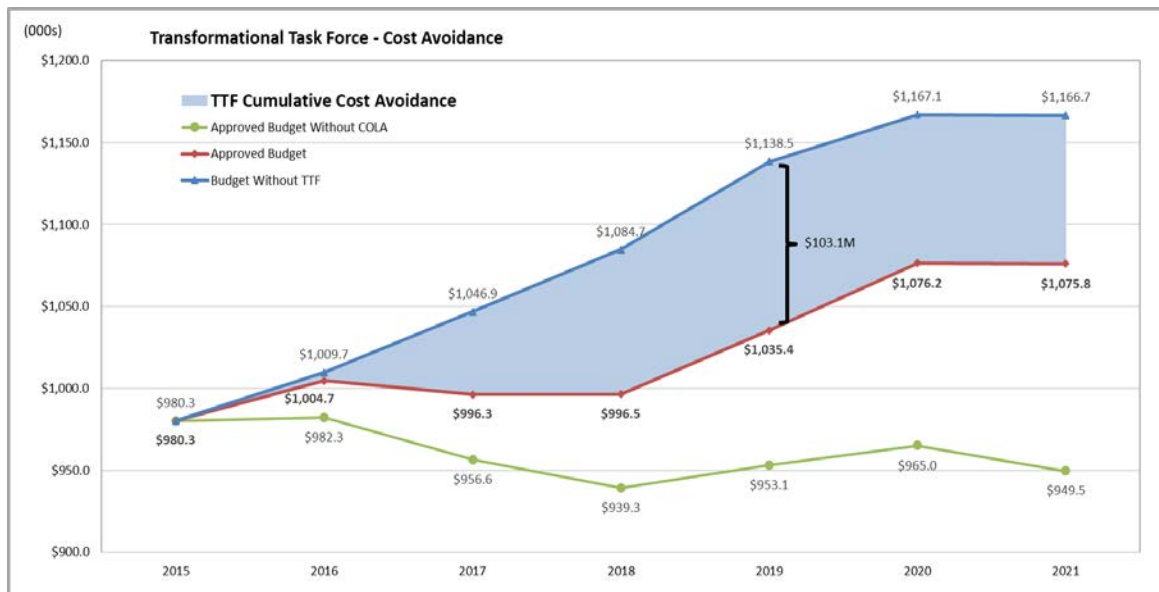
Table 2 – Reduction of Positions and Civilianization

Description	2010 Year end	2021 Budget	Change
Uniform	5,556	4,988	(568)
Civilian	2,240	2,400	160
Total	7,796	7,388	(408)

The implementation of the recommendations outlined in The Way Forward report led to the achievement of significant cost avoidance and savings since 2016. Figure 2 illustrates the savings/cost avoidance of \$100M at different points in time, of which over \$72M was due to a hiring moratorium. This achievement was only possible through the implementation of efficiencies and new ways of doing business to meet the service demands of a large, complex and growing city.

It should be noted while the Service has kept budget increases as low as possible, new technologies, processes and complexity of policing, carry with them a cost, both in terms of real dollars and the time it takes to complete tasks. With the reduced staffing level, the Service will have to muster all its industry, intellect and initiative to provide efficient and cost-effective public safety services and, at the same time, implement the important priorities arising from the Police Reform work and Epstein Report. However, some of these savings and efficiencies are sustainable and are explained in the next section.

Figure 2 – Service Budget, Pre and Post Transformational Task Force



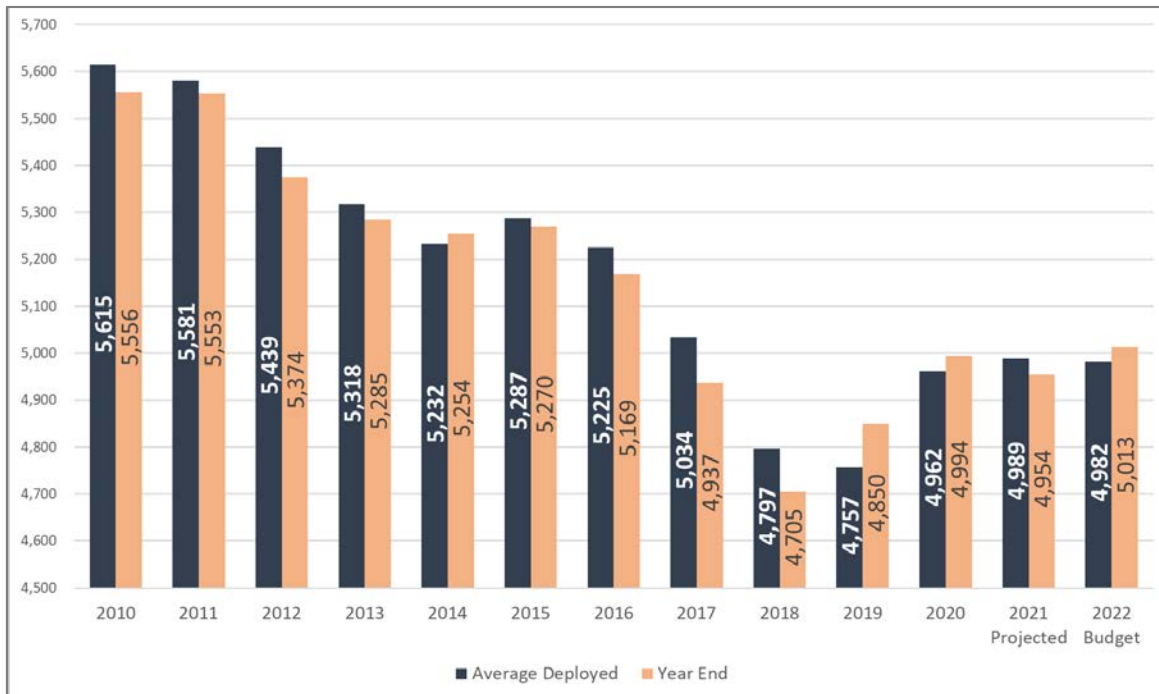
Sustained Reduction of 400 Positions and Civilianization

As Table 2 shows, the 7,796 positions at the end of 2010 (5,556 uniform and 2,240 civilian), compared to 7,388 positions (4,988 uniform and 2,400 civilian) funded in the 2021 budget show a staffing level decrease of 408. Over this period, uniform staffing levels have decreased by 568 and civilian staffing levels have increased by 160, driven in large part through the civilianization of roles previously filled by police officers. Figures 3 and 4 illustrate the Uniform and Civilian deployment history from 2010 to 2022.

That said, there are certain matters that necessitate a police officer response. Therefore, as the number of deployed officers decreased, the Service has had to rely heavily on premium pay to help ensure public safety was not compromised and necessary support services were provided to meet legislated and other requirements. However, this overreliance on premium pay is not fiscally sustainable and the additional hours worked can lead to employee fatigue and burn out – matters the Service remains committed to addressing through the

ongoing modernization of its Wellness Unit, and continued implementation of the Service’s Mental Health and Addictions Strategy.

Figure 3 – Uniform Deployment History 2010 - 2022



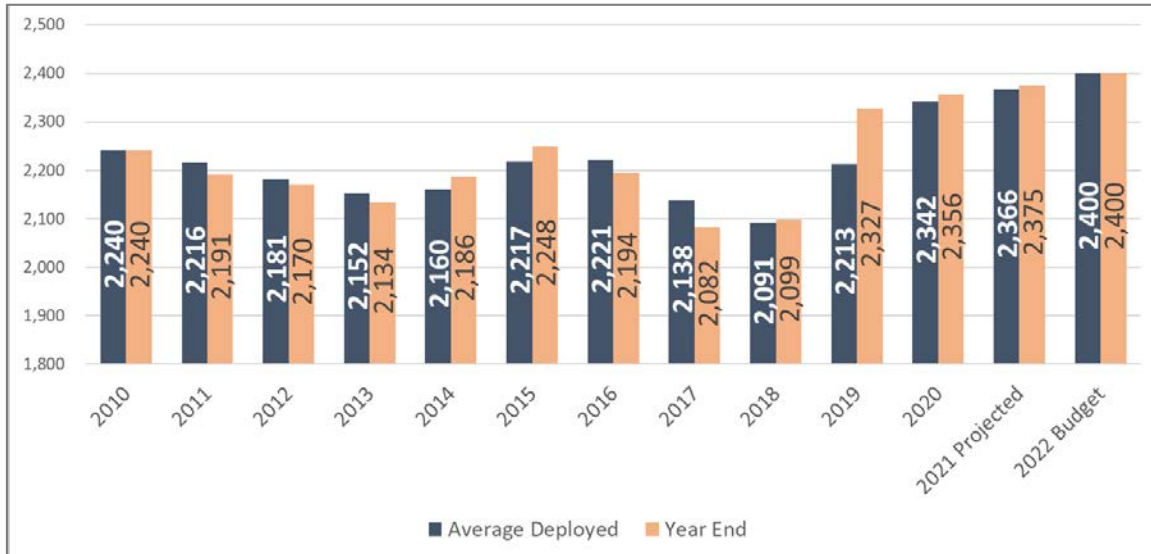
The Service has adopted new shift schedules for most divisions, aimed at maintaining adequate staffing levels towards priority response, taking into consideration the 70/30 reactive/proactive model that is aligned to international policing standards. Staffing levels and the shift schedules continued to be analysed in 2021 and will continue in 2022. Early indications are that when adequately staffed, these new schedules support member wellness, while at the same time increase deployment efficiencies. In addition, as part of the ongoing police reform work, the Service has commenced the Crisis Call Diversion pilot with the Gerstein Centre and is also supporting the City as it pilots alternative response to persons in crisis.

The Service continues its efforts to build capacity to deliver proactive, community-based crime prevention services. These efforts are continually challenged as a result of resource constraints and trends that show an increase in demand for emergency and investigative support in a range of areas (e.g. child exploitation, human trafficking, gun and gang violence), as well as the complexity of responding to community safety priorities of this nature.

Reduced staffing levels, increasing calls for service and time spent on calls, and an active reform agenda are putting significant strain on operations and staff in many areas. Efforts are being made to fill critical civilian vacancies, transition to a new service delivery model, and continue implementing new shift schedules that will assist in meeting frontline demands, as well as the objective of a 70/30

reactive/proactive model. The ongoing work of the Auditor General, as requested by the Board, will assist in informing these efforts and identifying additional areas where efficiencies can be realized.

Figure 4 – Civilian Deployment History 2010 - 2022



It is important to note that, as Table 3 below shows, civilians in the Service represent public facing/frontline, direct operational support as well as administrative resources. The civilian staffing levels have increased in some public-facing and direct operational support roles, primarily due to:

- civilianization of uniform roles (e.g. district special constables, crime analysts, prisoner bookers) that had an offsetting reduction in the uniform average deployed strength; and
- an increase in the number of 911 Communication Operators to help meet emergency response standards.

The administrative cadre has remained relatively flat, demonstrating the Service’s commitment to maintaining a lean and efficient administrative footprint.

However, the workload is such that many administrative areas are struggling to meet demands in terms of providing services to operational and support functions, as well as participating in key corporate projects and service improvement/risk management initiatives. The Service will be looking into how best and most efficiently to meet those needs, as part of the 2023 budget process.

Table 3 – Composition of Civilian Positions

CIVILIAN COMPOSITION	2022 Approved Positions	% of total	2017 Approved Positions	% of total
Court Officers	577		632	
Bookers	73		85	
Station Duty Operators	84		104	
Communications Operators	305		264	
Special Constables	136			
Crime Analysts	32			
Community Investigative Support Unit	17			
Direct Support	1,224	48%	1,085	44%
Divisions, Detective, Operational units - support staff	441		467	
Property and Video Evidence Management	60		63	
Fleet Mechanics and Support staff	103		114	
Information Technology Services	193		188	
Strategic Management and Governance	20		22	
Records Management	232		255	
Total Indirect Support	1,049	41%	1,109	45%
Other - Finance, H.R., Prof. Standards, etc.	263	10%	247	10%
TOTAL	2,536		2,441	

Note: Total funded positions in 2022 is 2,400.

