



2024 Budget Notes

Toronto Police Services Board

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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: ensure adequate and effective policing in the City of Toronto; generally determine the objectives and priorities for police services in the municipality, after consultation with the Chief of Police; 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 all members of the Toronto Police Service, the Board is responsible for negotiating all labour contracts, the hiring and termination of all members, and monitoring 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 forums for members of the public from all communities 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.

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What Service We Provide

Governance & Oversight

Who We Serve: Toronto residents, businesses and community organizations/groups, as well as those who work in or visit the city; the Toronto Police Service; the 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; evidence-based oversight and accountability measures, which are responsive to community and Service demands, within a challenging fiscal climate

Policy Development

Who We Serve: Toronto residents, businesses and community organizations/groups, as well as those who work in or visit the city; the Toronto Police Service; the Ministry of the Solicitor General and Ministry of the Attorney General

What We Deliver: Leading methods and approaches to evidence-based policy development, which effectively engage the public, community organizations, government and other stakeholders into the police governance process

Public Engagement & Consultation

Who We Serve: Toronto residents, businesses and community organizations/groups; the Toronto Police Service; the Ministry of the Solicitor General and Ministry of the Attorney General; community organizations/groups, government and other stakeholders

What We Deliver: Leading methods and approaches to effectively engage the public across Toronto's diverse communities, community organizations/groups, government and other stakeholders on current issues in the policing and police governance environment

How Much Resources (gross 2024 operating budget): \$3.4 Million

Budget at a Glance*

2024 OPERATING BUDGET			
<u>\$Million</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Revenues	\$1.1	\$1.1	\$1.1
Gross Expenditures	\$3.4	\$3.4	\$3.4
Net Expenditures	\$2.4	\$2.4	\$2.4
Approved Positions	10.5	10.5	10.5

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

*This document reflects the 2024 Operating Budget as prepared by the City's City Manager and Chief Financial Officer and Treasurer, which is consistent from the budget approved by the Toronto Police Services Board.

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Completion of several executive searches, resulting in the appointment of a new Executive Director and Chief of Staff, a Chief Administrative Officer (C.A.O.), and two Deputy Chiefs of Police.
- 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, as well as the recommendations from the *Missing and Missed* report on missing person investigations.
- Ongoing work with the Board's Anti-Racism Advisory Panel (A.R.A.P.) and Mental Health and Addictions Advisory Panel (M.H.A.A.P.).
- Increased transparency and engagement through our strategic planning consultations and budget committee.
- 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 and abroad.
- 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.

Key Challenges and Risks

The Board and Office of the Police Services Board must:

- Continue and enhance its high degree of engagement with diverse communities on significant policing issues.
- Continue to improve its access to information and analysis on the impact and effectiveness of policing standards, Board Policies and direction to the Chief, and the Service's programs and initiatives.
- Effectively prepare and transition to new legislative environment under the *Community Safety and Policing Act, 2019*, expected to come into force in 2024.
- Continue to improve transparency and accessibility to its work and governance processes.

Priority Actions

- Continued collaboration with the Service in the implementation of the remainder of the Board's 81 directions on Police Reform, 151 Recommendations from the *Missing and Missed* report concerning missing persons investigations, and the Auditor General's recommendations on 9-1-1 response.
- Engaging and working collaboratively with the Ontario Human Rights Commission on the inquiry into racial profiling and racial discrimination of Black persons by the Toronto Police Service.
- Continued work with City of Toronto partners on the *SafeTO: Community Safety and Well-Being Plan* and the implementation of the City's Toronto Community Crisis Service (TCCS).
- Enhanced work to streamline, modernize and improve the Board's governance approaches through analysis of the impacts of statutory adequacy standards, Board Policies and directions, and the development of new leading police governance policies in Canada.
- Continually enhancing the quality of information and level of analysis on the effectiveness and the impacts of the Service's various initiatives that are made available to the Board and the public.

Throughout 2024, the Board will continue this and other work in a transparent and consultative spirit, in a manner that ensures continued effective governance and fair and accountable policing in Toronto.

CITY STAFF PREPARED BUDGET

The City Manager and Chief Financial Officer and Treasurer have prepared the following budget:

1. The 2024 Operating Budget for the Toronto Police Services Board of \$3.421 million gross, \$1.066 million revenue and \$2.355 million net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Toronto Police Services Board	3,421.0	1,065.7	2,355.3
Total Program Budget	3,421.0	1,065.7	2,355.3

- The 2024 staff complement for Toronto Police Services Board comprises of 10.5 operating positions.

