



Special Public Meeting

**Monday,
January 9, 2023
at 9:30AM**



SPECIAL PUBLIC MEETING AGENDA
Monday, January 9th, 2023 at 9:30AM
Livestreaming at <https://youtu.be/JuABjts0pHs>

Call to Order

Indigenous Land Acknowledgement

Declarations of Interest under the [Municipal Conflict of Interest Act](#).

1. **Election of the Chair and Vice-Chair**

In accordance with sections 28(1) and (2) of the *Police Services Act*, which provides that the Board is required to elect a Chair and Vice Chair at its first meeting in each year, the Board members will elect a Chair of the Toronto Police Services Board and will also elect a Vice Chair of the Toronto Police Services Board.

Presentations and Items for Consideration

2. 2023 Budget Requests:
- 2.1 Toronto Police Service Budget Requests Presentation
 - 2.2 December 30, 2022 from Myron Demkiw, Chief of Police
Re: [Toronto Police Service – 2023 Operating Budget Request](#)
 - 2.3 December 20, 2022 from Myron Demkiw, Chief of Police
Re: [Toronto Police Service 2023-2032 Capital Program Request](#)
 - 2.4 December 31, 2022 from Myron Demkiw, Chief of Police
Re: [Toronto Police Service Parking Enforcement Unit – 2023 Operating Budget Request](#)

- 2.5 Toronto Police Services Board Budget Request Presentation
- 2.6 December 28, 2022 from Ryan Teschner, Executive Director and Chief of Staff
Re: Toronto Police Services Board 2023 Operating Budget Request

Note:

To access the Toronto Police Service's Budget online, use the following link:

<https://www.torontopolice.on.ca/budget/>

Board to convene in a Confidential meeting for the purpose of considering confidential items pertaining to legal and personnel matters in accordance with Section 35(4) of the *Police Services Act*

Adjournment

Next Meeting

Thursday, January 26, 2023
Hybrid Board Meeting – at Police Headquarters, 40 College Street or virtually via WebEx

Members of the Toronto Police Services Board

Ainsworth Morgan, Interim Chair
Lisa Kostakis, Member
Lily Cheng, Member & Councillor

Frances Nunziata, Vice-Chair & Councillor
Ann Morgan, Member
Vincent Crisanti, Member & Councillor



PUBLIC REPORT

December 30, 2022

To: Chair and Members
Toronto Police Services Board

From: Myron Demkiw
Chief of Police

Subject: Toronto Police Service – 2023 Operating Budget Request

Table of Contents

Purpose: <input type="checkbox"/> Information Purposes Only <input checked="" type="checkbox"/> Seeking Decision	2
Recommendation(s):	2
Financial Implications:	2
Summary:.....	4
Discussion:	9
A Budget focused on providing adequate and effective policing services that is responsive, can be relied upon and is equitable	9
Mission and Goals (What We do and Why We Do It)	9
Service-Based Budgeting: communicating the value of public safety services and service levels, and improved budget decision-making	9
Our Budget Consultation: what we heard from Toronto residents - needs, priorities and concerns	10
Budget Transparency and Awareness	11
Equity Analysis	12
This budget builds on a history of fiscal responsibility, cost containment, transformation and operational successes.....	13
A History of Fiscally Responsible Budgets.....	13
\$100M+ in Cost Containment Efforts	14
A Comparatively Lean Police Service	17
Operational Successes	21
Ongoing and sustained pressures are challenging to adequately address	21
Rising Urban Population and Service Demand.....	22
Upward Trends in Major Crime.....	23
Special Events and Demonstrations.....	23
Legislative and Common Law Impacts	24
Member Wellness	24
Lack of Operational Flexibility	24

Key Priorities for 2023	25
Supporting safer communities by focusing on core service delivery capacity while addressing growth	25
Supporting safer communities through alternative service delivery	26
Accelerating reform by addressing recommendations from independent reviews, assessments, police reform directions and government mandates.....	27
Modernizing and driving sustainability over time through technology investments	27
Building Community Trust	28
Improving Trust within the Service	28
Budget Details	28
Service-Based Budgeting.....	28
Budget Development Process	30
2023 Budget Cost Drivers.....	31
Outlooks	40
Relevant Board Policies and Compliance	41
Conclusion:.....	41
Attachments:	42
Appendix A – Service-Based Budget.....	43

Purpose: Information Purposes Only Seeking Decision

Recommendation(s):

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

- 1) approve the Toronto Police Service’s (Service’s) 2023 net operating budget request of 1,166.5 Million (M), a \$48.3M or 4.3% increase over the 2022 approved budget;
- 2) forward this report to the City of Toronto (City) Budget Committee for consideration; and
- 3) forward this report to the City’s Chief Financial Officer and Treasurer for information.

Financial Implications:

The Toronto Police Service’s 2023 net operating budget request is \$1,166.5 Million (M) (\$1,330.6M gross), which is \$48.3M or 4.3% above the 2022 approved budget. Of the \$48.3M increase, \$18.5M or 1.7% is related to the financial impact of applying wage increases from the collective agreements with the Toronto Police Association and Senior Officers’ Organization.

The Service has worked diligently to absorb and address cost pressures, as well as contain increases as much as possible. Cost savings and cost avoidance achieved, primarily through strategic deployment and prioritization of resources,

are outlined in the following section of the report: *This budget builds on a 10-year history of fiscal responsibility, cost containment, transformation and operational successes.*

The budget includes funds to build capacity with additional front-line resources, with a goal to improve service levels, and to accommodate growth. Commitments remain towards previous reform and modernization initiatives that aim to improve community trust in and within the Service. This budget also supports more effective resource optimization and partnerships with other organizations with the goal of supporting safer communities.

Table 1 summarizes the 2023 budget request. The budget development process, specific inclusions and year-over-year changes are discussed in more detail in the *Budget Details* section of this report.

Table 1- Summary of 2023 Budget Request

Category	2022 (\$M's)	2023 (\$M's)	\$ Change over 2022 Budget	% Change over 2022 Budget
Gross Expenditure	\$1,262.4	\$1,330.6	\$68.2	5.4%
Revenue	\$144.2	\$164.1	\$19.9	13.8%
Net Expenditure	\$1,118.2	\$1,166.5	\$48.3	4.3%

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

The Service has embarked on a multi-year journey to modernize its budget process in order to provide a better understanding of the services, and service levels, that the funding received provides. As part of these efforts for greater transparency and accountability, the Service has taken substantial steps towards presenting a service-based budget, allowing for greater engagement of the public. The following six areas have been identified based on the perspective of residents receiving services:

1. 9-1-1 Response and Patrol
2. Investigations and Victim Support
3. Crime Prevention
4. Events and Protests
5. Traffic and Parking Enforcement
6. Courts and Prisoner Management

The 2023 request includes an allocation of the budget by services that are being delivered as outlined in the table below.

Table 2 – Summary of 2023 proposed budget and staffing levels by Service Area

	911 Response & Patrol 	Investigations & Victim Support 	Crime Prevention 	Events and Protest 	Traffic and Parking Enforcement 	Courts and Prisoner Management 
Percentage of Gross Budget	39%	34%	12%	2%	5%	9%
Allocation of Gross Budget (\$M)	\$524	\$452	\$133	\$33	\$72	\$117
Percentage of Total Staff	41%	30%	10%	2%	5%	11%
Allocation of Uniform Staff	2,348	1,720	602	107	320	31
Allocation of Civilian Staff	821	612	170	39	86	835

Figures may not add due to rounding

Note: Staff in the above table represents the 2023 proposed staffing complement

Summary:

The 2023 budget request: context behind ‘the number’

Consistently over the last decade, the Service and Board have been modernizing policing service delivery in Toronto, responding to the complex needs of a growing city, and ensuring sustainability in the costs associated with policing in Toronto.

The funds allocated to delivering a service must be calibrated to serve the evolving needs of a growing population and the changing complexity of crime. At the same time, those that deliver the services must be challenged to deliver them more efficiently and effectively, leveraging new approaches, technology and other practices to do as much as possible within the means provided.

Budgets must also be responsive to objective data and analysis – and where that analysis tells us that we are not consistently meeting the city’s needs, it is our role to ask our Board for a responsible increase that will better position us to deliver for residents, workers, and visitors in Toronto. In 2021, the City’s Auditor General (A.G.) completed two, independent reviews of the Service’s 9-1-1 response and priority calls for service. The reports, released in 2022, concluded that even with the various reforms implemented and ongoing efforts by the Board and Service to ‘do more with less’ or to find alternatives to police response, the demand for police services is high and response times are increasing beyond what would be considered acceptable. For example, 90% of 9-1-1 calls take more than the leading practice of 15 seconds to answer. Response times for urgent calls for service (Priority One) have increased from an average of 13 minutes in 2010 to 21 minutes in 2022.