A Lean Police Service - Comparators

A. The Service Compared to the City of Toronto

i. Workforce Changes

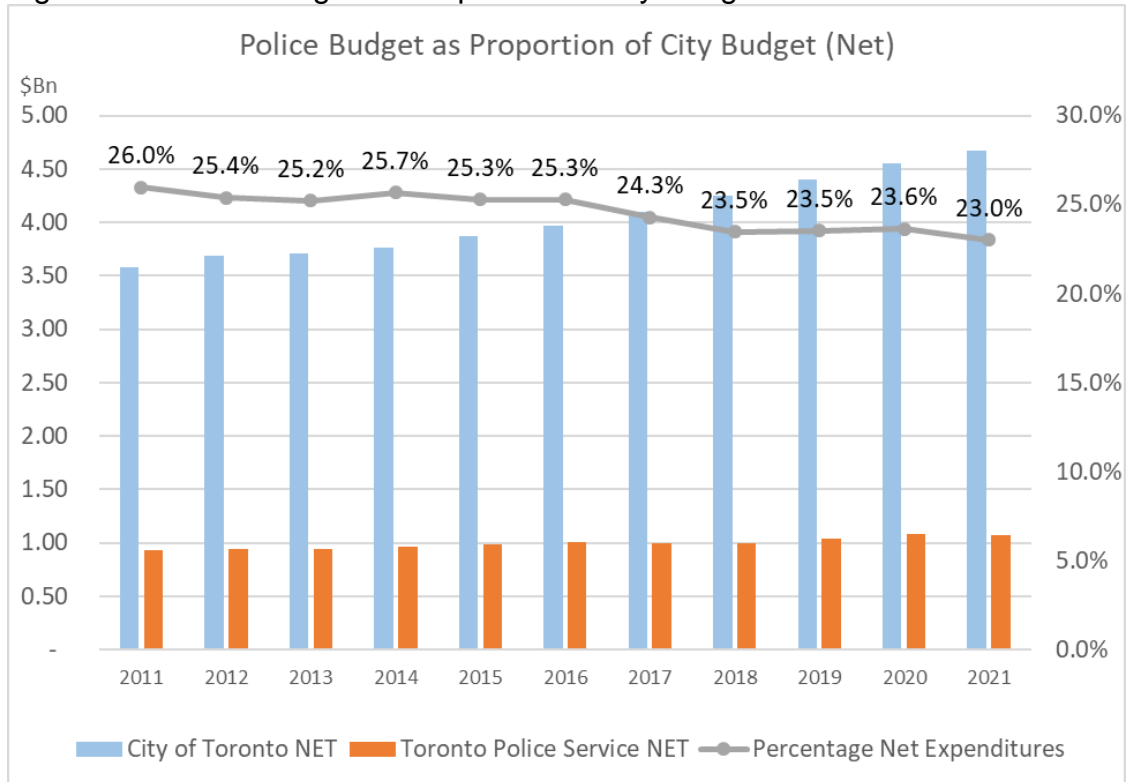
As mentioned in the above section of the report, the Service has reduced by over 400 positions in just over a decade, from 2010 to 2021 (i.e. from 7,796 positions down to 7,388 positions). This represents a workforce reduction of 5.2%.

In contrast, over the same period and as the population served in Toronto has been growing, the City's workforce (excluding police) saw a net addition to its staff complement of 5,405 personnel, or a 13% increase from 2010 to 2021. (Data Sources: For 2021 the source for this data is the City of Toronto City Council Approved Operating Budget Positions Appendix of the 2021 Budget Public Book. For 2010 the source for this data is the City of Toronto City Council Approved Operating Budget Positions Appendix as provided by the City Financial Planning Division.)

ii. The Service as a percentage of the City Budget

As Figure 5 below shows, the Service’s budget has decreased by 3% as a percentage of the City’s overall budget, on a net basis from 2011 to 2021. These reductions – enabled through modernization and cost containment measures – were achieved alongside the need to serve a rapidly growing population (10.6% increase from 2011 to 2021) with diverse needs, while also having to cover cost of living wage increases for our members.

Figure 5 – Police Budget as Proportion of City Budget



Data Sources:

The sources for this data for the City of Toronto is based on the data found in the Appendix section of the Budget Public Books for the following year. For example, the data for the 2015 City of Toronto budget is taken from the 2016 Budget Public Books as this would be the last year the numbers would appear and the numbers fluctuate from year to year.

Toronto Police Service 2021 Budget adjusted as per in year approved changes.

B. The Service Compared to Similar Policing Organizations

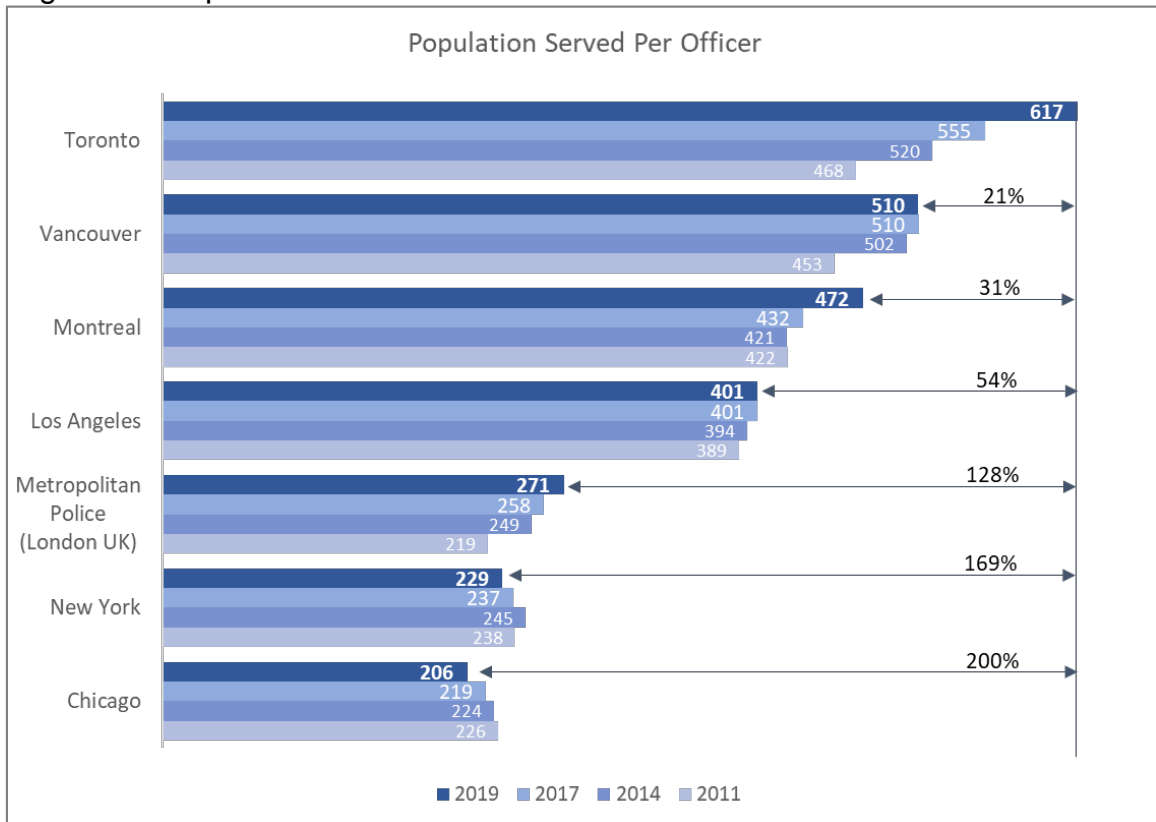
i. Population Served Per Officer

Policing is about residents and visitors feeling safe. It must be provided effectively and efficiently, using strategic deployment of people while ensuring their work and activities are value-added and contribute to making and keeping Toronto a safe city. With a budget that is comprised of over 89% people-related costs, the Service has made significant staff reductions and has innovated to increase capacity and optimize its workforce for the best possible public safety

service delivery. Due to the decline in the number of uniform officers alongside the increased population growth of the City, the population served per officer increased from 555 in 2017 to 617 in 2019, an increase of 11.2%.

Figure 6 below shows that in 2019 which is the most recent year this information is available, Toronto had a significantly higher rate of population served per uniform officer, as compared to other large, urban police services. Figure 6 also shows that a Toronto Police officer serves three times more people than an officer in the Chicago Police Department. It should also be noted that in the U.S., multiple law enforcement agencies provide service in the same area with overlapping jurisdictions (e.g. in New York you have Port Authority Police and several other agencies doing work that in Toronto would be done by the Service). This demonstrates how lean the Service is as a public safety service provider.

Figure 6 – Population Served Per Officer



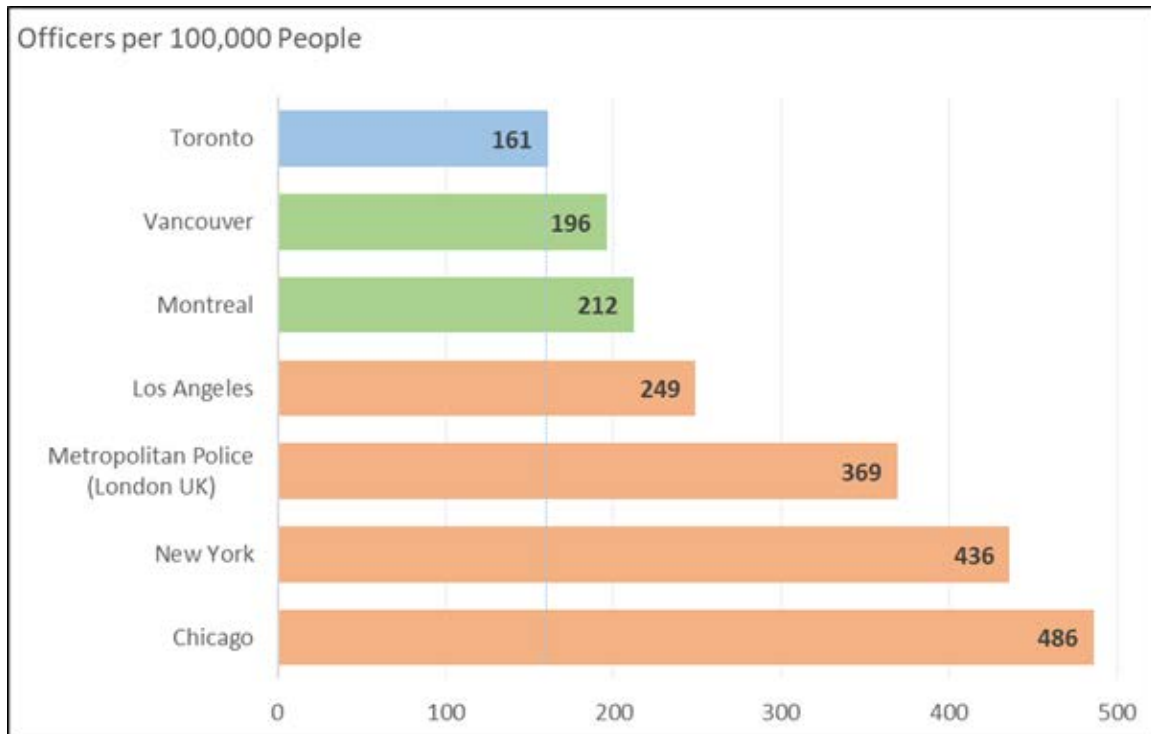
Data Sources:

Full-time Equivalent (FTE) form Government of Canada Statistics, Table 35-10-0077-01; U.S. Department of Justice - Federal Bureau of Investigation - Criminal Justice Information Services Division, Police Employee Table 77 (State & Population) and Table 78 (City) and Home Office, Police Workforce: England and Wales: 31 March 2021 (Police Officers taken as Designated Officers, Police Community Support Officers and Police Officers), Mid-year population estimates 2019; Office for National Statistics (ONS).

ii. Officer to Population (Cop to Pop)

Shown another way, compared to cities outside of Ontario and comparable cities in the U.S. and U.K., Toronto has the lowest police per capita levels, again showing how lean the Service is operating.

