

2022 Budget Notes

Toronto Police Services Board

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at FPD@toronto.ca.

Description

The Toronto Police Services Board is the seven member civilian body that governs and oversees the Toronto Police Service under Ontario's *Police Services Act*. The Board is dedicated to ensuring that Toronto's police services are delivered in partnership with our communities, to keep the city the best and safest place to be.

The *Police Services Act* requires the Board to, among other things: generally determine the objectives and priorities for police services in the municipality; set policies for the effective management of the police force; recruit and appoint the Chief of Police, Deputy Chiefs of Police, the Chief Administrative Officer, and the Chief Information Officer; direct the Chief of Police and monitor their performance; negotiate the labour contracts with the associations/organizations representing the Service's members; and, determine the budget for the police service.

Why We Do It

The Board is responsible for ensuring the provision of adequate and effective police services in Toronto. As the employer of the Toronto Police Service, the Board is responsible for negotiating all labour contracts, the hiring and termination of all members, and reviewing the disciplinary processes applied by the Chief. The Board and Office of the Police Services Board works closely with the Chief of Police and senior leadership team to set the strategic vision for the Service, and provide oversight through policies and other legally binding direction. The Board also creates a forum for members of the public to engage and provide their perspectives and input concerning today's policing issues.

The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.

Agency:

Ryan Teschner

Executive Director & Chief of Staff

Tel: (416) 808-8081

Email: Ryan.Teschner@tpsb.ca

Corporate:

Anthony Ng

Manager, Financial Planning

Tel: 416-395-6767

Email: Anthony.Ng@toronto.ca

What Service We Provide

Governance & Oversight

Who We Serve: Residents of Toronto as well as those who work in or visit the city, the Toronto Police Service, Ministry of the Solicitor General and Ministry of the Attorney General

What We Deliver: Modern and effective governance that is viewed as leading in Canada; oversight and accountability measures, which are responsive to community and Service demands, within a challenging fiscal climate

Policy Development

Who We Serve: Residents of Toronto as well as those who work in or visit the city, the Toronto Police Service, Ministry of the Solicitor General and Ministry of the Attorney General

What We Deliver: Modern methods and approaches to effectively engage the public, community organizations, government and other stakeholders into the policy development and police governance processes

Public Engagement & Consultation

Who We Serve: Residents of Toronto, the Toronto Police Service, Ministry of the Solicitor General and Ministry of the Attorney General, community organizations and government and other stakeholders

What We Deliver: Modern methods and approaches to effectively engage the public, community organizations, government and other stakeholders on current issues in the policing and police governance environment

How Much Resources (gross 2022 operating budget): \$3.1 Million

Budget at a Glance

2022 OPERATING BUDGET			
<u>\$Billion</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$1.1	\$1.1	\$1.1
<u>Gross Expenditures</u>	<u>\$3.1</u>	<u>\$3.1</u>	<u>\$3.1</u>
Net Expenditures	\$ 2.0	\$ 2.0	\$2.0
Approved Positions	7.5	7.5	7.5

Toronto Police Services Board does not have a 10-Year Capital Budget and Plan

COVID-19 IMPACT AND RECOVERY

Operating Budget Impact

- The Board and Office of the Police Services Board has worked within the current pandemic context to continue delivering good police governance examine in a rapidly changing, unpredictable environment. We have absorbed costs associated with the changes needed to facilitate staff working remotely and to mitigate disruptions to our service delivery to the public.
- All costs associated with pandemic-related impacts (e.g. technology to facilitate remote working) have been absorbed within the 2022 Operating Budget. Every effort will be made to continue to absorb future costs of this nature.

2022 Impact and Recovery

Service Level Changes

- The Board and Office of the Police Services Board's service delivery has remained high and responsive throughout the pandemic. We have continued to hold monthly virtual Board meetings, engage our government and community partners, and have held virtual public consultations on matters of public interest, such as the development of a governance framework to for the use of artificial intelligence technology.
- Board Office Staff have continued to support the Board's two advisory panels (Anti-Racism Advisory Panel and the Mental Health and Addictions Advisory Panel), engaging communities of practice and lived experience on a variety of community safety and governance priorities.
- The Board Office team is seen as leaders in the civilian police governance space, regularly contributing to various government and other processes concerning legislative, programmatic, and policy matters impacting policing and community safety.