The A.G. stressed that ensuring community safety and well-being will require active

leadership and commitment from the City, Service and various stakeholders, as well as a multi-sector collaboration and partnership in pursuing alternative responses that will allow the Service to focus on achieving its mandate and provide the best possible outcome for the people of Toronto. The Service is committed to supporting the AG's recommendations and working with the City and other partners to determine non-police responses where appropriate. This shift is considered gradual and in the short-term there are limited resources to staff strategic priorities.

Although there has been transformative capacity building efforts over the past several years, the Service's environment continues to be influenced by evolving demands for policing services and increased workload. The 2023 budget includes a hiring plan to prevent further service degradation and to support improvements to service levels and to work toward achieving organizational priorities and improved public safety outcomes. Because of the limitations on capacity to hire and train officers, this hiring strategy will have to continue beyond 2023 in order to have the desired medium and long-term effects on service level improvements.

The 2023 budget request: a budget focusing on core service delivery, improving trust, accelerating police reform, and supporting safer communities.

Under Ontario's *Police Services Act* (P.S.A.), the Board is legally obligated to ensure the delivery of adequate and effective police services throughout the city of Toronto.

To ensure sufficient resources to deliver adequate and effective police services, the Service developed the 2023 net operating budget request, and is submitting a request of \$1.17 Billion (B) (\$1.33B gross), an increase of \$48.3 Million (M) or 4.3% above the Service's 2022 approved budget. This budget balances the needs of the community while maintaining financial affordability with an increase below the level of inflation. In the face of a growing population and increasing demands, the police budget as a portion of the City's net budget continues to decrease over the last decade, from 26% in 2011 to 22.9% in 2022. Over this time, each officer has also served an increasing number of residents. In 2011, one officer served 468 residents, which increased to approximately 600 residents in 2021 and estimated to be 617 residents in 2022.

If approved, the 2023 budget would allow the Service to add approximately 200 uniform officers, net of separations, and would result in one officer serving 605 residents by year-end 2023 with a further improvement to 592 residents by year-end 2024. The additional 2023 resources would be allocated to the following areas, considered to be statutory and business imperatives:

- 162 officers for Priority Response to help meet increased demands, stem further degradation of response times and to address the A.G. findings. This includes 25 officers to support community safety in the downtown core for a strategic presence to address spontaneous and sometimes unpredictable demands;

- 22 officers for Major Case Management to implement Judge Epstein's recommendations in *Missing and Missed* for a functional major case management team/unit; and
- 16 Neighbourhood Community Officers to continue to expand the program to up to four new neighbourhoods that will be selected at a future date, based on data-driven analysis.

As a part of this plan, the budget also reflects an investment in Civilian roles dedicated to delivering front-line services and improving public safety outcomes:

- 90 General Special Constable vacant positions will be filled and ensure certain community safety functions can be performed effectively and at lower cost, allowing sworn police officers to be deployed more strategically and where a police officer is required; and,
- 20 9-1-1 Communication Operators, to improve call answering times and improve compliance with the National Emergency Number Association (N.E.N.A.) standards, taking a step to address the A.G. findings.

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 from 26% in 2011 to 22.9% in 2022, 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:

- call diversion efforts in collaboration with other organizations;
- civilianizing uniform positions where the authority of a sworn officer is not required;
- hiring retired officers with recent law enforcement background;
- implementing the District Special Constable program to de-task uniform officers where appropriate;
- changing shift schedules;
- reallocating resources by dismantling teams;
- integrating technology and innovation to create capacity; and,
- divesting from the lifeguard 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 uniform functions that were traditionally carried out by police officers; through reorganizing various units and roles; and through attrition and position vacancies.

The annual impact of the efforts above have resulted in a budget request that is at minimum, \$400 million less than what it would have been had these efforts not been carried out.

Toronto Police Service officers serve more residents today than officers from other national and international jurisdictions

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 2021 population data, a single Toronto Police Service officer serves an average of 598 people. This number is specific to Toronto residents and excludes the up to 27.5M people that come to this city every year for work or to visit. In comparison, a Vancouver police officer serves 529, a Montreal police officer serves 490, a London, U.K. police officer serves 266, a New York police officer serves 242, and a Chicago police officer serves 203.

As one of the fastest growing cities in North America, Toronto is changing rapidly. The city has seen tremendous growth in population, approximately 16% increase from 2010 to 2023, 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.). Amid these growing and differing demands for service, it is critical to maintain staffing levels, and to prioritize service delivery.

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

The Service's goals, as outlined in the December 19, 2022 Change of Command Ceremony by Chief Demkiw, align with the Board's priorities set out in the 2022-2023 Business Plan and are as follows:

- (1) Improve trust in, and within, the Service;
- (2) Accelerate reform and professionalization; and
- (3) Support safer communities.

Operationally, this funding request will support the Service in its efforts to support the goals above through the following public and organizational priorities:

Improve trust in, and within, the Service

- Improve community trust through the expansion of the Neighbourhood Community Officer (N.C.O.) program;
- Develop an action plan to eliminate racial disparities and address the findings from the Service's Race Based Data Collection work;
- Maintain internal focus on the wellness, development, training and working environment of our people for a healthy, diverse, and professionalized workforce;

- Continue actively engaging with community members, advisory groups and organizations.

Accelerating reform and professionalization

- Continue to implement, in close collaboration with the City and other partners, the recommendations and directions outlined in:
 - the Auditor General (A.G.) report including those calling for ensuring that adequate resources are in place to address priority areas, alternative responses and improved 9-1-1 call answering times;
 - Justice Epstein's 151 recommendations for missing person cases, focusing on establishing a fully functional Major Case Management Unit; and
 - Board's 81 directions on police reform.
- Continue or commence modernization efforts with respect to technology and data enablement in order to increase officer mobility (Digital Officer Program); advance analytics for improved decision making and accountability, investigative efficiencies and crime prevention; and achieve greater automation and digitization of work to increase efficiencies;
- Explore other ways to divert calls, expand online reporting, and improve processes;

Supporting safer communities

- Focus on core service delivery capacity and addressing growth: Maintaining and improving response times to ensure people in Toronto in need of emergency services receive timely and appropriate response to growing demands for service;
- Continue the crisis call diversion pilots with the Gerstein Crisis Centre (G.C.C.) and the City's Toronto Community Crisis Service;
- Support community safety priorities such as road safety and traffic enforcement, Mobile Crisis Intervention Teams (M.C.I.T.), strategies to address gun and gang violence, preventing hate crimes, transitioning to Next Generation 9-1-1 and the New Toronto Courthouse.

Taken together, this budget request is the next step in a multi-year process to increase the Service's capacity to address growing demands for public safety services and prevent further degradation of services. This will be achieved by investing in additional front-line personnel and technology and making service delivery model changes.

In parallel, the Service must continue to focus on building trust with the communities we serve and also become a trusted and transparent employer of choice in a complex and evolving operating environment.

This budget request is a thoughtful, balanced and evidence-driven approach to stabilize core service delivery, while continuing the important work of reform and modernization to build trust with the communities we serve.

Discussion:

A Budget focused on providing adequate and effective policing services that is responsive, can be relied upon and is equitable

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 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 9-1-1 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 essential community safety services, and that is responsive to the needs of our communities.

Service-Based Budgeting: communicating the value of public safety services and service levels, and improved budget decision-making

The Service continues to be challenged with increasing demand for services, changes in legislation, increasing labour costs and greater demands for transparency and public accountability. In addressing these priorities, it is important to provide information on the budget that clearly articulates the services being delivered and the value of services to the public. This is especially important in the context of municipal services being delivered in a fiscally constrained environment of limited resources alongside increasing citywide demands, so that informed decisions can be made in the budget process.

A service-based view also allows for an informed discussion that better ensures the impacts of fiscal decisions – whether to maintain, increase or decrease resources in

public safety – are central in decision-making. In alignment with the plans of the City, the Service has been working towards implementing Service-Based Budgeting. The Services delivered by the Toronto Police Service in this budget are:

- 9-1-1 Response and Patrol
- Investigations and Victim Support
- Crime Prevention
- Events and Protests
- Traffic and Parking Enforcement
- Courts and Prisoner Management

Budgeted costs tied to the services delivered through our budget, supported by metrics and outcomes, can be found in the *Service-Based Budgeting* section of this report.