Figure 7 – Officer to Population



Data Sources:

Statistics Canada, Police Administrative Survey. Total number of police officers Represents actual police officer strength as of September 30 for 1986 to 1995; as of June 15 for 1996 to 2005; and as of May 15 since 2006. US Cities: FBI Uniform Crime Reporting (UCR) Program, Table 78 (2019). Metropolitan Police: Home Office, Police Workforce: England and Wales: 31 March 2021 (Police Officers taken as Designated Officers, Police Community Support Officers and Police Officers, Mid-year population estimates 2019; Office for National Statistics (ONS)

Key Challenges and Risks

The Service has reduced its budget and staffing levels over the course of several years, in an effort to meet public demands, to be as efficient as possible, and to innovate. Given analytics that show increasing population and growth in a complex urban centre, crime trends demonstrate that several areas require increased attention. The complexity of police work is increasing, manifesting in time intensive calls requiring additional investigative and procedural steps. The Service is of the view that any further reductions will compromise the delivery of police services in Toronto to an extent that cannot be supported. This is why a modest increase to the budget is being proposed that will allow the Service to maintain its current deployment while maintaining some flexibility and capacity to

innovate. Despite capacity building efforts over the past several years in a time of budget containment, the Service's operating environment continues to be influenced by demands for policing services and increasing workload. Some of the key factors are described below:

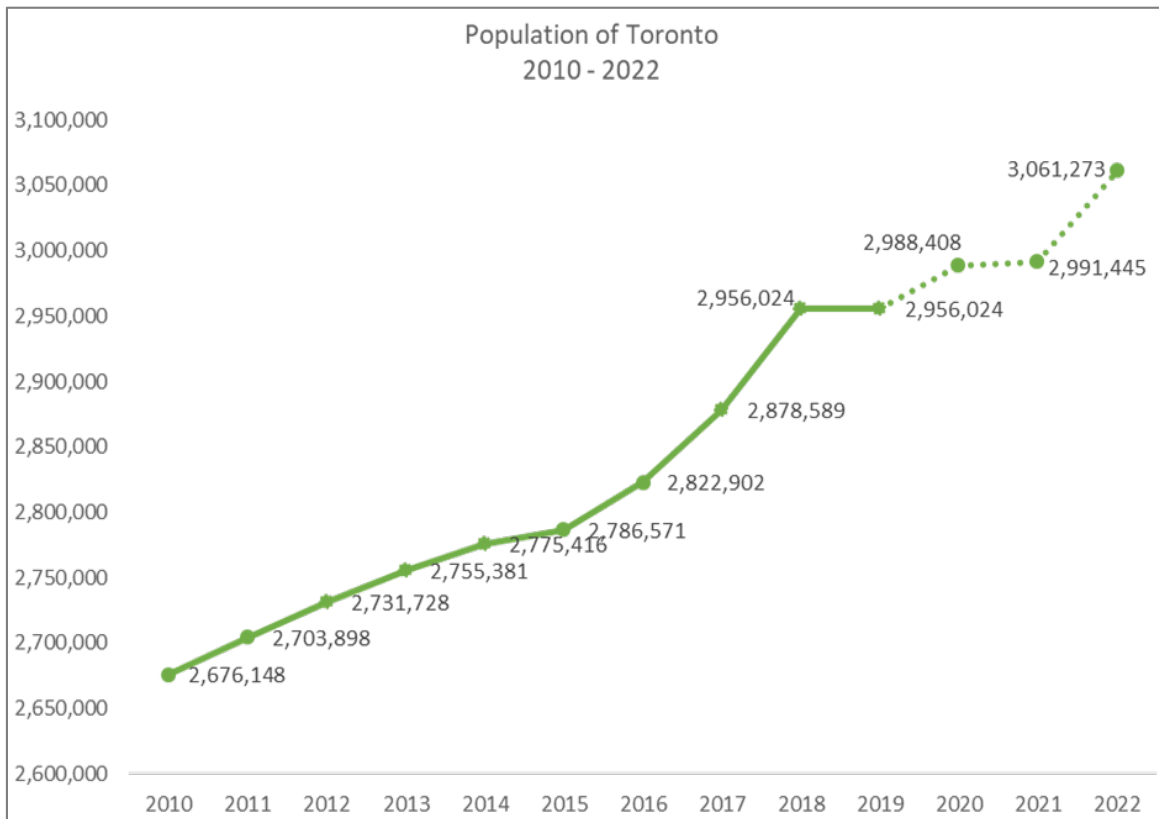
- Rising urban population and service demand
- Upward trends in gun and gang activity and shootings
- Increase in persons in crisis calls
- Increasing time spent on calls for service and investigations
- Legislative impacts
- Need for greater accountability
- COVID-19 pandemic impacts

Rising Urban Population and Service Demand

A growing city means more calls to 911, more traffic, more opportunity for crime and more city events that require a police presence for safety and security reasons.

The city of Toronto is growing at an exceptional pace. According to a report in June 2020 by Ryerson University's Centre for Urban Research and Land Development, when comparing population growth in metropolitan areas and major central cities in Canada to the U.S., Toronto is the fastest growing city. This growth is expected to continue. As illustrated in Figure 8 below, by 2022, Toronto's population is projected to be close to 3.1 million people (Source: Statistics Canada estimates, 2019, and Ontario Ministry of Finance Projections).

Figure 8 – Toronto Population Growth



While population growth is not the only reason for increases in crime and calls for service, it is undoubtedly a key factor. There is a direct relationship between the growing number of residents and an increase in demands for all municipal services, including policing.

Furthermore, there is an additional demand on most municipal services due to the millions of people who come into the city to work and visit. As the population and number of visitors increase, so do the total number of calls for service which increased approximately 5.3% from 2017 to 2019, while emergency calls for service were 14% higher for the same time period. In 2020 and 2021, calls decreased slightly, however these are anomalous years due to the COVID-19 pandemic. While the Service has made efforts to provide alternative service delivery, through pilots such as the Gerstein 911 crisis call diversion as well as 311, overall demand is still rising for policing services.

Upward Trends in Major Crime

The Service is dedicated to delivering policing services in partnership with communities, to help ensure Toronto is one of the best and safest cities in the world. It uses six major crime indicators as a measure of safety. The degree to which a city is considered safe, in turn, impacts quality of life, entertainment, economic development, business investment and tourism.

Half of all major crimes have increased to date comparing 2020 to 2021.

Current year crime trends need to take into consideration crime rates of previous years because active cases can create investigative and court related workload for years to come.

In addition to the large increase in homicides, as shown in Table 4 below, human trafficking, child exploitation and intimate partner violence are complex and require extensive resources. Additionally, auto thefts have become a major problem, with the number of thefts increasing by 58% between 2017 and 2019, and a further 8.6%, year to date, between 2020 and 2021.

The Service is taking action to establish a dedicated team to address this serious problem, working with other police services, and recognizing that this team will have to be formed by redeploying officers from other areas of the Service.

Table 4 – Major Crime Indicators

Major Crime Indicators						
	2017 FY	2020 FY	% Change 2020 over 2017	2020 YTD	2021 YTD	% Change 2021 YTD over 2020 YTD
Assault	19,292	18,169	-5.8%	16,524	17,290	4.6%
Auto Theft	3,585	5,666	58.0%	5,210	5,660	8.6%
Break and Enter	6,933	6,963	0.4%	6,257	5,157	-17.6%
Homicide	65	71	9.2%	64	77	20.3%
Robbery	4,098	2,840	-30.7%	2,627	1,992	-24.2%
Theft Over	1,191	1,229	3.2%	1,095	973	-11.1%

Note: Data was retrieved from Public Safety Data Portal on November 22, 2021 and may change based on investigations and reporting dates.

Year to Date data as of November 21, 2021

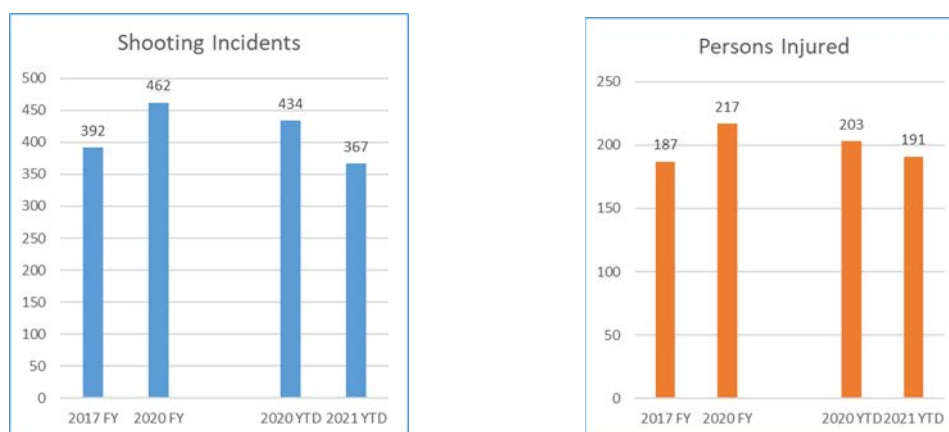
Homicides:

The number of homicides in the City continue to show a disturbing trend increasing by 9.2% (65 to 71) between 2017 and 2019. Between 2020 and 2021 year to date, homicides increased by 20.3%.

Shooting Incidents:

Shooting incidents in the City continue to be a cause for concern for the Service and the community. In 2020, there were 462 incidents of firearms discharged in Toronto, resulting in 217 victims (fatalities and injuries). This represents a 17.9% increase in shooting incidents from 2017 to 2020 and a 16% increase in shooting victims in the same time period. While shootings are down by 67 incidents between 2020 and 2021, year to date, the number of shootings is still high and a significant cause of concern.

Figure 9 – Shooting Incidents and Persons Injured



These shooting calls are a major issue for public safety. They have a direct impact on victims, their families and loved ones. The violence and arbitrariness of some of these events along with the retaliatory nature leave the broader community where these shootings occur feel unsafe. They also cause pressures on our resources, front line and investigative, including the ability to promptly and properly address other calls for service. In order to increase investigative effectiveness, a dedicated centralized shooting response team (C.S.R.T.), that has central oversight and carriage of all shooting investigations in the city, was piloted in 2020 and made permanent in 2021. This team was formed through the redeployment of other Service resources resulting in a degradation of service in other areas.

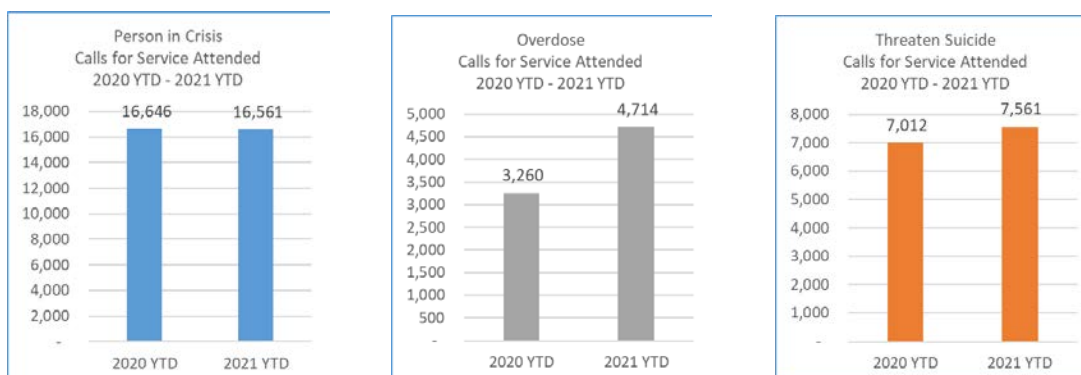
Gun and Gang Violence:

Community safety has been impacted by the rise of gun and gang activity in the city. Based on a four-year commitment from the Province, the Service is receiving \$4.9M this year to fund enhanced gun and gang prevention and suppression initiatives. This funding is in addition to the already significant investment made by the Service to these investigations and gang prevention through the Integrated Gun and Gang Task Force (G.G.T.F.). Despite the rise in shooting incidents over the past number of years, the G.G.T.F. has seen a number of successes in its investigations. Of note, the C.S.R.T. is solving gang related shootings at a greater rate than ever before.

Increase in Crisis Calls (Opioids and Mental Health)

The nature of calls for service has also been changing – see Figure 10 below. Specifically, from 2017 to 2020, the calls for service involving persons in crisis increased by 20.3%, and the calls for service involving an overdose increased by 54.1%. Calls in regard to a person threatening suicide increased by 11.1% and by 48.6% for a person attempting suicide. The trend for calls for service involving a person in crisis continues to increase.

Figure 10 – Increase in Crisis Calls



These are significant increases. Compared to other types of calls for service, person in crisis calls require more time to enable de-escalation and other approaches aimed at resolving the call in a manner that keeps everyone – the individual, other members of the public, and our members – safe. These calls also require highly coordinated partnerships with community stakeholders and mental health experts. That said, police cannot be removed completely from all crisis response. It is important to recognize the critical role the police fulfill in ensuring public safety and contributing to positive outcomes. It is important to note that:

- there is a significant time investment required to provide this service;
- overall, the outcomes achieved when the Service is engaged in crisis calls are positive;
- there were a number of crisis calls in 2021 that necessitated a police response where there were serious safety risks, some of which were only known after attendance at the call;
- the Service is, at the same time, committed to finding ways to divert those crisis calls that do not require a police response so that positive outcomes can be facilitated with the most appropriate resource, and that our resources can then be made available for the increasing demand we are experiencing in other areas; and
- officers are increasingly administering life-saving naloxone at overdose calls, often when other emergency responders have yet to be contacted. Officers on patrol are uniquely positioned to provide this type of service in high risk vulnerable locations.