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Adherence to pandemic guidelines while being innovative in hosting publicly-accessible virtual Board meetings since the beginning of the restrictions on public gatherings
- Continuing to work with the Service on the implementation of the 81 recommendations on comprehensive policing reform in Toronto – a body of work that other police boards and commissions in Canada have relied on and used to guide their own work
- An expansion of the Service's Neighbourhood Community Officer Program from within the existing police budget to ensure a higher presence of NCOs across more neighbourhoods
- Continuation of close working relationship with the City as it develops SafeTO and an Alternative Community Crisis Response Model
- Ongoing work with the Board's two advisory panels, the Board's Anti-Racism Advisory Panel (ARAP) and the Mental Health and Addictions Advisory Panel (MHAAP), including the selection of a new membership of ARAP that represents the diverse communities and lived experiences of the residents of Toronto
- Providing Anti-Black racism training for Board Members and Board Office Staff, and developing an on-going training process to ensure Board Members and Staff continue to receive up-to-date training on matters related to police governance in a diverse city
- The implementation of new policies based on best practices and good governance principles, and a continued review of all current Board Policies to modernize and remain responsive to changing legislative requirements, strategic direction, and the need for effective oversight, including the new *Budget Transparency Policy* and the *Recruitment, Appointments and Promotions for Uniform and Civilian Members of the Toronto Police Service Policy*, which replaced several Policies
- Launch and conduct policy consultative processes on proposed policies of public interest, including on artificial intelligence in policing

-
- Conclusion of Phase I: Public Consultation portion of the ongoing work on the Chief of Police selection process, and the launching of Phase II: Executive Search which will conclude at the end of 2022 with the appointing of the next Chief of Police
 - Approval of a new Memorandum of Understanding with the City's Auditor General, and working to establish a new Memorandum of Understanding, and accompanying work plan, to engage the City of Toronto's Ombudsman to enhance transparent and accountable oversight
 - Continued governance and oversight for the implementation of *The Way Forward* and all related initiatives
 - Improved availability and accessibility of information through the Board's website, including accessible versions of the Board's Policies
 - Participation in professional forums to profile the innovative practices developed by Board Office Staff, and to contribute to modern civilian police governance approaches in Canada
 - Continued engagement with the Province on the regulatory development process led by the Ministry of the Solicitor General ahead of the coming into force of the *Community Safety and Policy Act, 2019*, including providing commentary on and proposals concerning new regulations
 - Continuation of the implementation of a Memorandum of Understanding with Midaynta Community Services (Mending a Crack in the Sky [MCIS]), developing sustained links with Neighbourhood Community Officers located within the west end Divisions (22, 12, 13, 23) and the Service's Community Partnerships & Engagement Unit. The focus of this work has been to foster mutual understanding between the Service and the Somali Communities in the west end of Toronto. In addition, the Board Office has supported MCIS in various successful grant applications

Key Challenges and Risks

The Board and Office of the Police Services Board must:

- Continue its high degree of engagement with diverse communities on significant policing issues;
- Continue to modernize its civilian governance structures, processes, policies and approaches to maintain its position as a leader in this space, and in the midst of the most significant legislative changes to Ontario's policing environment in decades;
- Maintain transparency and accessibility to its work and governance processes as the world slowly emerges from pandemic-related restrictions; and,
- Address the many and wide-ranging priorities, initiatives, and projects that are currently being implemented or that are forecasted to be addressed in 2022, in manner that maintains public confidence in Toronto's police governance and oversight, while ensuring Board members and Board Office Staff can respond to unanticipated events.