2024 OPERATING BUDGET

2024 OPERATING BUDGET OVERVIEW

Table 1: 2024 Operating Budget by Service

(In \$000s)	2022 Actual	2023 Budget	2023 Projection*	2023 Budget excl COVID	2024 Base Budget	2024 New / Enhanced	2024 Budget	Change v. 2023 Budget excl COVID	
By Service	\$	\$	\$	\$	\$	\$	\$	\$	%
Revenues									
Toronto Police Services Board	841.5	1,075.7	1,009.4	1,075.7	1,065.7		1,065.7	(10.0)	(0.9%)
Total Revenues	841.5	1,075.7	1,009.4	1,075.7	1,065.7		1,065.7	(10.0)	(0.9%)
Expenditures									
Toronto Police Services Board	2,811.3	3,252.5	3,186.2	3,252.5	3,421.0		3,421.0	168.5	5.2%
Total Gross Expenditures	2,811.3	3,252.5	3,186.2	3,252.5	3,421.0		3,421.0	168.5	5.2%
Net Expenditures	1,969.8	2,176.8	2,176.8	2,176.8	2,355.3		2,355.3	178.5	8.2%
Approved Positions**	7.5	10.5	10.5	10.5	10.5	0.0	10.5	N/A	N/A

*2023 Projection based on 9 Month Variance

**YoY comparison based on approved positions

KEY DRIVERS

Total 2024 Budget expenditures of \$3.421 million gross reflecting an increase of \$0.169 million in spending above 2023 budget, predominantly arising from:

- Annualized salary and benefits costs for three additional staff hired in 2023 to inform and support Board’s governance and oversight function, as well as address the *Missing and Missed* recommendations that emphasize the need for additional professional staff to fulfil the Board’s statutory mandate.

EQUITY IMPACTS OF BUDGET CHANGES

High equity impacts: The changes in the Toronto Police Services Board’s 2024 Operating Budget include the annualized cost of the Board’s new Advisor, Indigenous Engagement, who will support the Board’s work to meaningfully work across Toronto’s diverse Indigenous communities, and ensure Indigenous voices are reflected in the Board’s decision-making and priorities. In addition, the 2024 Operating Budget includes funding for American Sign Language (A.S.L.) translation services at the Board’s public meetings, to enhance meeting accessibility and engagement. This funding will allow Toronto residents who are hearing impaired to engage more effectively with the Board’s work.

2024 OPERATING BUDGET KEY COST DRIVERS

The 2024 Net Operating Budget for the Toronto Police Services Board \$2.355 million is \$0.179 million or 8.2% higher than the 2023 Net Budget. Table 2 below summarizes the key cost drivers for the 2024 Budget.

Table 2: 2024 Key Cost Drivers

(In \$000s)	2024				2025 Annualized impact (Net)
	Revenues	Gross	Net	Positions**	
2023 Budget	1,075.7	3,252.5	2,176.8	10.5	N/A
2023 Projection*	1,009.4	3,186.2	2,176.8	10.5	N/A
2023 Budget (excl. COVID)	1,075.7	3,252.5	2,176.8	10.5	N/A
Key Cost Drivers:					
<i>Prior Year Impacts</i>					
Annualization of 3 new staff approved in 2023		187.8	187.8		
Sub-Total - Key Cost Drivers		187.8	187.8		
Affordability Measures:					
Line by Line/Matching Actuals	(10.0)	(19.3)	(9.3)		
Sub-Total - Affordability Measures	(10.0)	(19.3)	(9.3)		
Total 2024 Budget	1,065.7	3,421.0	2,355.3	10.5	
Change from 2023 Budget (excl. COVID) (\$)	(10.0)	168.5	178.5	N/A	N/A
Change from 2023 Budget (excl. COVID) (%)	-1%	5%	8%	N/A	N/A

*Based on 9 Month Variance

**YoY comparison based on approved positions

Key Base Drivers:**Prior Year Impacts:**

The addition of three permanent staff was approved as part of the Toronto Police Services Board's New and Enhanced Service Priorities in the 2023 Budget process. These staff members include two Governance Quality Assurance Analysts and one Indigenous Engagement Advisor, which will enhance the Board's governance and oversight function, as well as address the Missing and Missed recommendations. Due to the timing of the hiring of these positions, a portion of the salaries and benefits requirement was included in the 2023 approved budget, with the remaining incremental impact being included in 2024.

Salaries & Benefits:

Cost-of-living Adjustment (COLA) are based on Collective Agreement that is set to expire on December 31, 2023 and until negotiated is budgeted within the City's Corporate Non-Program account consistent with City practice.