Our Budget Consultation: what we heard from Toronto residents - needs, priorities and concerns

Public consultations are an important component of the Service’s modernized approach to budget development. The information gathered is critical in helping the Service gauge an understanding of the level of service the public expects. In turn, the allocation of our resources and budget is a reflection of priorities informed through this feedback.

In the fall of 2022, the Service engaged a third-party organization to conduct a community survey of Toronto residents, with goals to:

- obtain meaningful and measurable feedback, to inform Service priorities and the 2023 budget process;
- build a consultation process that was statistically significant and was representative of the socio-demographic diversity of the city; and
- foster public interest, education and support in building our priorities by providing an educational component prior to asking questions of the public, to ensure their opinions are informed by facts and data.

A representative sample of 1,500 Toronto residents was engaged through a randomized process to help inform the priority investments in the 2023 operating budget request.

Key highlights of this survey, based on themes, are as follows:

- Emergency Response
 - 93% of respondents showed some level of concern that 90% of 9-1-1 calls are not answered within 15 seconds, falling short of the recognized N.E.N.A. standard.
 - Nine in 10 respondents expressed concern with a 21-minute response time for officers to attend a high priority call, including half of the respondents (51%) being very or extremely concerned.

- Call Diversion
 - A majority of respondents indicated that the Service should continue to respond to low priority calls such as removing unwanted guests and noisy parties, while also looking at alternatives to enable reporting of such issues online.

- Crime Prevention
 - 86% of respondents said it is important to have an N.C.O. assigned to their community, with 52% saying it is very or extremely important.

- Service Level Enhancements
 - When considering all services, the majority of respondents thought service levels should be increased in the following areas:
 - 9-1-1 response and patrol (66%);
 - crime prevention (62%); and
 - investigations and victim support (58%).

 - The majority of respondents thought the service level for courts and prisoner management (67%) and events and protests (60%) should be maintained (kept the same).

 - For traffic and parking enforcement, half of the respondents thought the service level should be kept the same (47%), and a third (30%) thought it should be decreased.

Community surveys about police budgets are important because they create an opportunity for individuals to provide input on their priorities and concerns, which helps decision-makers, better understand the needs and priorities of the community and make informed decisions on how resources are allocated.

The input received from the survey support the A.G.'s findings, are aligned with the Service's priorities, and helped inform and support the Service's budget request. The Service will continue to incorporate community engagement in the budget process in future years with activities such as surveys, focus groups and through information transparency.

Budget Transparency 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 2023 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 2023 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 directions on Police Reform.

Equity Analysis

The following equity analysis of the budget changes proposed for 2023 is based on the City's methodology and definitions.

A general increase in staffing for **Communications Operators** impacts all within Toronto, and therefore there is no direct equity impact.

Allocating dedicated resources to the **Priority Response** function in general has a neutral-positive impact for all within Toronto. However, the Service acknowledges that, in light of the Race Based Data Collection Strategy findings, additional Priority Response officers may have a neutral-negative impact for some equity deserving groups, in particular Black, Indigenous and Racialized People who were found to be over-represented in both use-of-force incidents as well as strip searches. An initial action plan has been identified in order to address the results to eliminate disparities and move the Service forward in the ultimate goal of providing fair and equitable policing for all. The Service will continue to work with communities, our members, and our partners to further community trust.

The dedicated presence of **25 officers to the downtown core** will have an overall equity impact that is positive. The additional support for downtown community safety should benefit communities that reside there such as Indigenous People, 2S.L.G.B.T.Q.+, Refugees & Undocumented individuals, women, Vulnerable Seniors and Youth, Black, Racialized Groups and persons with low income.

The increase in staffing to build a functional **Major Case Management team** will have an overall equity impact that is medium positive. Indigenous People, Immigrants, Refugees & Undocumented individuals, women, 2S.L.G.B.T.Q.+, Persons with Disabilities, Racialized Groups, Black, Vulnerable Youth, and Vulnerable Seniors will be positively impacted. Several reviews have identified deficiencies and systemic issues in major cases where the victims are Indigenous, 2S.L.G.B.T.Q.+, or from other racialized communities. These deficiencies have recently been detailed in public reports 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 (*Missing and Missed*, 2021). Increasing staffing in this area is necessary to bring the Service into compliance with provincial adequacy standards of indexing major investigations into PowerCase, a provincially mandated program used

by the Major Case Management Unit. This in turn will contribute to conducting effective, methodical, timely investigations that can be audited, for greater impact to underserved communities and equity-deserving groups.

The increase in staffing for **Neighbourhood Community Officers (N.C.O.s)** will have a high positive equity impact. Indigenous People, Immigrants, Refugees & Undocumented individuals, women, 2S.L.G.B.T.Q.+, Persons with Disabilities, Racialized Groups, Black, Vulnerable Youth, and Vulnerable Seniors will be positively impacted. The N.C.O. program deploys officers into neighbourhoods within Toronto that overlap with the City of Toronto Neighbourhood Improvement Areas in the Toronto Strong Neighbourhoods Strategy. N.C.O.s are integral in supporting their neighbourhoods, including discussing community concerns, providing resources, developing youth programs, and fostering trust between the communities and police.

It is important to note that in addition to the equity impacts of the service delivery changes noted above, the Service continues to invest in initiatives that focus on building relationships with the communities we serve and creating an equitable internal workplace culture. Internally, this budget continues to dedicate resources towards important work such as race-based data collection, analysis and public reporting; creating a healthy and respectful workplace; delivering training specific to equity, inclusion and human rights; and building a diverse workforce that reflects the city. This budget also maintains current community-centric programming and relationship building efforts led by the Service's Community Partnerships and Engagement Unit.

This budget builds on a history of fiscal responsibility, cost containment, transformation and operational successes

The Service's transformation efforts have been an ongoing journey over the last number of years. This work has been guided by reports and recommendations such as: the 2017 *The Way Forward* report; the Board's police reform directions in 2020; Judge Epstein's *Missing and Missed* recommendations; and, most recently, the A.G. reports on 9-1-1 response and Priority Calls for Service. This proposed budget recognizes that reform is an ongoing priority that will continue beyond 2023.

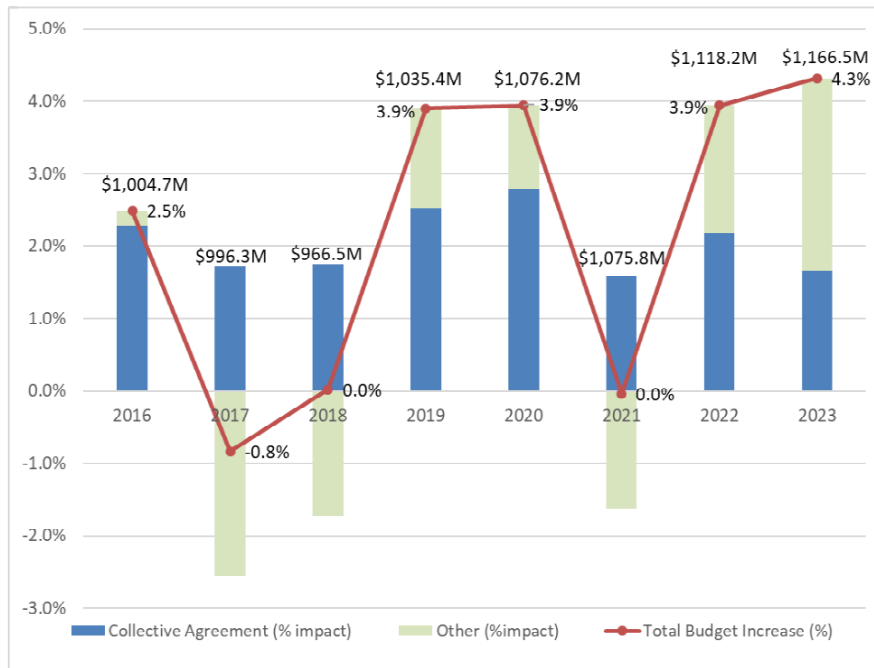
A History of Fiscally Responsible Budgets

The average annual budget increase from 2017 to 2022 is 1.8%, 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 years. Budget increases in 2019, 2020, and 2022 were driven mainly by collective agreement increases as well as required key investments for modernization. This 2023 proposed budget, with an increase of 4.3%, is below the rate of inflation, and is built on absorbing as much inflationary costs as possible, while still implementing the reforms, priorities and other initiatives, along with investments in resources that drive better core service delivery required of a police service in a world-class city.