Priority Actions

- Continued collaboration with the Service in the implementation of the Board's 81 Recommendations on Police Reform and 151 Recommendations from the *Missing and Missed* report concerning missing persons investigations
 - Completing a Chief of Police Selection Process with enhanced public engagement and transparency
 - Addressing findings from ongoing reviews by the Ontario Human Rights Commission and the Independent Workplace Wellness and Harassment Review
 - Continued virtual Board meetings, and developing new online opportunities for the Board and Office of the Police Services Board to engage directly with the public (e.g., social media, Board website, virtual public consultation, etc.), as well as regular engagement with key policing stakeholders
 - Continued work with City of Toronto partners on the SafeTO: Community Safety and Well-Being Plan and the development of the City's Alternative Community Crisis Support Service
 - Providing input into the development of regulations under Ontario's forthcoming *Community Safety and Policing Act, 2019*
-

- Continued work to streamline, modernize and improve the Board's governance approaches through a review of all Board Policies (e.g. adequacy standards, Use of Force) and the development of new leading police governance policies in Canada (e.g., AI Technologies Policy)
- Increasing the amount of information and level of analysis on the effectiveness and the impacts of the Service's various initiatives, that is made available to the Board and the public

Throughout 2022, the Board will continue this and other work in a transparent and consultative spirit, with the goal of ensuring effective governance and fair and accountable policing in Toronto.

RECOMMENDATIONS

The City Manager and Chief Financial Officer and Treasurer recommend that:

1. City Council approve the 2022 Operating Budget for the Toronto Police Services Board of \$3.046 million gross, \$1.076 million revenue and \$1.970 million net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Toronto Police Services Board	3,045.5	1,075.7	1,969.8
Total Program Budget	3,045.5	1,075.7	1,969.8

2. City Council approve the 2022 staff complement for the Toronto Police Services Board of 7.5 positions.

2022 OPERATING BUDGET

2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
Toronto Police Services Board	3,188.0	1,975.7	1,938.5	1,075.7		1,075.7	(862.8)	(44.5%)
Total Revenues	3,188.0	1,975.7	1,938.5	1,075.7		1,075.7	(862.8)	(44.5%)
Expenditures								
Toronto Police Services Board	5,092.0	3,906.8	3,869.6	3,045.5		3,045.5	(824.1)	(21.3%)
Total Gross Expenditures	5,092.0	3,906.8	3,869.6	3,045.5		3,045.5	(824.1)	(21.3%)
Net Expenditures	1,904.0	1,931.1	1,931.1	1,969.8		1,969.8	38.7	2.0%
Approved Positions**	7.5	7.5	N/A	7.5		7.5	N/A	

*2021 Projection based on Q3 Variance Report

**YoY comparison based on approved positions

COSTS TO MAINTAIN EXISTING SERVICES

Total 2022 Base Budget expenditures of \$3.046 million gross reflecting a decrease of \$0.824 million in spending below 2021 projected year-end actuals, predominantly arising from:

- The 2021 operating budget included funding of \$0.900 million from the Tax Stabilization Reserve to complete the Missing Persons Investigation Review. As the review is now complete, this funding is no longer required, resulting in a decrease in gross expenditures and revenues from 2021 projections of \$0.863 million.

EQUITY IMPACTS OF BUDGET CHANGES

This budget recognizes the importance of community voices, insights and advice in contributing to the success of the Board in carrying out its oversight and governance roles. The addition of honoraria to the budget reflects a respect and appreciation for community volunteers who lend their voice, professional expertise and lived experiences to the Board's Advisory Panels, and enables meaningful opportunities to advancing police and community dialogues and initiatives.

2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Budget for Toronto Police Services Board is \$0.824 million gross or 21.3% lower than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

Table 2a: 2022 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Contribution From Reserves/Reserve Funds	1,678.7	3,187.5	1,975.7	1,938.5	1,075.7	(862.8)	(44.5%)
Total Revenues	1,678.7	3,187.5	1,975.7	1,938.5	1,075.7	(862.8)	(44.5%)
Salaries and Benefits	1,133.1	1,258.5	1,330.3	1,282.4	1,354.4	72.0	5.6%
Materials & Supplies	3.7	6.3	7.6	3.5	7.6	4.1	117.1%
Equipment	5.3	5.1	6.6	16.5	6.2	(10.3)	(62.4%)
Service and Rent	2,328.9	3,397.3	2,137.5	2,142.4	1,252.5	(889.9)	(41.5%)
Contribution To Reserves/Reserve Funds	529.0	424.8	424.8	424.8	424.8		
Total Gross Expenditures	4,000.0	5,091.9	3,906.8	3,869.6	3,045.5	(824.1)	(21.3%)
Net Expenditures	2,321.3	1,904.5	1,931.1	1,931.1	1,969.8	38.7	2.0%

*2021 Projection based on Q3 Variance Report

Key Base Drivers:**Salaries & Benefits:**

In August 2019, the Board negotiated a new collective agreement with the Senior Officers Organization, and, at its meeting of October 22, 2019, approved a recommendation to ratify the same monetary settlement to Excluded staff, which includes members of the Board Office Staff. As a result, the 2022 impact of the settlement, amounting to \$0.022 million has been added to reflect the Board's decision. In addition, reclassifications added a further \$0.050 million pressure as compared to projected 2021 spending.