To address these public health calls, the Service utilizes M.C.I.T., a collaborative partnership between hospitals and the Service. This program partners a mental health nurse and a specially trained police officer to respond to situations involving individuals experiencing a mental health crisis. This program has seen

countless positive outcomes for persons in crisis and has been replicated in many other jurisdictions.

Without asking for additional resources in 2021, the Service expanded the M.C.I.T. resources from 17 officers to 28 officers, by redeploying officers into these positions. In addition, the Service initiated a proof of concept that places third party crisis workers from a community agency into the Service's 911 communications centre in order to divert non-urgent and non-life threatening crisis calls to a non-police responder. In the first two months of this pilot, 42 calls to 911 were diverted to the community agency for response. The Service is paying for the entire cost of this crisis call diversion pilot from within its budget. Other alternative service delivery efforts for crisis calls are also being actively piloted in collaboration with the City.

Increasing Time Spent on Calls and Investigations

The time required to attend a call is increasing. The Service spent 13.3% more time on calls, on average, in 2020 than in 2017. Calls for persons in crisis take more time due to the care needed to de-escalate the situation safely. Moreover, time spent on calls has grown due to increasing time spent to gather evidence (due to growth in technology) and extensive administrative responsibilities, some of which are required for compliance and accountability reasons.

Investigations have also become more complex, as a result of time intensive applications for assistance orders, search warrants and other forms of judicial authorization, as well as detailed review of cellphone transcripts and closed circuit television video (C.C.T.V.).

Legislative Impacts

A number of relatively new legislative requirements will continue to impact the Service in 2022. These include: presumptive Post Traumatic Stress Disorder (P.T.S.D.) legislation which has led to a substantial increase in successful P.T.S.D. related W.S.I.B. claims; Next Generation 911; the 2016 R. v. Jordan decision requiring a trial within a prescribed period; and the disclosure of "911 tapes" decision (R. v. M.G.T, 2017). Each of these legal requirements represents additional cost and/or resource pressures for the Service that manifest both in terms of hours spent on delivering a policing service (i.e. the number of hours required to complete an investigation) and/or the number of personnel available to deliver that service at any given time (i.e. because an increasing number of personnel are not available to work).

After the enactment of cannabis legislation in October 2018, the Service developed a framework for measuring and tracking the impact of cannabis legalization on the Service. These activities include, but are not limited to targeting illegal dispensaries; training; and processing and destruction of seized cannabis. The 2022 budget assumes that recoveries, including a draw from the

City's Cannabis legislation reserve will help offset the Service's cannabis related costs.

COVID-19 Pandemic Impacts

Since mid-March of 2020, the COVID-19 pandemic has impacted how the Service conducts its operations and has altered demands for service. Internal operational adjustments as well as an altered demand for service have had both positive and negative impacts on the Service's budget. The 2022 budget assumes the COVID-19 pandemic will continue to influence the Service's operating environment. Due to the public-facing nature of the Service's role, members with possible exposure to COVID-19 have had to self-isolate. The self-isolation of members suspected and confirmed to have COVID-19 has resulted in ongoing resource constraints on the Service. This self-isolation resource demand eclipses any corresponding reductions in resource demands outlined below as a result of COVID-19 impacts.

Changes in demand for service and therefore workload resulted from the following:

- Most courts were shut down so the Service incurred a lower premium pay pressure for in-person Court attendance. The process for court appearances has changed with the required adaptation to video bail appearances;
- Special events were cancelled resulting in lower premium pay, as well as a reduction in paid duty requests that resulted in less administration fee revenue to the Service. It is anticipated that more events are likely to return sometime in 2022;
- Greater enforcement effort associated with new and constantly evolving COVID-19 legislation and by-laws as well and pandemic related protests and demonstrations;
- Emergency calls for service were lower in 2020, decreasing 15% over 2019. However, emergency calls for service in 2021 are 2.7% higher than this same time in 2020. Most major crime rates were also lower in 2020 as compared to 2019. This trend continued into 2021 as well. This is likely due to the City's pandemic response leading to fewer commuters, minimal tourism, and tighter mobility and economic related restrictions; and
- Comparing 2020 November to 2021 November, collisions decreased by 7.1% year to date.

COVID-19 Financial Impact

COVID-19 related financial impacts are expected to continue into 2022. Although difficult to predict, the Service anticipates similar operational and

financial impacts that were experienced in 2020 and 2021, for a full year in 2022, particularly given the impact of the recent Omicron variant. The 2022 Operating Budget for Service includes \$17.6M in anticipated COVID-19 related costs and revenue losses. The City continues to engage with other levels of government and is requesting relief funding from the federal and provincial governments to offset the cumulative financial impact to City expenditures and revenues.

- The following pressures and the offsetting revenue are included in the 2022 budget request:
 - COVID-19 specific supplies, equipment, wellness support (e.g. personal protective equipment, decontamination, cleaning aids, contract nurses);
 - estimated additional cost of W.S.I.B. as it relates to COVID-19;
 - premium pay pressures for enforcement activities;
 - enforcement cost of protests and demonstrations and temporary relocation of encampments into leased hotels and emergency shelters;
 - information technology related expenditures related to working remotely and video calls; and
 - revenue losses in some service fees such as criminal reference checks due to lower demands.

COVID-19 related impacts to how the Service operates include:

- Due to the public-facing nature of the Service's role, members with possible exposure to COVID-19 have had to self-isolate. The self-isolation of members suspected and confirmed to have COVID-19 results in resource constraints on the Service, offsetting the capacity that could have existed due to lower demand for service in some areas;
- Increase in costs associated with personal protective equipment, the enabling of remote work, the updating of facilities to enable social distancing, and enhanced cleaning measures; and
- New social distancing rules have been created that require enforcement.

Specific financial impacts are further described in the 2022 Budget Details section of this report, under the revenue sub-section.

Key Priorities for 2022

The 2022 budget request increase basically only covers the financial impact of the collective bargaining agreements, with only a 0.1% increase for other requirements – this means the Service has had to absorb other cost pressures,

the biggest being premium pay. There are no new investments, other than the funding required to implement one of the key recommendations in the Epstein report, regarding the need for compliance with the provincially mandated Major Case Management.

In order to deliver services that the community needs, the Service continues to focus the Service's existing resources to priority programs such as the N.C.O. program and shooting response teams. These reallocations are required in order to meet the needs of a growing and complex city. The challenges in 2022 are expected to continue to be complicated by the impacts of the COVID-19 pandemic. In addition, the nature of crime and policing is evolving and continues to become more complex. This necessitates the need to continually revisit how resources are utilized and prioritized to ensure the allocation is value added and most effectively contributes to public safety.

The proposed budget includes the following program priorities, and reflects service enhancements, a focus on our people and continued commitment to previous successful investments.

Maintaining Service Levels with Continued Growth in Workload

A key priority for the Service is dedicating sufficient officers to Priority Response Units (P.R.U.) across the City, utilizing the new and more efficient and effective four platoon shift schedule, which is entirely dependant on adequate staffing levels. This model is meant to address increases in calls for service and maintain adequate response times, which is a priority for the Service. The goal remains to achieve a 70/30 reactive/proactive service model; increasing the time for more proactive policing that P.R.U. officers can spend connecting with the community to build the kind of relationships that help prevent and solve crime, and enforcing traffic violations. However, this maintenance budget request does not allow the Service to make any additional investments in staffing. Any new priorities will come at the expense of redeploying staff from other areas resulting in service degradation.

Improving response times to ensure people in Toronto in need of emergency services, receive a timely and appropriate police response is a key priority. With changing demands and requirements, it is important for the Service to be nimble and responsive to those changing priorities, while preserving the services that are most important. With critically constrained resources, this means that non-emergency calls and other services will experience greater gaps in service. These service gaps continue to grow with the growth of the city, the increasing number of calls, and a static number of police officers. The Service is actively working to invest in creating a robust online reporting system to alleviate in person police response where appropriate.

Neighbourhood Community Officer (N.C.O.) Program

Communities in Toronto have provided feedback that they would like more dedicated police presence in their neighbourhoods and that they value the

relationships built with officers in the N.C.O. program in partnering for improved community safety. The N.C.O.s have a multi-year commitment to their neighbourhoods in order to build meaningful relationships without being tied to priority response functions. These officers will identify community safety priorities unique to their neighbourhoods and mobilize resources to address these priorities by developing long term sustainable partnerships with residents, agencies and businesses that will allow them to prevent and solve crime. Currently the N.C.O. program has been implemented in 38 out of 158 city neighbourhoods with 178 Neighbourhood officers. This budget request, along with resource redeployment, will allow for expansion of the program in 2022.

Improved Road Safety through Vision Zero

The Service continues to dedicate a team of 18 officers to the Vision Zero Road Safety Program. This team works closely with all divisions in addressing local community driving complaints, enforcing traffic offences, supporting local road safety initiatives, as well as conducting town hall meetings to discuss matters of traffic safety. As of mid-December, the Vision Zero Enforcement Team has issued approximately 40,000 traffic tickets, or 20% of the Service-wide total. In addition to speeding, the Vision Zero Enforcement Team has also focussed on aggressive and distracted driving offences, as well as driving while impaired.

Preventing Hate Crimes

Hate Crime is a criminal offence committed against a person or property that is based upon the victim's race, national or ethnic origin, language, colour, religion, sex, age, mental or physical disability, sexual orientation, or any other similar factor. Under-reporting continues to present a challenge that affects the Service's ability to investigate and prevent hate motivated offences in various communities. The Service recognizes that working with community groups and media outlets to encourage and assist victims to report these crimes is an essential aspect of its mandate. Toronto experienced more than a 50% spike in reported hate crimes in 2020. The trend continued in 2021 where hate crimes have increased by a further 44% over 2020. The Service continues to dedicate officers to its Hate Crime Unit, with the objectives to prevent and to thoroughly investigate hate motivated offences and pro-actively educate others to enable them to recognize and combat hate, which is on the rise. Recognizing that hate crime investigations are complex, often requiring extensive resources and officers with specialized skills, the Service intends to further expand our capacity to investigate, prosecute and prevent these crimes.

Combatting Gun & Gang Violence

The City has seen a dramatic increase in the amount of gang related violence over the last several years. It became apparent to the Service that an innovative approach was needed to reduce the violence and reduce the number of Toronto's youth from getting involved in the gang culture. The Service established the Integrated Gang Prevention Task Force in an effort to prevent the increase of gang violence and membership through a multi-sectoral approach

focused on education, prevention, intervention and suppression in partnership with community agencies. As a result of the consultative, academic, and real world efforts, the Service is determined to positively engage and empower victimized and terrified community members with the framework, consistent support, educational opportunities, and a positive presence through the development of community empowered and led solutions based on their individual neighbourhood needs.

At its November 2021 meeting, the Board endorsed and adopted the City's *SafeTO: Toronto's Ten-Year Community Safety and Well-Being Plan* (Min 1121-21 refers).

The Service remains actively engaged as a key partner in the development and implementation of SafeTO.

Implementation of Recommendations for Epstein Report – For High Positive Equity Impact

Included in the budget is funding for a new and enhanced initiative in support of Major Case Management (Epstein report).

This key initiative allows the Service to comply with legal requirements to utilize Provincially-mandated software that ensures the integrity of case management investigative data, and provides the ability to link information across jurisdictions.

The Epstein report identified deficiencies in how the Service conducts missing persons investigations. Specifically, the report identified that the Service has not met the provincial adequacy standards of indexing major investigations into PowerCase; a software used by the Major Case Management Unit. This was as a result of a lack of resourcing in this labour intensive function. PowerCase ensures major case investigations are focused, methodically controlled, and audited throughout the investigative life cycle. It indexes investigative information, searches the database for similar records to connect commonalities, and shares this information among police services across jurisdictional boundaries (Public Safety Canada, 2020). Using this software to take advantage of its features will result in reduced victimization and assist in solving serial crimes such as murders, sexual assaults and missing persons. Several recommendations within the Epstein report pertain to indexing major cases into PowerCase. Increasing staffing within this area will allow for the Service to implement these recommendations which will contribute to conducting more effective and timely investigations that impact underserved communities and equity-deserving groups.

Several reviews have identified deficiencies and systemic issues in major investigations that victimize Indigenous, L.G.B.T.Q.2.S.+., and racialized communities, including the National Inquiry into Missing and Murdered

Indigenous Women and Girls (Reclaiming Power and Place, 2019) and the Independent Civilian Review into Missing Person Investigations (Epstein Report, 2021).

Using the City's scale to measure equity impacts, the increase of resources to the Major Case Management Unit has a high positive equity impact. Indigenous People, Immigrants, Refugees & Undocumented individuals, women, L.G.B.T.Q.2.S.+., Persons with Disabilities, Racialized Groups, Black, Vulnerable Youth, and Vulnerable Seniors will be positively impacted.