After over a decade of reductions, policing costs as a percentage of the City's overall net budget decreased from 26% in 2011 to 22.9% in 2022. Over this time, each officer has also served an increasing number of residents, excluding those that visit the city,

from one officer serving 468 residents in 2011 to one officer serving approximately 600 in 2021 and 617 residents in 2022.

Figure 1 – Budget History 2016 - 2023



\$100M+ in Cost Containment Efforts

Achieving a fiscally responsible and community safety responsive budget requires the Service to manage its funding and staffing resources effectively and efficiently. The Service embarked on years of cost containment, reform and modernization, alternative service delivery, and being more community centric, with significant reductions and cost avoidance occurring since 2016.

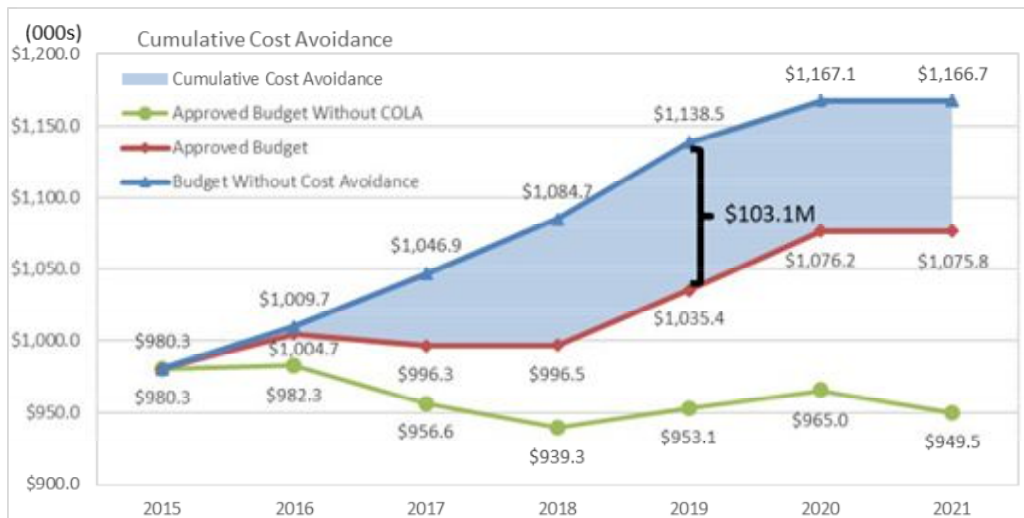
This was accomplished over the years by reallocating and reprioritizing existing resources, implementing various cost saving and cost avoidance measures, with some notable recent examples as follows:

- Implementation of the recommendations outlined in The Way Forward report that led to the achievement of annual cost avoidance and savings of \$100M since 2016, of which \$72M was due to a hiring moratorium;
- Civilianization of roles previously filled by police officers (e.g., district special constables, crime analysts, prisoner bookers) for estimated annual savings of \$7M;
- Establishment of the COVID-19 Pandemic Support Hotline which implemented risk mitigation strategies and precautions to address heightened public and occupational health concerns, resulted in an estimated avoidance of \$25M in lost-time (lost capacity);

- Redeployment of existing resources to meet current priorities and demands like the centralized shooting team, carjacking investigative team and Neighbourhood Community Officers. The value of these reallocations of existing resources, that would have otherwise required additional people to be hired, translates to approximately \$18M;
- Dismantling of Community Response Units in order to redeploy resources to front-line priority response to address core service delivery. Although this has reduced operational flexibility, especially in addressing special events and protests, this translates into approximately \$12M if new resources were hired instead;
- Deployment of Body Worn Cameras (B.W.C.) and the implementation of the Digital Officer program supports community trust and transparency while also enabling efficiencies and improvements in officer note-taking, timeliness of investigations, disclosure compliance, call transcription and disclosure and risk associated with civil claims. Moreover, from January 2023 onwards, a restructured contract for these goods and services is expected to generate \$70M of future cost avoidance over a 10 year period; and
- Implementation of video bail has resulted in over 13,000 remote appearances in 2022 resulting in prisoner transportation savings.

Figure 2 illustrates the savings/cost avoidance of \$100M annually at different points in time, of which over \$72M was due to a hiring moratorium. Cumulatively, over \$400M in cost avoidance and savings was achieved by 2021, as represented by the shaded area.

Figure 2– Service Budget, Pre and Post Cost Avoidance Initiatives, 2015 - 2021



This achievement was only possible to maintain through the implementation of efficiencies, implementing service delivery changes, and reallocation of existing resources to meet the demands of a large, complex and growing city. The goal is to reinvest any efficiencies gained back into core service delivery, however gaps in service levels and lack of operational flexibility remain.

Stabilizing Staffing

A significant enabler of the savings noted above was the reduction of over 400 Service positions between 2010 and 2021. Over this period, uniform staffing levels decreased by over 600 and civilian staffing levels increased by 160, driven in large part through the civilianization of roles previously filled by police officers. It is during this same period of time that response times increased (see *Figure A4 – 9-1-1 Response Time compared to Average Deployed Uniform FY 2010 – 2021 and 2022 YTD (October)* in Appendix A).

Resource constraints resulting from these significant staffing reductions during a time of increasing demands for service has also reduced operational flexibility to respond to emerging needs (such as protests and demonstrations) while still maintaining business continuity.

Further, during this period, the Service has had to redeploy staff from some areas, such as investigation of car thefts, carjacking and community response units, to address more urgent priorities, creating gaps in service. Other gaps, such as major case management were not addressed because of these resources constraints.

Redeployment of staff also enabled the service to reallocate resources towards important initiatives such as M.C.I.T., N.C.O. program and support for the City's SafeT.O. and Vision Zero Road Safety Plan.

That said, there are certain matters that necessitate a police officer response. As the number of deployed officers decreased, the capacity to deploy non-priority response officers in a surge or on demand approach to address spontaneous and unplanned issues no longer remains. Therefore, 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. This was especially the case in 2022 when it came to special events and demonstrations, as some of them had to be staffed almost exclusively by off duty members. Such overreliance on premium pay is not operationally or fiscally sustainable, and the additional hours worked has resulted in employee fatigue and burn out – matters the Service remains committed to addressing through the ongoing modernization of its Wellness Unit, continued implementation of the Service's Mental Health and Addictions Strategy, and adding resources to build capacity for core service delivery. It is now necessary to focus on investments in areas where it is essential – as a matter of law or community safety – to have sustained capacity.

The Service has adopted new shift schedules for most divisions, aimed at maintaining adequate staffing levels towards priority response. Staffing levels and the shift schedules continued to be analyzed in 2022 and will continue in 2023. Indications are that when adequately staffed, these new schedules support member wellness, while at the same time increase officer deployment.

Investing in technology for more efficient service delivery

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 levels, the Service has had to utilize 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 calls to reform and modernize. As noted above, the Service is creating efficiencies and transparency through the implementation of technology such as B.W.C., Digital Officer Program, Evidence.com and online reporting. Investing in technology is a key enabler to accommodating growth efficiently and improving service levels in a more sustainable manner.