Affordability Measures:

Changes were made as part of a line-by-line review of accounts, including reductions to consulting costs and computer equipment. These reductions are partially offset by increases to training and conference costs to align with the Board's training policy, as well as translation services to provide American Sign Language (A.S.L.) interpretation at Board meetings. A slight reduction was also made to professional services related to arbitrations/grievances, which are earmarked to be funded by the Legal Reserve, therefore an equal reduction was made to the budgeted revenue from draws from reserves.

2025 & 2026 OUTLOOKS**Table 5: 2025 and 2026 Outlooks**

(In \$000s)	2024 Budget	2025 Incremental Outlook	2026 Incremental Outlook
Revenues			
Total Revenues	1,065.7		
Gross Expenditures			
Total Gross Expenditures	3,421.0		
Net Expenditures	2,355.3		
Approved Positions	10.5		

Key Outlook Drivers

The 2025 Outlook with total gross expenditures of \$3.421 million reflects an anticipated 0.0% increase in gross expenditures above the 2024 Operating Budget; The 2026 Outlook also expects a 0.0% increase above 2025 gross expenditures.

- Cost of Living Adjustments for Board Staff are usually in line with the collective agreement increases for the Toronto Police Senior Officers' Organization (S.O.O.). The current agreement is set to expire on December 31, 2023 and a new collective agreement will have to be negotiated. No funding is included in the 2025 and 2026 outlooks, and the City will make an estimated provision in its corporate accounts for the purpose of funding the collective agreement that is ultimately negotiated.

APPENDICES

Appendix 1

2024 Operating Budget by Category

Category (In \$000s)	2021 Actual	2022 Actual	2023 Budget	2023 Projection*	2024 Budget	2024 Change from 2023 Budget		2024 Change from 2023 Projection	
	\$	\$	\$	\$	\$	\$	%	\$	%
Contribution From Reserves/Reserve Funds	1,904.0	841.5	1,075.7	1,009.4	1,065.7	(10.0)	(0.9%)	56.3	5.6%
Total Revenues	1,904.0	841.5	1,075.7	1,009.4	1,065.7	(10.0)	(0.9%)	56.3	5.6%
Salaries and Benefits	1,282.2	1,282.3	1,561.4	1,317.1	1,749.2	187.8	12.0%	432.1	32.8%
Materials & Supplies	2.9	2.9	7.6	8.0	7.2	(0.4)	(5.3%)	(0.8)	(10.5%)
Equipment	16.5	6.8	6.2	9.2		(6.2)	(100.0%)	(9.2)	(100.0%)
Service and Rent	2,087.0	1,094.5	1,252.5	1,427.0	1,239.8	(12.7)	(1.0%)	(187.2)	(13.1%)
Contribution To Reserves/Reserve Funds	424.8	424.8	424.8	424.8	424.8				
Total Gross Expenditures	3,813.4	2,811.3	3,252.5	3,186.2	3,421.0	168.5	5.2%	234.8	7.4%
Net Expenditures	1,909.4	1,969.8	2,176.8	2,176.8	2,355.3	178.5	8.2%	178.5	8.2%

*Projection based on 9 Month Variance

Appendix 2

Summary of 2024 Service Changes

N/A

Appendix 3

Summary of 2024 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 4

Summary of 2024 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 5

2024 Capital Budget; 2025 - 2033 Capital Plan Including Carry Forward Funding

N/A

Appendix 5a

2024 Cash Flow and Future Year Commitments Including Carry Forward Funding

N/A

Appendix 5b

2025 - 2033 Capital Plan

N/A

Appendix 6

Reporting on Major Capital Projects: Status Update

N/A

Appendix 7

Capacity to Spend Review

N/A

Appendix 8

Summary of Capital Needs Constraints

N/A

Appendix 9

Capital Program Provincial/Federal Funding Streams by Project

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

2024 Operating Budget

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Withdrawals (-) / Contributions (+)		
		2024	2025	2026
		\$	\$	\$
Beginning Balance		8,620.4	5,517.0	3,413.6
Police Legal Liabilities Reserve	XQ1901			
<i>Withdrawals (-) Board</i>		(1,065.7)	(1,065.7)	(1,065.7)
<i>Withdrawals (-) TPS</i>		(3,392.5)	(3,392.5)	(3,392.5)
<i>Contributions (+) Board</i>		424.8	424.8	424.8
<i>Contributions (+) TPS</i>		930.0	1,930.0	2,930.0
Total Reserve / Reserve Fund Draws / Contributions		5,517.0	3,413.6	2,310.2
Balance at Year-End		5,517.0	3,413.6	2,310.2

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 Service Priorities: 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).