Alternative Service Delivery

The Service has diverted calls where possible (e.g. noise complaints), piloted and expanded alternative resources (e.g. M.C.I.T.) and transferred noncore services (e.g. crossing guards, lifeguards, Toronto Transit Commission (T.T.C.) security). The Service is continuing to explore alternative service delivery where possible; however, such changes always have to be done with public safety in mind.

Guided by The Way Forward report, the Service also implemented alternative service delivery approaches in some areas to refocus and make better use of its existing resources. Through the 311 diversion program, expansion of online reporting, new 12-hour shift schedule, improved processes, additional civilianization of appropriate roles and the improvement of officer distribution, cost savings and avoidance have been achieved, with the goal of creating a responsive, affordable and sustainable Service.

The Service continues to support alternative service delivery and commenced the Crisis Call diversion pilot in October 2021 in partnership with the Gerstein Crisis Centre (G.C.C.). The pilot has been in operation for eight weeks. During this period, 42 calls that would have otherwise been responded to by the Service were diverted successfully to our G.C.C. partner. A total of 1,228 calls were received by the Service during the pilot hours for the Divisions included in the pilot, for a total call diversion rate of 3.4%.

Further, the G.C.C. partners have contributed valuably to events where an emergent situation prevents G.C.C. from solely handling the event and the police have to attend. G.C.C. partners have worked with the person in crisis, or with the complainant to attempt de-escalation until the police have arrived. Over the eight week period of operations, the G.C.C. partner assisted the Service in Persons in Crisis and Threaten Suicide calls 21 times. This is in addition to the 42 times other events were diverted from the Service.

Strengthening Relationships with the Community through Police Reforms and Ongoing Modernization Efforts

Police Reform

On August 18, 2020, the Toronto Police Services Board unanimously approved 81 comprehensive recommendations that establish a roadmap for ongoing police reform in Toronto ('Police Reform in Toronto: *Systemic Racism, Alternative Community Safety and Crisis Response Models and Building New Confidence in Public Safety*'). The approved recommendations are categorized by the following themes:

1. Alternative Community Safety Response Models
2. Police Budget and Budgetary Transparency
3. Independent Auditing and Service Accountability
4. Chief Selection Criteria
5. Data Sharing and Information Transparency
6. Conduct Accountability
7. Police Training
8. Consulting with Experts and Communities
9. Building Public Confidence
10. Ensuring Change

The Service is committed to continuing the implementation of these reforms and is absorbing the cost of implementation to the extent possible. However, some action will require an investment that the Service simply cannot cover within its existing funding envelope. Almost 2/3 of the 81 recommendations have been completed to date. More information on the progress made in relation to the police reform initiatives can be found on an interactive and updated dashboard that tracks the Board's and Service's work: <https://www.torontopolice.on.ca/tpsb-reform-implementation/>

Beyond the 81 Recommendations, the Service, in consultation with the Board, will continue to explore new opportunities to engage in meaningful reform.

Modernization:

In addition to police reforms, the Service is continuing to modernize, based on the recommendations contained in The Way Forward report. The premise of this report was for the Service, enabled with technology and data, to place the right resources, in the right places and at the right times, in order to deliver policing in a responsive and accountable manner.

The Service's ongoing modernization efforts include:

- greater emphasis on crime prevention and reducing victimization by enhancing police presence in the community as part of a neighbourhood-focused strategy;
- a focus on core policing services and through partnerships, implement alternate service delivery options, where appropriate;
- technology and data enablement to:
 - increase officer mobility (Connected Officer program);
 - analytics for improved decision making, investigative efficiencies and crime prevention; and
 - greater automation and digitization of work to increase efficiencies;
- emphasis on our members through comprehensive culture change, transformation of corporate support functions and continued civilianization of uniform positions where appropriate.

Wellness, Development and Training of Our People:

- **Training and Development:** The training requirements for cadets, as well as current members, include enhanced leadership, anti-racism, mental health, workplace harassment and human rights related training. A human rights strategy has been developed and approved by the Board in 2021. An overall Equity Strategy, informed by consultation with groups such as Anti-Racism Advisory Panel (A.R.A.P.) and Mental Health and Addictions Advisory Panel (M.H.A.A.P.), is in the process of being developed and will be completed for the Board's consideration and approval in the first quarter of 2022.
- **COVID-19:** Additional efforts have been put in place for the health and safety of the Service's 7,000+ members including personal protective equipment, workplace reconfiguration, and enhanced cleaning standards. The Service continues to implement mitigation strategies to reduce the COVID impacts to staffing as a result of mandatory isolations, in order to meet the need to maintain frontline service delivery.
- **Wellness:** The implementation of a Wellness Strategy for members has started. This strategy strives to build and maintain optimal human resource strength and enable the sustained high performance of all members; and fostering an ever evolving culture that is a leader in the policing sector of high-performance member health, safety and well-being. Its development has been deliberate and intentional to be equitable, fair and inclusive, but has been challenged by COVID responsibilities, as well as the availability of people and money to implement key initiatives.

2022 Budget Details

This budget aims to balance the needs of the community and improve public safety, while maintaining financial affordability. The section below provides detailed information on the Service's 2022 operating budget request.

Budget Development

In the second quarter of each year, the Service's Budget and Financial Analysis Unit begins to develop the capital and operating budgets for the next year. The development of the budget is guided by the Service's strategic goals and priorities, as well as the City's directions and guidelines.

The 2022 budget was developed through review and discussion at the Command level, and premised on the following principles:

- contain costs to the extent possible;
- find efficiencies and opportunities to reallocate existing resources towards priority areas;
- absorb any new pressures, to the extent possible;
- no new initiatives unless required by legislation, saves money or increases revenues, or mitigates risks;
- align any budget reductions or investments with corresponding adjustments to the programs and services we deliver;
- execute on the police reform initiatives and continue to modernize; and
- reflect the public safety priorities of Torontonians.

Using the approved 2021 budget as the starting point, a number of actions were taken to develop the proposed 2022 budget. These included:

- reviewing service objectives, staffing requirements and related trends (uniform and civilian) to determine the minimum level of staffing required to meet the Service's mandate and obligations;
- reviewing historical spending trends, line-by-line, and identifying opportunities to reduce funds that were historically underspent;
- using a zero-based budgeting approach to non-fixed requirements; and
- planning for the funding of expected contractual cost increases from within existing budgets by decreasing the budget in other accounts where possible.

Preliminary budget requests were reviewed throughout the budget development process, with the Command, as well as with Board Budget Committee and City representatives. These reviews resulted in adjustments to the budget, as new information became available, and as requirements and cost savings opportunities were identified. The result of the efforts throughout the budget process was the identification of over \$30M in mitigating actions.

Balancing Actions

Achieving a fiscally responsible and community safety responsive budget required the Service to address a starting budget pressure of \$54.8M, excluding COVID-19 impacts. Reductions of \$30M were identified, reducing the budget pressure to \$24.8M (2.3%, 2.2% of which represents the impact of collective agreements). This reduction was accomplished by reallocating and reprioritizing existing resources, absorbing cost pressures and identifying bridging strategies. While careful consideration was given before undertaking the difficult work and making the key decisions required for this budget reduction, this request comes with additional operational pressures and risks that will be actively monitored.

The balancing actions of \$30M were achieved by:

- **Reduction in Staffing Strategy (\$5.0M in savings)** – this includes an updated civilian staffing strategy as well as savings from additional uniform separations. Initial staffing strategies sought to fill a portion of the 136 unfunded civilian vacancies within the Service, and increase the number of funded positions, above the 2400 currently funded. Instead, the Service will hire civilians based on strategic priority and operational criticality and therefore the requested funding will only enable the Service to fill vacancies up to the 2,400 funded civilian positions. The Service will continue to hire to replace officers that separate, and use premium pay where needed, in order to maintain appropriate service levels and augment priority areas.
- **Increase in Provincial Uploading of Courts Funding of \$2.0M** – Several years ago the Province engaged in a Provincial-Municipal Fiscal and Service Delivery Review, and as a result of this review, the Province uploaded the costs of court security by providing funding to all municipalities across the Province to a maximum of \$125M annually.

The Service's share of this funding for 2021 is \$43.9M; however, funding can change from year to year as it is based on the share of Service expenses relative to other municipalities across the Province. Since the start of COVID-19, court security and prisoner transportation costs within the Service have been reduced, as the Service has suspended hiring of Court Officers and temporarily redeployed Court Officers to other functions. In addition, the Province is undergoing a review of their grant programs. As a result, the Service was projecting a decrease in this recovery to \$41.9M; however, the Service has since received confirmation

that the Province is continuing the program into 2022 and the Service is now budgeting for a \$43.9M recovery in 2022.

- **Premium Pay Reduction of \$14.8M** - This is an account that has historically been underfunded, based on previous years over-spending. The Service will do its best to manage this pressure; however, this large reduction represents a significant financial risk to the budget, given constrained resources, continued growth in demands for policing services, and unexpected major events or homicides the Service has to respond to.
- **Provincial Grant Increase (\$8.3M)** – Provincial funding that was provided under the Community Safety and Policing (C.S.P.) grant was set to expire on March 31, 2022. This was expected to result in a revenue loss to the Service. However, the Province recently announced the extension of the C.S.P. grant for a further three years, resulting in revenue funding of \$8.3M that will continue to support the Public Safety Response Team.

It is important to note however, that some balancing actions are temporary strategies only and will place additional budget pressures to future years.

2022 Budget Cost Drivers

The 2022 Toronto Police Service operating budget request is \$1,100.6M (\$1,262.4M gross), which is \$24.8M or 2.3% above the 2021 approved budget.

The following table summarizes the proposed budget by major category. Year over year changes in the budget are explained below.

Table 6 – Summary of Net Budget Request by Category

Category	2021 Budget \$Ms	2022 Request \$Ms	\$ Change over 2021 Budget	% Change over 2021 Budget
Salary Requirements	\$821.8	\$828.9	\$7.1	0.7%
Premium Pay	\$48.8	\$45.3	(\$3.5)	(0.3%)
Statutory Deductions and Benefits	\$227.3	\$237.7	\$10.4	1.0%
Reserve Contributions	\$36.0	\$36.0	\$0.0	0.0%
Other Expenditures	\$86.1	\$91.2	\$5.1	0.5%
Revenues	(\$144.2)	(\$161.8)	(\$17.6)	(1.6%)
Subtotal without Collective Agreement	\$1,075.8	\$1,077.2	\$1.4	0.1%
Collective Agreement Impacts		\$23.4	\$23.4	2.2%
Net Budget Request	\$1,075.8	\$1,100.6	\$24.8	2.3%

Salary Requirements (\$828.9M)

The total salary requirements for 2022 (exclusive of the collective agreement impacts) are \$828.9M, \$7.1M (0.7%) more than the previous year's budget. This includes an average deployment of 4,988 uniform officers and 2,400 civilians, and is broken down in Table 7 below.