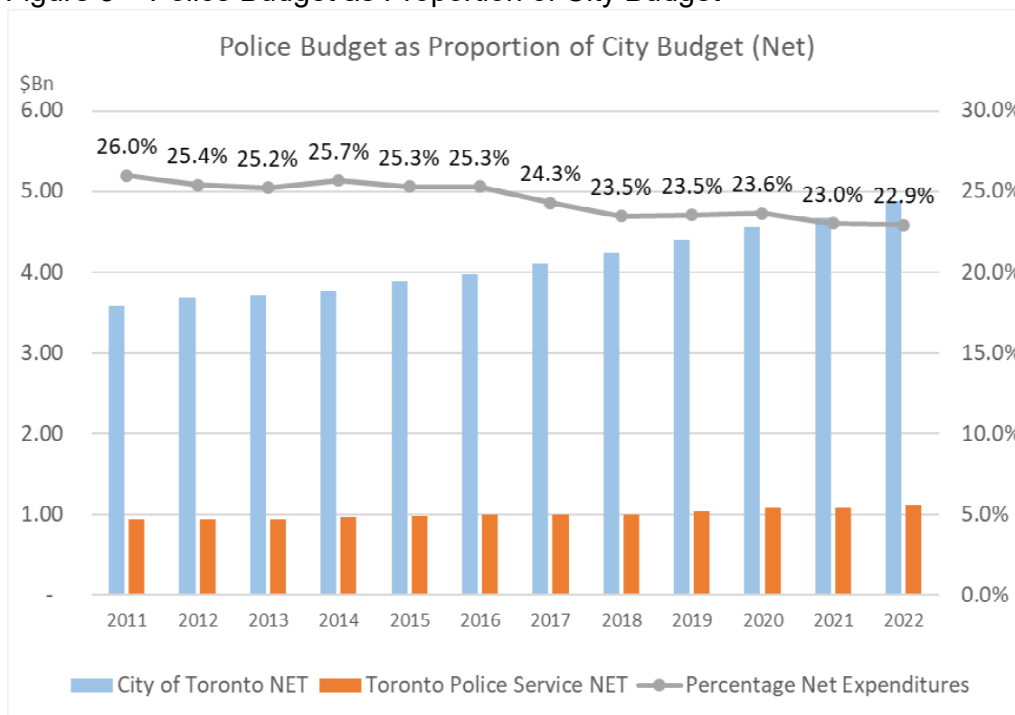
A Comparatively Lean Police Service

A. The Service Compared to the City of Toronto

i. The Service as a percentage of the City Budget

As Figure 3 below shows, the Service’s budget has decreased by 3.1 percentage points as a percentage of the City’s overall budget, on a net basis from 2011 to 2022. These reductions – enabled through modernization and cost containment measures – were achieved alongside the need to serve a rapidly growing population (projected at 16% increase from 2010 to 2023) with diverse needs, while also having to cover cost of living wage increases for our members.

Figure 3 – 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

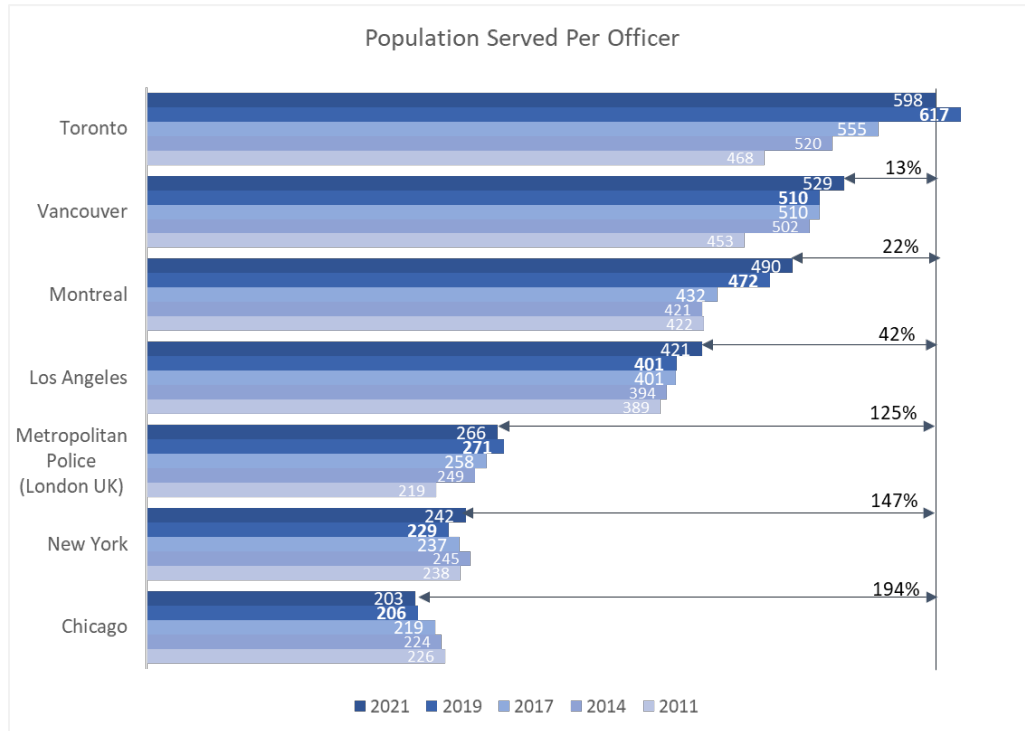
i. Population Served Per Officer

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 almost 90% 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 468 in 2011 to 598 in 2021, an increase of 28%. In other words, each police officer in Toronto serves a larger number of residents than ever before. While that can be sustained with other cost-effective investments to a certain point (such as the broader deployment of Special Constables), operational and legal requirements necessitate a police officer in many circumstances. At a certain point, the demand outpaces the supply, and investment is necessary.

Figure 4 below shows that in 2021 which is the most recent year this information is available for comparator jurisdictions, Toronto had a significantly higher rate of population served per uniform officer, as compared to other large, urban police services. Figure 5 also shows that a Toronto Police officer serves three times more people than some major U.S. cities. Recognizing that American and Canadian public safety and social landscape differs significantly, 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. the Port Authority Police in New York City includes work that in Toronto would be done by the Service).

With a large influx of visitors, significant events and public demonstrations and the complex needs that come with being the fourth largest city in North America, the only close Canadian police service comparators to Toronto are Vancouver and Montreal, of which Toronto serves 13% and 22% more residents per officer, respectively. These figures tell us that our efforts to modernize have worked, and we are leaders in the public safety sector. However, we must also ensure that where police officers are necessary for legal and/or operational reasons, they are available to be deployed.

Figure 4 – Population Served Per Officer



Sources: [Statistics Canada](#), Table 35-10-0077-01 (formerly CANSIM 254-0004). Release date 2022-03-31 [US Cities](#): Federal Bureau of Investigations Crime Data Explorer, Participation and Population Data 2021. Major Chiefs Survey 2021 Final for Chicago 2021 Data only. [Metropolitan Police](#): Home Office, Police Workforce: England and Wales: 31 December 2021 (Police Officers taken total sworn officers, Population and household estimates, England and Wales: Census 2021; Office for National Statistics (ONS))

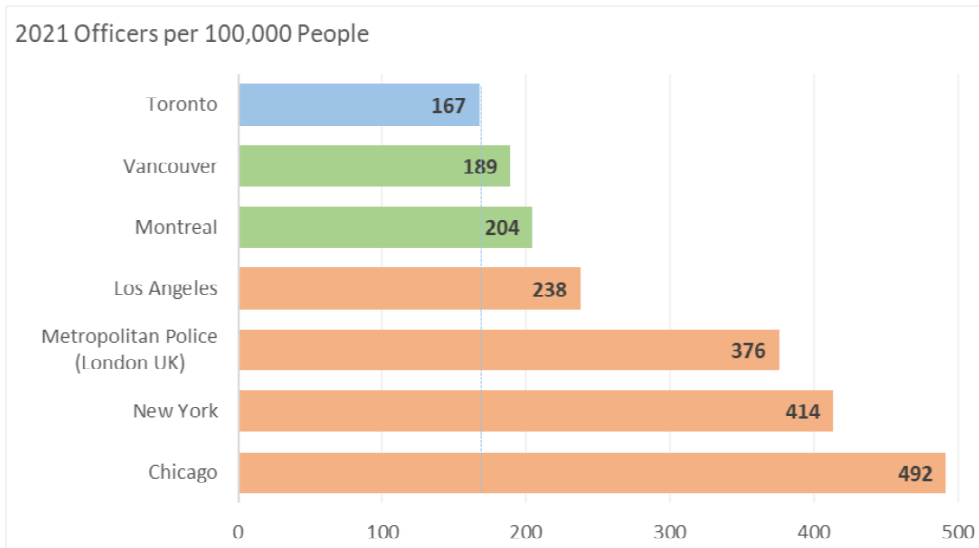
If approved, the 2023 budget would allow the Service to add approximately 200 uniform officers in 2023 (December 2022 to December 2023), net of separations, and would result in one officer serving 605 by year-end 2023, with a further improvement to one officer for every 592 residents by year-end 2024.

i. Officer to Population (Cop to Pop)

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

The number of officers serving 100,000 decreases to 161 in 2022. However, with additional staffing reflected in the 2023 budget, the number of officers per 100,000 people is expected to increase to 163 in 2023 and 166 in 2024.