Services and Rents:

The 2021 Operating Budget included funding of \$0.900 million from the Tax Stabilization Reserve to complete the Independent Civilian Review into Missing Person Investigations, which was conducted by the Honourable Gloria Epstein. As the Review is now complete, this funding is no longer required, resulting in a decrease in gross expenditures and corresponding draw from the reserve from 2021 projections of \$0.863 million.

Contributions from Reserve Funds:

The reduction in withdrawal from reserve funds is fully related to the one-time funding from the Tax Rate Stabilization Reserve for Missing Person Investigations review that is now complete.

2023 & 2024 OUTLOOKS**Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	1,938.5	1,075.7	1,075.7	1,075.7
Gross Expenditures	3,869.6	3,045.5	3,064.5	3,064.5
Net Expenditures	1,931.1	1,969.8	1,988.8	1,988.8
Approved Positions	7.5	7.5	7.5	7.5

Key drivers

The 2023 Outlook with total gross expenditures of \$3.065 million reflects an anticipated \$0.019 million or 0.62 per cent increase in gross expenditures above the 2022 Operating Budget; The 2024 Outlooks is anticipated to stay in line with 2023 gross expenditures.

These changes arise from the following:

- Impact of applying the 2023 portion of the collective agreement with the Senior Officers' Organization to Excluded and Board staff. The current collective agreement expires in 2023.

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

N/A

Appendix 2

2022 Balancing Actions

N/A

Appendix 3

Summary of 2022 Service Changes

N/A

Appendix 4

Summary of 2022 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 5

Summary of 2022 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

**2022 Capital Budget;
2023 - 2031 Capital Plan Including Carry Forward Funding**

N/A

Appendix 6a

2022 Cash Flow and Future Year Commitments Including Carry Forward Funding

N/A

Appendix 6b

2023 - 2031 Capital Plan

N/A

Appendix 7

Reporting on Major Capital Projects: Status Update

N/A

Appendix 8

Summary of Capital Needs Constraints

N/A

Appendix 9

2022 User Fee Changes

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

2022 Operating Budget

While some years are showing a negative ending balance, it is anticipated that one time funding injection / changing priorities and revised expenditures will adjust the balance.

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2021 *	Withdrawals (-) / Contributions (+)		
			2022	2023	2024
		\$	\$	\$	\$
Beginning Balance			4,793.5	1,920.3	(452.9)
Police Legal Liabilities Reserve	XQ1901				
<i>Withdrawals (-) TPS</i>			(3,152.3)	(3,152.3)	(3,152.3)
<i>Withdrawals (-) Board</i>			(1,075.7)	(1,075.7)	(1,075.7)
<i>Contributions (+) TPS</i>			930.0	1,430.0	2,430.0
<i>Contributions (+) Board</i>			424.8	424.8	424.8
Total Reserve / Reserve Fund Draws / Contributions			1,920.3	(452.9)	(1,826.1)
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		4,793.5	1,920.3	(452.9)	(1,826.1)

* Based on 9-month 2021 Reserve Fund Variance Report

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

Actuals: An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

Capacity to Spend: Ability to spend money along with the capacity to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget: A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

Capital Needs Constraints: The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

Complement: Positions that support the delivery of City services and service levels as approved by Council.

Efficiencies: Reductions in the cost of delivering a service without a reduction in service level.

New / Enhanced: New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

Operating Impact of Completed Capital Projects: The additional expense (or savings) and positions needed to operate or maintain a new asset; an example would be the additional expense and staff needed to operate a recently completed community centre.

Rate Supported Budget: Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority

State of Good Repair (SOGR): The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes

Tax Supported Budget: Budget funded by property taxes.

User Fees: Program generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).