Table 7 – Breakdown of Salary Requirements

Description	Change \$Ms
Human Resource Strategy for Uniform Members	
<ul style="list-style-type: none"> 2022 impact of 2022 replacements 	\$6.8
<ul style="list-style-type: none"> 2022 part-year savings from separations (estimated at 200 officers) 	(\$11.2)
<ul style="list-style-type: none"> 2022 annualized savings from 2021 separations (projected at 215) 	(\$13.7)
<ul style="list-style-type: none"> 2022 annualized impact of 2021 replacements 	\$15.0
<ul style="list-style-type: none"> 2021 annualized and 2022 part-year reclassification costs 	\$5.2
PowerCase – New and Enhanced initiative – part year only	\$2.3
COVID Requirement - Nurses	\$0.2
Net Other Changes (e.g., in-year job reclassifications, changes in leaves, etc.)	<u>\$2.5</u>
Total	\$7.1

Human Resources Strategy for Uniform Members:

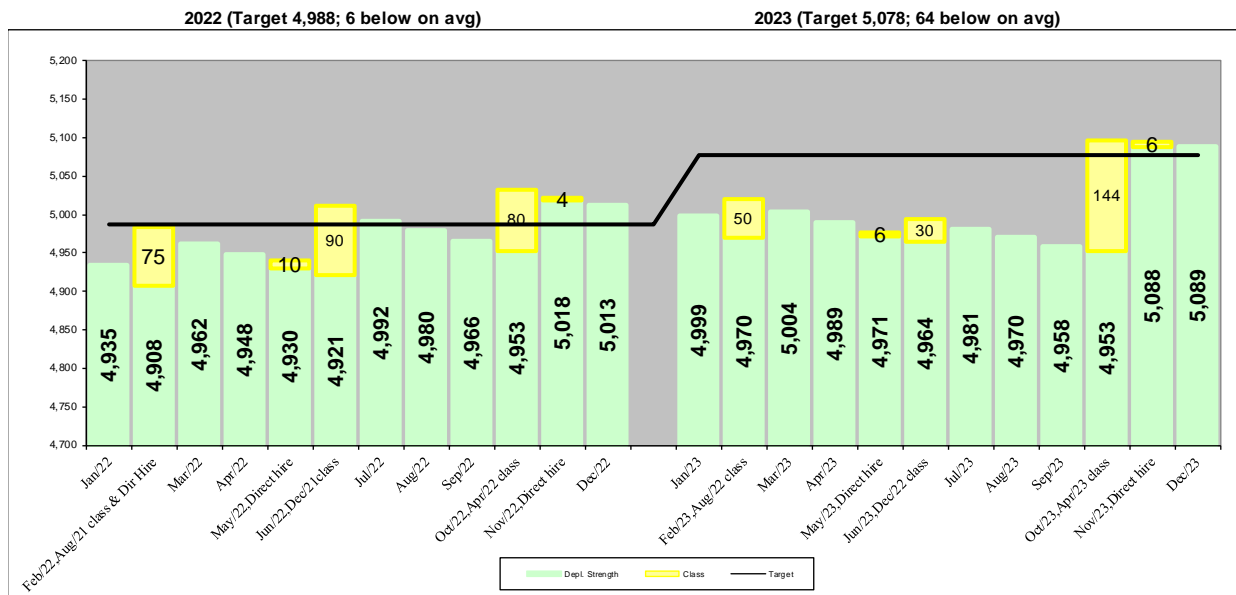
The Service is planning class sizes for three intake classes held annually by the Ontario Police College (in April, August, and December), with the goal of maintaining an average deployed strength of 4,988.

To achieve this deployment level, class sizes have been established at 90 for December 2021 and 80 (April), 50 (August) and 30 (December) for 2022 classes. The annualized impact of the 2021 replacements is \$15.0M. The part-year cost of the 2022 hires is \$6.8M. This strategy also assumes an estimated 200 officers will leave in 2022 and that any variance to the number of separations will be accounted for by adjusting the number of hires made in each class.

For 2021, separations are projected at 215 (compared to 200 as budgeted for in 2021). 2022 separations are projected at 200. Resignations and retirements occur throughout the year. Given the Service budget is based on the timing of hires and separations, the impacts from 2021 must be annualized in the following year. The 2022 annualized net impact of 2021 separations results in a budget reduction of \$13.7M. The part-year savings of 200 officers anticipated to leave in 2022 is estimated at \$11.2M.

Figure 11 below shows the Service’s uniform human resource strategy, which includes the anticipated classes in December 2021 and the 2022 year, which would allow the Service to maintain average deployment at 4,988. It also depicts the net impact of separations and hires in each month for 2021 and 2022, based on the assumptions identified above.

Figure 11 – Deployed Strength Projections, 2022 and 2023



Officers are hired at a recruit salary rate, receiving pay increases as they continue to move up through the ranks. This creates annual budget pressures until officers become first-class constables (a four-and-a-half year process from date of hire). The 2022 cost of reclassifications for officers hired in 2021 and in previous years is \$5.2M.

Civilian Vacancy Rate:

The Service is facing a vacancy rate of 5.4% based on approved positions of 2,536. Vacancies over the last few years have put a strain on remaining staff that have been required to take on additional critical responsibilities and workload due to unfulfilled vacant positions. During 2022, the Service will maintain the civilian vacancy rate to the 2021 budget vacancy rate. To this end, the 2022 budget assumes that there would be 2,400 civilian positions staffed by the end of 2022 as the Service continues to only fill current and future vacancies on a priority basis.

Major Case Management (PowerCase):

PowerCase is a mandatory provincially mandated software application that ensures the integrity of major case management investigative data. The

effective use of PowerCase can assist the police to link information across jurisdictions, help solve crimes, and better serve equity seeking groups.

The 2022 budget request includes funding for 40 uniform and 40 civilian staff to be hired in the second half of 2022. The number of positions required is an estimate at this time, and will be adjusted as necessary as more information becomes available.

COVID-19 Requirement:

Due to the fact that the Service assumes COVID-19 will impact the Service for the full year of 2022, an additional \$0.2M is required for nursing staff.

Net Other Changes:

The mix of personnel in the Service changes from year-to-year. For example, as officers with retention pay retire from the organization, the average salary becomes slightly lower. The salary budgets are also comprised of various other expenditures (e.g., acting pay and other premiums on salaries, etc.). In total, net other changes in all salary accounts result in an increase of \$2.5M in 2022.

Collective Agreement Impacts (\$23.4M)

The uniform and civilian collective agreements between the Board and the Toronto Police Association and Senior Officers' Organization, were ratified for a five-year term, from January 1, 2019 to December 31, 2023.

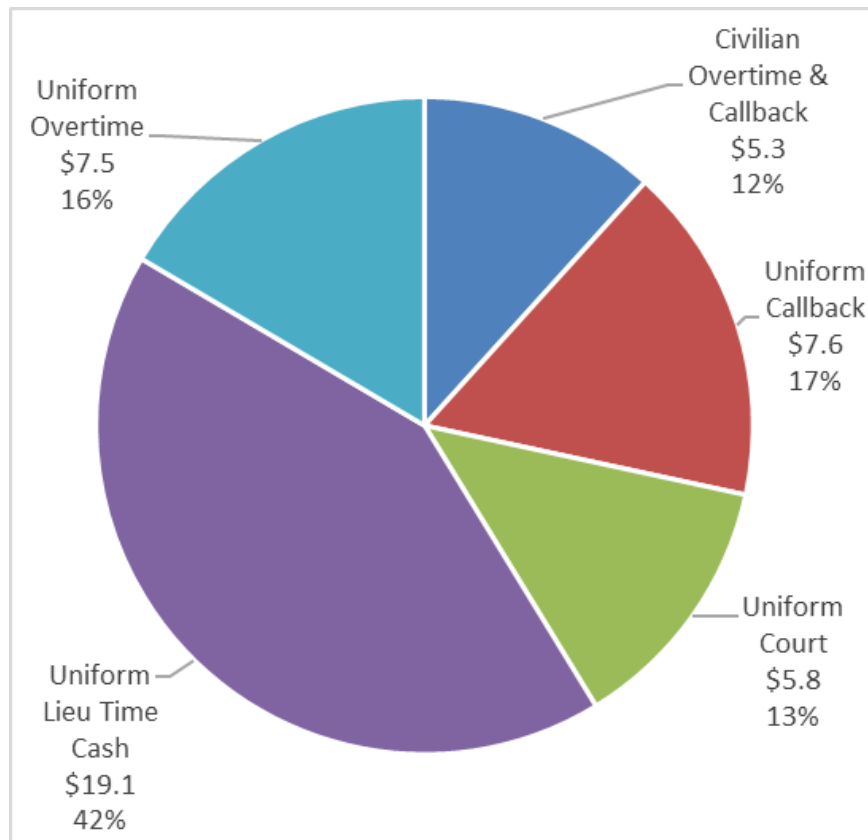
The Agreements include a wage increase of 11.06% over the five-year term (average of 2.21% per year) as well as a Priority Response Unit Patrol Allowance of 3% of basic salary for all hours worked by uniform members with more than five years of service in the P.R.U.

The 2022 budget impact of the collective agreement settlements on the operating budget is \$23.4M.

Premium Pay (\$45.3M)

Premium pay is incurred when staff are required to work beyond their normal assigned hours for extended tours of duty (e.g., when officers are involved in an arrest at the time their shift ends), court attendance scheduled for when the officer is off duty, or callbacks (e.g., when an officer is required to work additional shifts to ensure appropriate staffing levels are maintained or for specific initiatives). Figure 12 provides a breakdown by category of premium pay.

Figure 12 – Premium Pay by Category



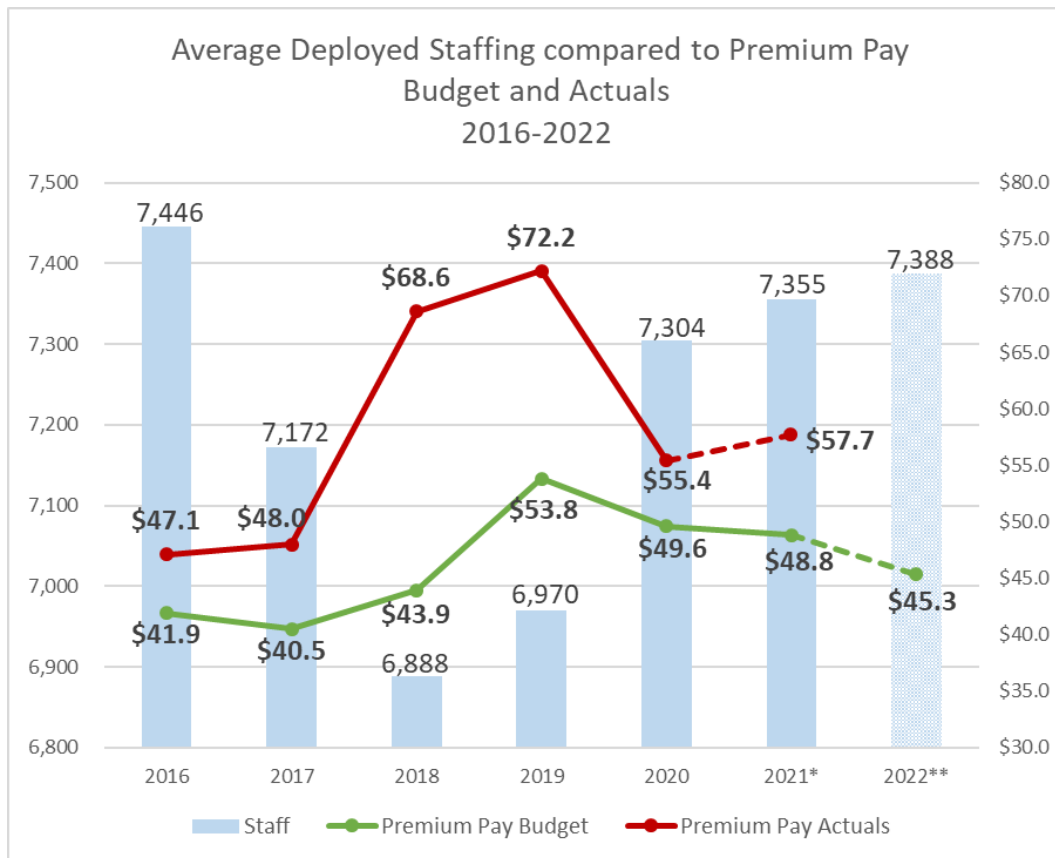
The total premium pay request for 2022 is \$45.3M, down \$3.5M (\$3.9M reduction offset by \$390K for COVID requirements) from the previous budget.

The Service's ability to deal with and absorb the impact of major unplanned events (e.g. demonstrations, emergency events, and homicide / missing persons) relies, in part, on the utilization of off-duty officers which results in premium pay costs.

Since staffing levels have been decreasing over the years, there has been a significant increase in premium pay costs to address critical workload issues. The 2021 operating budget was not increased to reflect the requirements for premium pay in order to achieve a 0% target, and the 2022 budget includes a further reduction to premium pay of \$3.5M to keep the budget increase in 2022 as low as possible.

As Figure 13 below shows, premium pay costs have an inverse relationship with the level of uniform and civilian positions. As Service staffing levels have decreased, premium pay has increased.