Figure 5 – Officer to Population

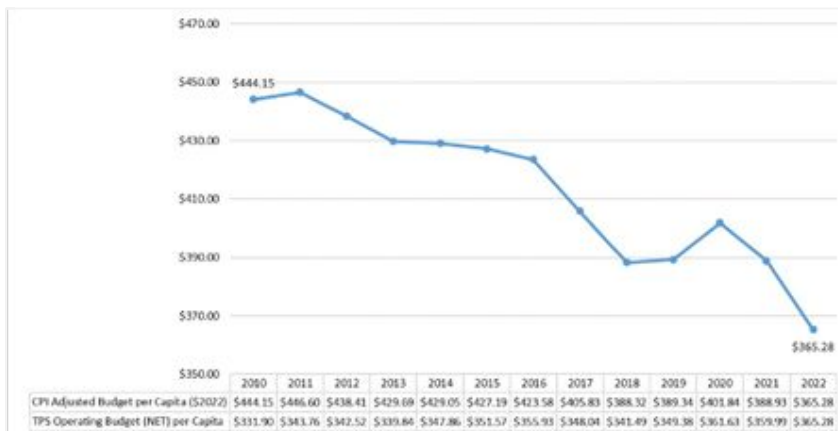


Sources: [Statistics Canada](#), Table 35-10-0077-01 (formerly CANSIM 254-0004). Release date 2022-03-31 [US Cities](#): Federal Bureau of Investigations Crime Data Explorer, Participation and Population Data 2021. Major Chiefs Survey 2021 Final for Chicago 2021 Data only. [Metropolitan Police](#): Home Office, Police Workforce: England and Wales: 31 December 2021 (Police Officers taken total sworn officers, Population and household estimates, England and Wales: Census 2021; Office for National Statistics (O.N.S.))

iii. Net Budget per Capita Adjusted for Inflation

Another way of putting the Service’s total budget into context is to look at the net budget per capita, as shown in Figure 6. In 2022, the cost per capita of policing for Toronto is \$365, or \$1 per day per person residing in Toronto (this excludes visitors). To compare this cost over time, it is important to adjust for inflation. When considering the 2010 cost, adjusted to 2022 dollars, the price per capita has gone down by almost \$79 per capita or 18%. This translates to almost \$240M in reduced funding requirements if budgets kept pace with the rate of inflation. The unadjusted cost has only increased by \$33 per capita since 2010 (over a period of 12 years).

Figure 6 – Net Budget per Capita Adjusted for Inflation



Sources: Statistics Canada. Table 18-10-0005-01 Consumer Price Index, annual average, not seasonally adjusted for 2010 – 2021. Statistics Canada. Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted (October) for 2022

Operational Successes

Despite reductions and cost containment measures, constrained resources and increasing demands, the Service has yielded many operational successes in 2022, including:

- Diversion of 612 events to the G.C.C. with an additional 367 events that were co-responded with the Service, and over 1,100 events diverted to the Toronto Community Crisis Centre;
- FOCUS table referrals of 968 2021; as concluded during a research project conducted by Toronto Metropolitan University in 2020: As a result of the TPS bringing criteria situations to the FOCUS Tables (of any type), there was a 68.75% reduction in Police contacts post FOCUS intervention (during the 3-year follow-up period).¹
- A homicide case closure rate of over 80%;
- Two separate, large-scale drug seizures stemming from international-level investigations with drugs worth \$58M seized in one alone;
- Successfully responded to Freedom Convoy protests in the city of Toronto, allowing for demonstrations while ensuring as little disruption to residents and businesses as possible; and
- Usage of video bail, now in place at four (4) of the (6) six divisional lock-ups resulting in over 13,000 video bail appearances in 2022.

These successes demonstrate the level of depth, training and capability of the Service's membership. However, this also comes at some cost of member wellness, lack of operational flexibility that heightens community safety risk, and degradation of core services such as 9-1-1 response times and attending calls for service. It is essential to focus on key investment areas in order to create sustainable core service delivery capacity.

Ongoing and sustained pressures are challenging to adequately address

The Service has reduced its budget and staffing levels over the course of several years, to be as efficient as possible, and to innovate. Given analytics that show increasing population and growth in a complex urban center, crime trends and increased workloads demonstrate that several areas require increased attention. The complexity of police work is increasing, manifesting in time-intensive calls requiring additional investigative and legal steps. The Service is of the view that capacity building efforts need to include investments in resources to ensure service levels are at least maintained, and do not further degrade, especially in terms of emergency response to calls for services. Building an adequate base of resources is important, especially with

¹ Thompson, S., Leroux, E. (2020), *Developing Canadian Partnerships for Countering Violent Extremism, FOCUS Toronto Process Evaluation and Toronto Police Service data analysis*

an environment that 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 crime
- Special events and demonstrations
- Legislative impacts
- Member wellness
- Lack of operational flexibility

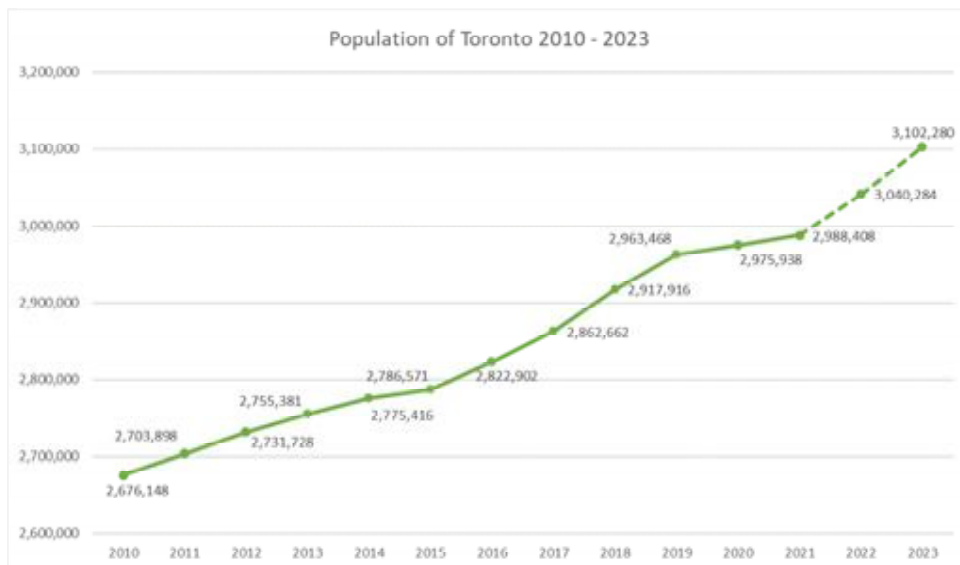
Rising Urban Population and Service Demand

Toronto is growing at an exceptional pace and is one of the fastest growing cities in Canada and the U.S. According to Statistics Canada, and as illustrated in Figure below, by 2023 Toronto's population will be close to 3.1 million people or about 316,000 more than in 2015. This growth is the equivalent to adding the City of Windsor over an 8 year time period.

According to Immigration, Refugees and Citizenship Canada, last year Canada welcomed over 405,000 newcomers, which is the most Canada has ever welcomed in a single year. The Federal Government plans to continue this ambition by setting a target of welcoming 465,000 permanent residents in 2023, 485,000 in 2024 and 500,000 in 2025. Each year tens of thousands of newcomers choose Toronto as their new home.

A rising population drives workload demands including greater calls for service, increased traffic, more crime potential and city events.

Figure 7 – Toronto Population Growth



Sources: 2010-2029, 2021 population sourced from: Statistics Canada. Table 35-10-0077-01 Police personnel and selected crime statistics, municipal police services. 2020 population data is not available in Statistics Canada - average 2019 and 2021 used for 2020 data. 2022-2023 population sourced from: Statistics Canada for 2021 and Ontario Ministry of Finance projections (Summer 2022) for Toronto Census Area (Population Projections for Ontario's 49 Census Divisions by Age and Sex, 2021- 2046)

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 visitors and an increase in demands for all municipal services, including policing.

Furthermore, there is an additional demand in services due to the millions of people who come into the city to work and visit; this influx of people is estimated at 27.5M on an annual basis. As of October 31, 2022, the number of year to date calls for service is the highest it has been since 2015 and has surpassed 2019 (a pre-pandemic year) by 9.2%.

Upward Trends in Major Crime

The Service uses major crime indicators as a measure of how safe the city is. All major crimes increased from 2015 to 2019, with the most notable increase seen in auto theft. In 2022, based on data available by October 31, 2022, all of the major crimes have increased, with the exception of homicide, when compared to the same time last year. The biggest increases are in robberies and thefts (including auto thefts) which are up between 32% - 42% over 2021. This increase in major crime rates over the last few years has driven workload demands through increased calls for service and investigation efforts.

Table 3 – Major Crime Indicators

Major Crime Indicators Full Year									
	2015 FY	2019 FY	% Chg 2019 over 2015	2020 FY*	2021 FY*	% Chg 2021 over 2020	2021 YTD	2022 YTD	% Chg 2022YTD over 2021YTD
Assault	18,083	21,083	16.6%	18,309	19,371	5.8%	16,074	17,487	9%
Auto Theft	3,282	5,355	63.2%	5,769	6,572	13.9%	5,306	7,517	42%
Break and Enter	6,941	8,550	23.2%	6,985	5,749	-17.7%	4,785	4,974	4%
Homicide	59	79	33.9%	71	85	19.7%	75	59	-21%
Robbery	3,544	3,721	5.0%	2,856	2,286	-20.0%	1,812	2,396	32%
Theft Over	1,047	1,398	33.5%	1,227	1,080	-12.0%	889	1,194	34%

* indicates COVID years

Special Events and Demonstrations

The number of special events has been gradually returning to pre-pandemic levels. The number of public demonstrations has also been increasing. In 2022, the Service managed 2,337 events with most notable being the Freedom Convoy, multiple M.L.S.E. Leafs and Raptors games, Rolling Loud concert and the Caribbean Carnival. The Service's ability to deal with and absorb the impact of major planned and unplanned events relies, in part, on the utilization of off-duty officers which results in higher premium pay costs and operational challenges to the continuity of regular service. Constant reliance on the same officers to provide more and more hours of service has resulted in fatigue and burnout for members.

Legislative and Common Law Impacts

A number of relatively new legislative requirements will continue to impact the Service in 2023. These include: *Supporting Ontario's First Responders Act* (passed in 2016); Next Generation 9-1-1; the 2016 *R. v. Jordan* decision requiring a trial within a prescribed period; and the disclosure of "9-1-1 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 2023 budget assumes that recoveries, including a draw from the City's Cannabis legislation reserve will help offset the Service's cannabis related costs.

Member Wellness

Over the past three years, the Service has faced increases in healthcare costs that have been attributed, in part, to the *Supporting Ontario's First Responders Act*, and presumptive legislation for first responders diagnosed with Post Traumatic Stress Disorder (P.T.S.D.). The 2022 W.S.I.B. cost is projected to be \$17.1M by year-end, representing a \$1.7M or 10.8% increase over the prior year.

Comparing to 2021, a greater proportion of occupational injury claims are associated with lost time and 73% of all 2022 year-to-date costs incurred are related to mental health claims. As claims for operational stress injuries increase, so too do the associated costs for health care for claims, which can be long in duration, and highly complex to resolve.

Overall, there is a correlation between reduced staffing levels, greater number of hours worked in a high-risk sector, greater workload demands and member wellness.

Lack of Operational Flexibility

With changing demands and requirements, it is important for the Service to be nimble and responsive to changing priorities, while preserving the critical services that are most important. The Board and Service continue to prioritize modernization and an approach of 'doing things differently,' in order to ensure that any additional resources requested are necessary to deliver on the core mandate of the police service. But, any system has only so much 'give,' and at a certain point, re-deploying from certain areas will result in gaps that we should seek to avoid. An example of this has been auto thefts. Due to previous budget reductions, resource reallocations caused a service gap in the areas that supported the detection, prevention and enforcement related to auto thefts: the resources that were part of a unit that focused on this offence in relation to organized crime were re-allocated to other priority areas, to address the lack of hiring

from consecutive no-growth budgets. Since then, auto thefts have increased substantially in Toronto. This was a crime trend that needed to be addressed, and so, the Service once again re-deployed existing resources in 2022 to ensure this offending behaviour received the appropriate attention. However, there is a need to ensure an adequate level of base resources that permit effective emergency response, while also ensuring the Service can monitor, prevent, intervene and enforce in community safety areas that are trending upwards.

There is concern about a resource picture where service gaps continue to grow with the growth of the city, the increasing number of calls, and a static number of police officers and civilians engaged in community safety service delivery.

Key Priorities for 2023

The Service continues to focus existing resources on priority programs, and embark on a multi-year journey to build capacity through technology and people, to address core service delivery and support community safety, trust and modernization objectives.

As the nature of crime and policing is evolving and continues to become more complex it is necessary 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 priorities, and reflects service enhancements, a focus on our people, building community trust, modernization and continued commitment to maintain previous successful investments.

Supporting safer communities by focusing on core service delivery capacity while addressing growth

There is perhaps no greater priority in policing than improving response times and 9-1-1 call answer times, to ensure people in Toronto in need of emergency services receive a timely and appropriate police response. This is important not only to keep citizens safer, but also to build trust with the communities we serve.

The 2023 budget reflects a hiring plan that maximizes cadet training capacity and will allow the Service to begin to address 9-1-1 response times to high priority calls, which have been steadily increasing since 2010. Included in the 2023 budget is an additional 200 officers deployed by the end of 2023, with the first 162 of those officers dedicated to enhancing the capacity of priority response units. This increase in officers is primarily a result of hiring and training occurring in 2022, with the August 2022 class of 112 recruits deploying in February 2023 and the December 2022 class of 120 recruits deploying in June 2023. The 2023 hiring and training plan supports a further increase of deployed officers by an additional 200 by the end of 2024. While this hiring plan may appear aggressive, these numbers are a responsible approach that will allow the Service to address its current challenges, keep up with growth and stem any further degradation of response times.

The Service will also be adding 20 additional communications operators to address 9-1-1 call answering times and the addition of 90 General Special Constables to support the front-line allowing civilianized roles to perform duties that do not require an officer.

Beyond hiring, the Service continues to utilize all available options to improve response times, including changing deployment (i.e., shift schedules and deployment models), and continuing call diversion efforts. These efforts have already proven successful in narrowing the types of calls where a police response is required. However, it is important to acknowledge that there remains a broad spectrum of calls for which a police response is required, and for which those resources need to be available.

In addition to response times, the Service remains committed to supporting existing priorities such as:

- Road safety and traffic enforcement response that is intelligence-led and aligned with the City's Vision Zero goals; and
- Preventing hate crimes. 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.

Supporting safer communities through alternative service delivery

The A.G. conducted a review and outlined recommendations for change in three key areas: call for service response, leveraging data and technology, and integration and information sharing. The Service is dedicated to implementing these recommendations. A steering committee consisting of City, Board and Service representatives has already been struck to ensure a coordination of efforts by all parties. This will support a more effective response to calls for service and improved trust and confidence in the services delivered.

The Service has diverted calls where possible (e.g. noise complaints), piloted and expanded alternative resources (e.g. M.C.I.T.), transferred out non-core services (e.g. crossing guards, lifeguards, T.T.C. security), expanded online reporting, civilianized appropriate roles and most recently launched the Crisis Call diversion pilot with the Gerstein Crisis Centre. The Service will continue its crisis call diversion pilot with the G.C.C. into 2023, as well as support the City's Community Crisis Service pilot and efforts to implement SafeT.O. A Community Safety & Well-Being Plan.

This budget also continues to support the Mobile Crisis Intervention teams, a collaborative partnership between hospitals and the Service that partners a mental health nurse and a specially trained officer to respond to 9-1-1 calls involving individuals experiencing mental health crisis.

It is important to note that pursuing alternative service delivery presumes other avenues are in place and available when needed. The A.G. notes that 40% of the lower priority event types (Priority 4 to 6) could have (potentially) been handled through a non-police response, if proper alternative responses were in place.

The Service will continue to explore other ways to divert calls, further expand online reporting and civilianize uniform positions, as well as improve processes with a goal of continuing to provide an affordable and value-added public safety service. This will also

ensure that citizens receive the best form of service appropriate for their needs and help to improve trust with our communities.

Accelerating reform by addressing recommendations from independent reviews, assessments, police reform directions and government mandates

The Service is dedicated to addressing the findings and recommendations from key reports and independent reviews that have identified areas in need of improvement:

- The City's Auditor General Reports: implementing the recommendations from these reports, including those calling for ensuring that adequate resources are in place to address priority areas, alternative responses and improved 9-1-1 call answering times. This includes the hiring plan outlined above which will see: an additional 200 officers deployed in 2023 (compared to December 2022), an additional 200 officers deployed in 2024, 20 additional Communications Operators and 90 Special Constables.
- Judge Epstein's *Missing and Missed* Report: continuing to implement the 151 recommendations for missing person cases remains a priority in 2023, with a major focus to establish a fully functional Major Case Management Unit. The 2023 budget request includes funding for 22 officers that will be assigned to the major management case function.
- The Board's 81 directions for Police Reform: the Service also continues to implement the remaining 81 directions for reform provided by the Board in 2020. At this stage, 70% of these directions have been implemented, with the balance targeted for implementation by Fall 2023.