Figure 13 - Average Deployed Staffing Compared to Premium Pay



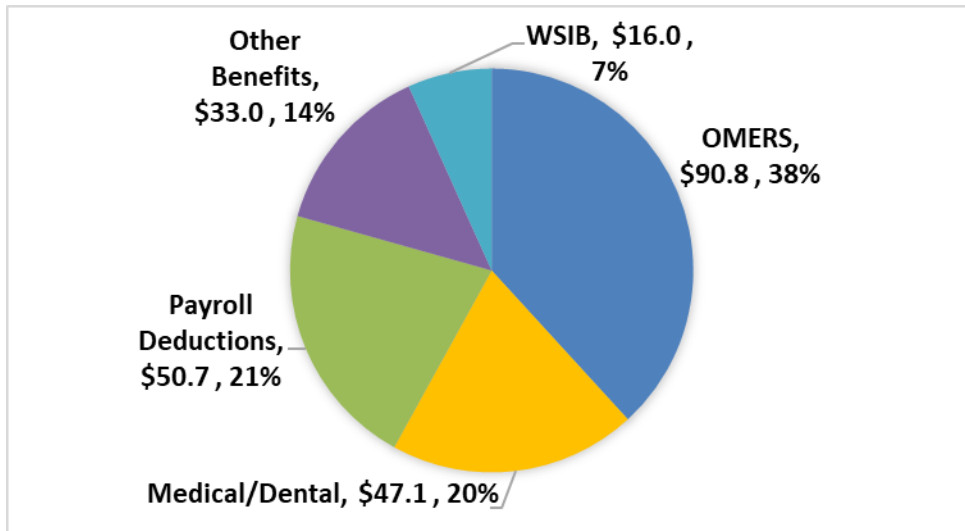
Civilians also incur premium pay to address critical workload issues resulting from a significant number of civilian staff vacancies across the Service. The staffing of civilian vacancies has taken longer than anticipated as most of the vacancies are being filled through internal promotions, creating vacancies elsewhere within the Service. While the Service will take steps to reduce premium pay costs, maintaining civilian vacancies at a rate of 5.4% will mean that civilian premium pay pressures will very likely continue.

Premium pay costs have historically been underfunded, resulting in a starting pressure that the Service is expected to manage.

The Service will monitor and take steps to control premium pay and will report against budget through the quarterly variance reporting process to the Board. However, it will be very difficult to continue to cover the large premium pay pressure, and at the same time meet the Service’s public safety responsibilities.

Statutory Deductions and Benefits (\$237.7M)

Figure 14 – Benefits



Statutory payroll deductions and employee benefits expenditures of \$237.7M are \$10.4M or 1% higher than the previous year budget and are a major component (22%) of the Service's total 2022 Budget request. The biggest variances are attributed to the following items:

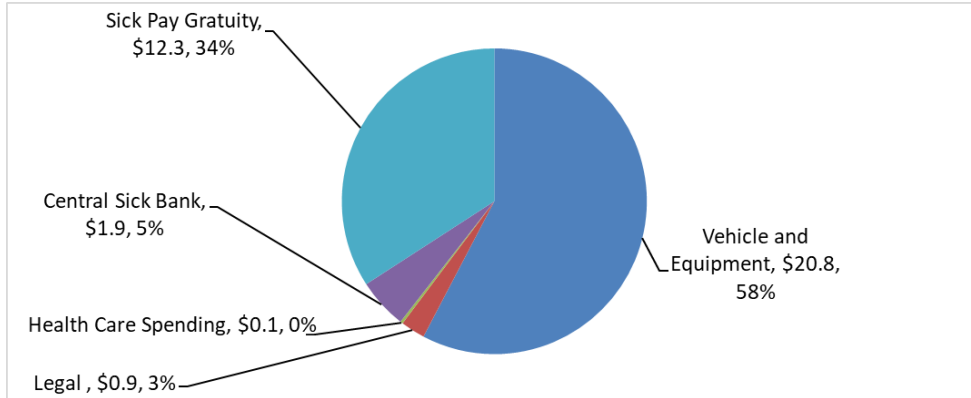
- **Medical/Dental Coverage** (\$2.4M or 0.2% increase): The budget for the Board's benefit plan is based on the cost of drugs and services, dental fee schedule, utilization rates and administration fees. This account is in line with 2020 actuals and the 2021 projected actual, plus an anticipated percentage increase which is well below the suggested industry increase.
- **Payroll deductions costs and Ontario Municipal Employees Retirement System (O.M.E.R.S.)** (\$3.2M or 0.3% increase): Statutory payroll (Employment Insurance (E.I.), Canada Pension Plan (C.P.P.) and Employer Health Tax (E.H.T.)) and pension (O.M.E.R.S.) benefits are based on specific formulae that are affected by gross salaries. Canada Pension Plan rates (C.P.P.) are increasing due to gradual enhancements for higher benefits.

Workplace Safety & Insurance Board (W.S.I.B.) costs (\$3.2M or 0.3% increase): The increase is primarily due to impacts of Bill 163, Supporting Ontario's First Responders Act regarding Post Traumatic Stress Disorder (P.T.S.D.). The actuals have been increasing since 2016 and the budget request is in line with historical and projected actuals. Also, in 2018, the work related Chronic Mental Stresses policy came into effect to include multiple work-related stressors, as well as a cumulative series of work-related stressors. A review of W.S.I.B. costs and its administrative processes will occur in 2022 as part of the Wellness Strategy. In addition, a firm has been engaged to help the Service effectively manage W.S.I.B. cases and contain costs.

- Other Benefits includes various other expenditures such as Sick Pay Gratuity, Central Sick bank, group life insurance, Retiree benefits, etc (\$1.6M or 0.2% increase). Central Sick bank expenses have been increased by \$1.5M to be in line with 2020 actuals and 2021 projection offset by reserve draws in revenue for a net zero impact on the 2022 budget.

Reserve Contributions (\$36M)

Figure 15 – Reserve Contributions



The Service contributes to a number of reserves through provisions in the operating budget. All reserves are established by the City of Toronto. The City manages the Sick Pay Gratuity Reserve (S.P.G.), while the Service manages the Vehicle & Equipment (V.&E.), Legal, Central Sick Bank, Health Care Spending and Modernization reserves.

In order to minimize the Service's 2022 budget request, the total of all reserve contributions for 2022 is \$36M, was held at the same level as 2021 budget.

However, this is not sustainable, and to ensure the health of the reserves and that obligations can be met in the short and long-term, the required incremental contributions to these and other reserves must, at some point, be included in the Service's base budget, which will create budget pressures in future years.

Other Expenditures (\$91.2M)

Figure 16 – Other Expenditures

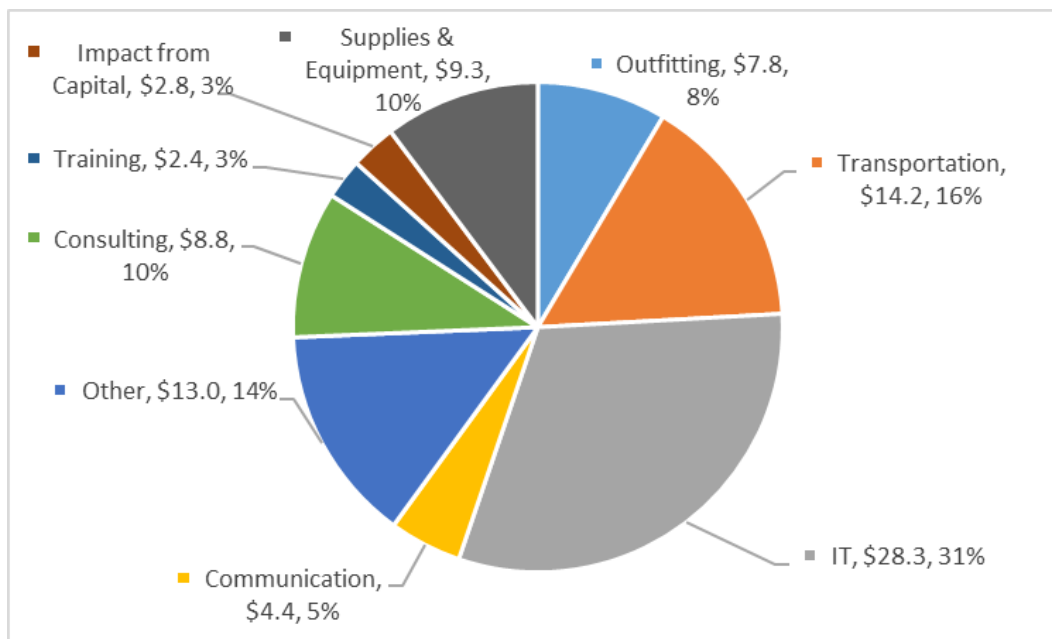


Figure 16 above provides a breakdown of Other Expenditures which include items such as ammunition for training, fleet and transportation costs, computer equipment and maintenance, the operating impact of completed capital projects as well as contracted services. These expenditures were increased by \$5.1M or 0.5% higher than the previous year budget, with the largest adjustments attributed to the following items:

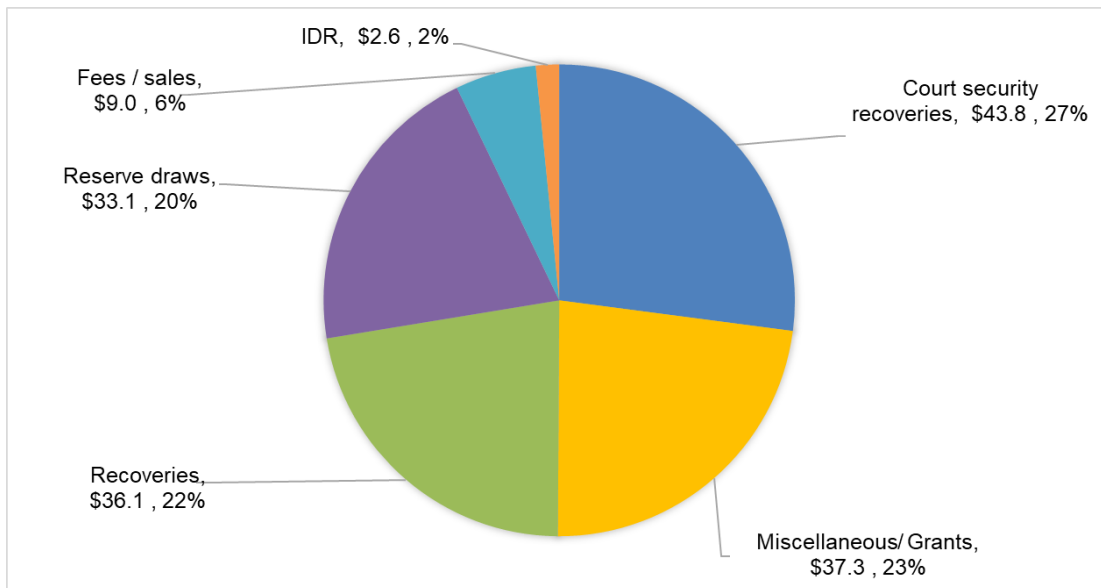
- Computer maintenance will require additional funding of \$1.1M for various software licenses. The cost of computer maintenance is impacted by current contract costs, as determined through competitive procurement processes. Technological advances and the addition of new systems provide enhanced communication, improved information and efficiencies. However, as the number of systems and storage requirements increase, the cost of maintenance and support also increases.
- The operating budget impact of completed capital projects will require additional funding of \$2.8M. As capital projects are implemented, they often have operating budget impacts such as computer maintenance and additional staffing requirements. For 2022, the additional operating impacts are comprised of the following projects:
 - Analytics Centre of Excellence (A.N.C.O.E.) - Global Search system - additional maintenance costs of \$475,000
 - Connected Officer – data plan, additional maintenance and licensing cost \$2.1M
 - Next Generation 911 (N.G.911) – maintenance cost \$143,000

- Marine Vessel Electronics – mapping updates and additional maintenance \$50,000
- Various other increases in other expenditures such as ammunition (\$0.5M) for additional training , vehicle preparation, parts and tires (\$0.3M) for additional vehicle replacement in 2022 and General Equipment (\$1M) for the New Toronto court house.

Revenues (\$161.8M)

Approximately 88% of the Service’s expenditures are funded by City property taxes. The remaining 12% is funded through multiple sources, as reflected in Figure 17 below.

Figure 17 – Revenue Sources, Excluding Property Tax



The 2022 Revenue budget, representing funding that excludes the City’s property tax revenue, is \$161.8M. This is \$17.6M or 1.6% higher than the previous year budget with the biggest changes to the following items:

- The most significant Provincial grants include:
 - Court Security and Prisoner Transportation (C.S.P.T.) – \$43.8M: The Province uses an expenditure-based funding model to determine the annual allocations for each municipality based on each municipality’s relative share of the total provincial court security and prisoner transportation costs. The Service expenditures represent approximately 37% of the total court security and prisoner transportation costs across the Province which equated to \$43.8M in 2022 which is \$974,000 higher than 2021.

- Guns and Gangs Provincial Grant - \$5M: The budget also includes Provincial funding to strategically combat gun and gang violence in Toronto.
- The Service is also including \$10.8M with an increase of \$750,000 through the Community Safety and Policing (C.S.P.) grant funding from the Ministry of the Solicitor General to cover the cost of Public Safety Response Team salaries.
- COVID-19 Cost Recovery (\$17.6M): The 2022 Operating Budget for Toronto Police Service assumes continued funding required for COVID-19 impacts. The recovery of these expenses is anticipated to be received from the Province through the City. The Service identified and verified COVID-related costs in partnership with City Finance, and in a manner consistent with other City entities.
- Decrease draw from the City's Ontario Cannabis Legislation Reserve (\$0.9M): The Ministry of Finance has provided funds to the City from the Ontario Cannabis Legislation Implementation Fund (O.C.L.I.F.), which the City has placed in reserve. Based on projected cannabis-related costs for 2022 (net of any R.I.D.E. grant recoveries), the revenues are lower than the 2021 amount.
- The 2021 budget included revenue opportunities for a balanced budget of \$2.5M. This was based on possible opportunities for funding from other levels of government that are announced in-year. For 2022, this amount is reversed and combined with other one-time revenue items results in a pressure of \$614,000.

2023 and 2024 Outlooks

Uniform Staffing - Planning to Address Growth with Adequate Uniform Staffing

Over the past 10 years, Toronto is estimated to have grown by over 385,000 people. It is important to recognize that this growth produces increasing demands in terms of calls for service. During this period of exponential growth, this has driven greater workloads and service demands, while the number of officers has been significantly declining.

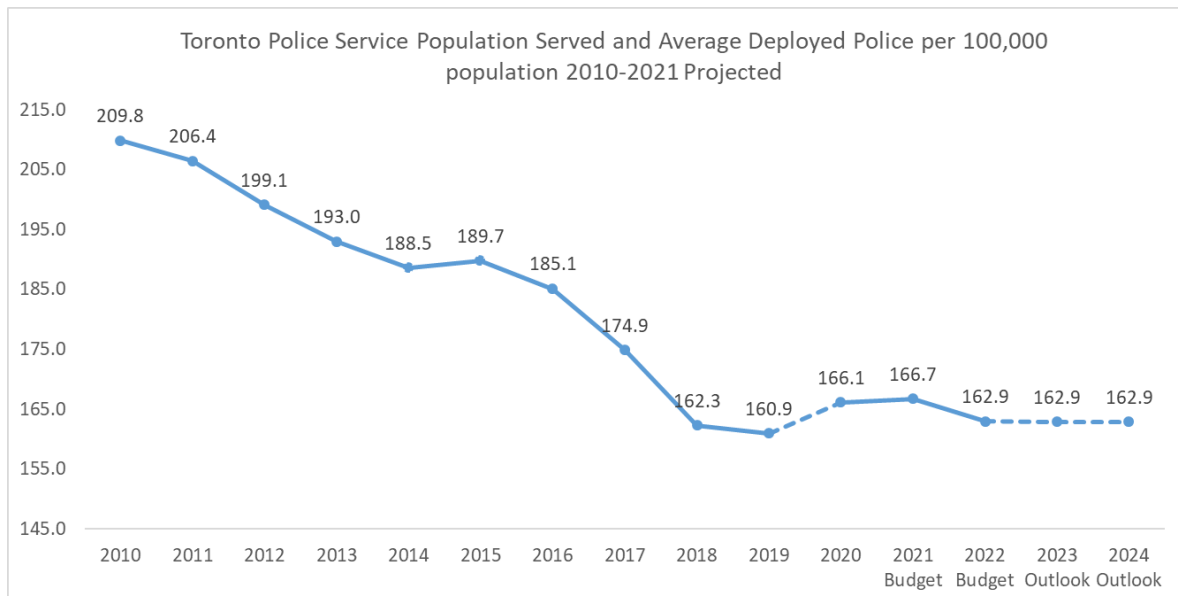
This does not include the millions of commuters and visitors to Toronto that also require policing services.

With a growing population and fewer officers, there are less officers to serve this population. In 2010 the number of officers serving 100,000 population was 210 officers. For the 2022 budget, a cop to 100,000 population (pop) is estimated at

163 officers (down 47 officers per 100k). The Service has been successful in achieving efficiency measures, implementing alternative service delivery and focusing as much as possible on core service delivery. However, maintaining adequate and effective service levels, as mandated in the Police Services Act, will not be sustainable without an increase in staff that is connected to increasing demands driven in large part by increases in population.

As Figure 18 below shows, an increase in police officers is required in 2023 (+90) and 2024 (+86) in order to at least maintain the same cop to pop ratio as 2022. Maintaining this ratio still does not allow the Service to address current service gaps that already exist at these current staffing levels. While the City has plans for growth, this must include a plan for policing services to address the anticipated growth in policing calls for service.

Figure 18- Population Served and Average Deployed Police Per 100,000 Population



Data Sources:

1. 2010-2018 population sourced from: Statistics Canada. Table 35-10-0077-01 Police personnel and selected crime statistics, municipal police services
2. 2019 population data is the same as in the 2021 Budget information as an updated number is not available. Statistics Canada 2019 population data number is the same as 2018
3. 2020-2022 population sourced from: Statistics Canada for 2020 and Ontario Ministry of Finance projections (Spring 2021) for Toronto Census Area
4. The police per 100,000 population is different from the graph with outlying regions because StatsCanada uses actuals at a point in time for their calculations

Civilian Staffing

Currently, the Service is managing 136 planned vacancies. These are being managed by reviewing vacancies as they occur to only fill those with the greatest

urgency. Workload is such that many support areas are struggling to meet demands in terms of providing services to operational and support functions, as well as participating in key corporate initiatives and service improvement/risk management initiatives. Some of these pressures are being met through premium pay and through movement of staff during the Pandemic to the areas with the greatest need (from areas with reduced service levels). As services regain post-pandemic, vacancies will need to be filled. The outlook assumes that these vacancies will be filled over two years.

Premium Pay

Premium pay costs have historically been underfunded, resulting in a starting pressure that the Service is expected to manage.

The Service's ability to deal with and absorb the impact of major unplanned events (e.g. demonstrations, emergency events, and homicide / missing persons) relies, in part, on the utilization of off-duty officers which results in premium pay costs. Also, since staffing levels have been decreasing over the years amid continued growth of the City and calls for service, premium pay is necessary to address critical workload issues.

The 2021 operating budget was not increased to reflect the requirements for premium pay in order to achieve a 0% target, and the 2022 budget includes a further reduction to premium pay of \$3.5M to keep the budget increase in 2022 as low as possible. Premium pay is restored in the 2023 Outlook, in order to reflect actual premium pay required.

The outlooks in the table below, demonstrate that the Service anticipates a 7.18% pressure in 2023 and a 2.55% pressure in 2024 (which excludes collective agreement impacts). The increase is estimated on net expenditures, based on our current understanding of expected staffing levels, current service delivery models, and continued grant funding levels, economic indicators and contractual and legislative obligations known at this time.

The Service is assuming that \$10.7M in Community Safety and Policing (C.S.P.) grant funding from the Ministry of the Solicitor General in 2023/2024 will be approved to cover the cost of the Public Safety Response Team salaries.

As table 8 below shows, the outlooks have also not taken into account any changes, opportunities or efficiencies that may be identified and implemented as part of the police reform recommendations and Information Technology modernization in 2022.

Table 8 - 2023 and 2024 Outlooks (\$M)

Description	2023	2024
Starting Request	1,100.6	1,179.6
Salary requirements	19.1	14.7
Premium Pay	11.2	0.0
Benefit cost increases	8.4	7.0
Reserve contributions	6.0	6.0
Non Salary – inflationary and contract increases	2.8	3.2
Revenues	13.5	(0.8)
Total change before collective agreement impacts	61.1	30.1
Collective Agreement Impacts	17.9	0.0
Net Change	79.0	30.1
Outlook	1,179.6	1,209.6
Percentage change over prior year	7.18%	2.55%

Budget Modernization – Services and Outcomes Based Budgeting

The City of Toronto is in the midst of a multi-year budget modernization initiative, which began in the 2020 budget process, and is intended to drive greater accountability for decisions, increase budget transparency and be more comprehensible. This City project is a large undertaking that is currently being delayed by the impacts of COVID.

The Service is committed to a similar path for budget modernization, aligned with the City process and strive for a multi-year, service and outcomes based budget.

This year, the Service has taken some significant steps to begin this modernization journey by defining key services and outcome statements, developing metrics to measure how well various services are provided, and whether they should continue to be provided, relative to other priorities.

Essentially, service-based budgeting will help to articulate the value of services to the public in simple, clear language and will allow us to more effectively work and partner with key stakeholders to ensure optimum value and affordability for taxpayers in how we meet public safety needs and demands. Informed financial decisions will consider the impacts from a customer-centric viewpoint and will allow for more effective management and deployment of resources for greater accountability and financial sustainability.

The following six service categories have been defined with outcome statements that describe how we are improving quality of life, the difference that we are making for people and business in Toronto, and the value proposition. The

statements take on a customer centric view, are fluid, and will be reviewed and further developed and refined, as we progress through our budget modernization journey.

1. 911 Response: People in Toronto in need of emergency services receive a timely and appropriate police response that provides required assistance and reduces criminal activity and severity, while ensuring safer communities.
2. Investigations: Incidents of criminality and victimization are reduced and those who are criminally responsible are held accountable.
3. Community Focused Engagement: Community members and businesses have a trusted relationship with the police and receive community specific supports and responses that promote safe neighbourhoods.
4. Specialized Emergency Response and Special Events: Complex situations and elevated threats are managed with a timely, coordinated, specialized, and robust response so people in Toronto can enjoy a safe city.
5. Traffic Services: Traffic-related fatalities and serious injuries on Toronto's streets are minimized so motor vehicles, cyclists and pedestrians can safely move through the City.
6. Court Services and Prisoner Management: The public, judiciary and all justice participants have access to safe and secure locations under our care.

This is important work that will allow the Service to make investments where they are needed, to better ensure residents and visitors to the City remain safe.

Ultimately, it will inform and drive business decisions in terms of where best to invest to get the greatest return on the investment in public safety, and where the public wants us the most.

Conclusion:

The Toronto Police Service (Service) 2021 operating budget request is \$1,100.6M (\$1,262.4M gross), which is \$24.8M or 2.3% above the 2021 approved budget.

This fiscally responsible budget is a reflection of the direction set out by the Board, through the police reform roadmap, City Council recommendations and informed by public input and feedback.

Mr. Tony Veneziano, Chief Administrative Officer, and Ms. Cindy Grant, Acting Director of Finance and Business Management will be in attendance to answer any questions the Board may have regarding this report.

Respectfully submitted,

James Ramer, M.O.M.
Chief of Police

*original copy with signature on file in Board office

Table 9 - Appendix A – Historical Budget

Summary of Year-Over-Year Change– Net Operating Budget (\$M)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	% Change 2022 over 2011	Total % Change 2011-2022
Net Budget	930.4	935.7	936.4	965.5	980.3	1004.7	996.3	996.5	1,035.4	1,076.2	1,075.8	1,100.6		
\$ Increase		5.3	0.7	29.1	14.8	24.4	-8.4	0.2	38.9	40.8	-0.4	24.8		
Total % increase		0.6%	0.1%	3.1%	1.5%	2.5%	-0.8%	0.0%	3.9%	3.9%	0.0%	2.3%	17.1%	18.3%
Collective Agreement (\$ impact)		23.2	25.6	27.3	18.4	22.4	17.3	17.4	25.2	28.9	17.1	23.4	246.2	246.2
Discretionary (\$ impact)		-17.9	-24.9	1.8	-3.6	2.0	-25.7	-17.2	13.7	11.9	-17.5	1.4	-76.0	-76.0
Collective Agreement (% impact)		2.5%	2.7%	2.9%	1.9%	2.3%	1.7%	1.7%	2.5%	2.8%	1.6%	2.2%	22.7%	26.5%
Discretionary (% impact)		-1.9%	-2.7%	0.2%	-0.4%	0.2%	-2.6%	-1.7%	1.4%	1.1%	-1.6%	0.1%	-7.9%	-8.2%
CPI Increase		1.5%	1.2%	2.5%	1.5%	2.1%	2.1%	2.5%	2.0%	0.3%	4.4%			20.2%

(Source for C.P.I.: Statistics Canada Table 18 10-0005-01 Consumer Price Index, annual average, not seasonally adjusted and Statistics Canada. Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted)

The Operating Budget increase of \$170M or 18.3% over 10 years (growing from \$930.4M in 2011 to \$1,100.6M in 2022) is comprised of the following:

- \$246M of the total budget increase is attributable to salary and benefit increases that have arisen from negotiated and arbitrated collective agreement settlements between the Board and the Toronto Police Association (T.P.A.) and the Senior Officers' Organization (S.O.O.). These increases are beyond the Service's control.
- \$76M in net reductions is not attributable to the collective agreements. These reductions are primarily from hiring freeze and other management actions in non-salary costs which resulted in significant cost savings/avoidance.