Modernizing and driving sustainability over time through technology investments

The Service continues its modernization efforts with respect to technology and data enablement to ensure it places the right resources in the right places and at the right times to deliver efficient, responsive and accountable policing. There have been many milestones achieved in this area, including: the Digital Officer Program; Body Worn Cameras; the use of Evidence.com; exploring improvements to the Service's Records Management System; the creation of a Firearm Bail Compliance Dashboard; moving to electronic memo books; and implementation of video bail. All of these efforts have placed the Service at the forefront of embracing technology and analytics to drive more effective and strategic use of resources, improved decision-making, improved investigative effectiveness and crime prevention, and, ultimately achieve greater automation and digitization of work to increase efficiencies.

The Service is also committed to facilitating a transition to Next Generation 9-1-1 in support of the Canadian Radio-television and Telecommunications (C.R.T.C.) mandate requiring telecommunications providers to upgrade their infrastructure and operations for N.G. 9-1-1 to an Internet Protocol (I.P.) based platform technology capable of carrying voice, text and other data components. It is important to note that this capability will have far-reaching implications, the extent to which is still being determined on how individuals will engage

with the Service, the impact to workload demands and impact to emergency response processes.

Building Community Trust

Communities and businesses in Toronto have provided feedback that they would like more dedicated, proactive police presence in their neighbourhoods and that they value the relationships built with officers in the N.C.O. Program. 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 identify local 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, detect, deter and solve crime.

Currently the N.C.O. program has been implemented in 52 out of 158 city neighbourhoods, with 206 N.C.O.s deployed across the city. This budget request will allow for expansion of the program by an additional 16 N.C.O.s by the end of 2023, after priority response officers have been increased and based on a hiring plan that would see 200 additional officers by the end of 2023.

The 2023 budget also supports the service-wide strategy to address gun and gang violence. The Service will continue its efforts 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. This includes such programs and initiatives as the Neighbourhood Officer Program, Toronto Crime Stoppers, Bail Compliance, Project #Engage416, Furthering Our Communities Uniting Services – Toronto (F.O.C.U.S.), and Youth in Policing Initiative. The Service also supports the City's efforts to implement SafeT.O. A Community Safety & Well-Being Plan.

This budget also supports continued engagement with community members, advisory groups and other organizations including relationship-building efforts led by the Service's Community Partnerships and Engagement Unit. Moreover, the development of an action plan to eliminate racial disparities and continue the race based data work remain a priority.

Improving Trust within the Service

The Service is committed to the wellness, development and training of our people for a healthy and professionalized workforce. This also includes fostering a positive workplace culture that places emphasis on; leading practice human resource and wellness programming; updated hiring and promotional processes that embed concepts of equity; communications and engagement; internal complaints and investigations reform; leadership development and training; and data and analytics.

Budget Details

Service-Based Budgeting

Service-based budgeting is a multi-year initiative that was initiated in 2021 and aligns with the City's plans to modernize its budget process.

Service-based budgeting allows the Service to show its budget based on the services provided to the community rather than disclosing the budget by expenditure and revenue items. This is done by defining key categories of service from the perspective of citizens receiving those services, defining how many resources are providing these services, and tying outcomes and key metrics to the services to show how well the Service is doing and the value that is provided.

This approach provides a better understanding of services provided and the service levels that the funding provides. Some benefits of service-based budgeting include:

- Improved accountability, transparency and trust: By focusing on the specific services provided, service based budgeting can help the public to understand the value for the dollars provided in budget and making the Service more accountable to the community, increasing transparency around how resources are being used;
- Enhanced efficiency and effectiveness: By aligning its resources with the specific needs of the community, the Service can potentially improve efficiency and effectiveness. Tracking metrics to measure service demand, service levels and outcomes also allows to Service to become a more performance focused organization;
- Stronger community partnerships: Service based budgeting can also help to strengthen the partnerships between the Service and the community it serves. Focusing on the specific services provided can enable the Service to better understand and respond to the community's needs;
- Strategic conversations: Being equipped with service-based information allows for conversations regarding impacts of funding changes on service levels and trade-offs that need to be made; and

The following six service areas have been identified based on the perspective of residents receiving services:







1. 9-1-1 Response and Patrol
2. Investigations and Victim Support
3. Crime Prevention
4. Events and Protests
5. Traffic and Parking Enforcement
6. Courts and Prisoner Management

A seventh service area - Internal Support Services - captures costs and revenues that are not specific to individual service areas (e.g., finance, human resources, legal costs, information technology, etc.). These 'centralized' revenues and expenditures have been allocated to the six service areas based on its relationship with different cost drivers (e.g., information technology costs are allocated based on total salaries, while outfitting costs allocated based on uniform salaries only).

Staff from each Service Area, Analytics and Information, Strategy Management and Budget & Financial Analysis worked collaboratively to develop service profiles for each service that identify services provided, partnerships, key analytics, achievements, challenges and opportunities. Details on each service can be found in Appendix A.

The 2023 proposed budget and staffing levels have been allocated to the six service areas as outlined in the table below.

Table 4 – Summary of 2023 proposed budget and staffing levels by Service Area

	911 Response & Patrol 	Investigations & Victim Support 	Crime Prevention 	Events and Protest 	Traffic and Parking Enforcement 	Courts and Prisoner Management 
Percentage of Gross Budget	39%	34%	12%	2%	5%	9%
Allocation of Gross Budget (\$M)	\$524	\$452	\$133	\$33	\$72	\$117
Percentage of Total Staff	41%	30%	10%	2%	5%	11%
Allocation of Uniform Staff	2,348	1,720	602	107	320	31
Allocation of Civilian Staff	821	612	170	39	86	835

Figures may not add due to rounding.

Note: Staff in the above table represents the 2023 proposed staffing complement

It is important to note that all six-service areas have interrelationships with other service areas, and no service can stand on its own or function without internal services support.

The implementation of Service-based budgeting will be incremental and will require system changes to support better data. Future budgets will continue to expand on this work, refining key performance measures and identifying where best to focus the Service’s limited resources.

Budget Development Process

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 Board and Service’s strategic goals and priorities, as well as the City’s directions and guidelines.

The 2023 budget was developed through review and discussion at the Command level, and premised on the following principles:

- build in a hiring plan for uniform recruits to support capacity building efforts to address core service delivery needs and gaps that have been identified;
- find efficiencies and opportunities to reallocate existing resources towards priority areas – in other words, a request for hiring should be based on already having

demonstrated how existing resources are being used to their most effective and efficient capacity;

- contain costs to the extent possible;
- no new initiatives unless required by legislation, result in financial savings or cost avoidance, or mitigate high risks;
- continue work on previous commitments, recommendations and directions such as police reform, A.G. recommendations, Missing and Missed recommendations, addressing the race based data collection findings, and the Deloitte report on workplace harassment; and
- reflect the public safety priorities of Torontonians.

A number of actions were taken to develop the proposed 2023 budget. These included:

- reviewing service objectives, staffing requirements and related trends (uniform and civilian) to determine the 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;
- planning for the funding of expected contractual cost increases from within existing budgets by decreasing the budget in other accounts where possible; and
- conducting community consultation through a survey of 1,500 residents to help inform and support service level changes and resource allocation

The budget request was reviewed throughout the development process with the Command and City representatives. These reviews resulted in adjustments to the budget, as new information became available, and as requirements and efficiencies were identified.

2023 Budget Cost Drivers

The 2023 Toronto Police Service operating budget request is \$1,166.5M (\$1,330.6M gross), which is \$48.3M or 4.3% above the 2022 approved budget.

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

Table 5 – Summary of Net Budget Request by Category

Category	2022 Budget \$Ms	2023 Request \$Ms	\$ Change over 2022 Budget	% Change over 2022 Budget
a. Salary Requirements	\$847.2	\$863.1	\$15.9	1.4%
b. Premium Pay	\$46.4	\$58.0	\$11.6	1.0%
c. Statutory Deductions and Benefits	\$241.5	\$253.3	\$11.9	1.1%
d. Reserve Contributions	\$36.0	\$36.0	\$0.0	0.0%
e. Other Expenditures	\$91.4	\$101.7	\$10.3	0.9%
f. Revenues	(\$144.2)	(\$164.1)	(\$19.9)	(1.8%)
Subtotal without Collective Agreement	\$1,118.2	\$1,148.0	\$29.8	2.7%
g. Collective Agreement Impacts		\$18.5	\$18.5	1.7%
Net Budget Request	\$1,118.2	\$1,166.5	\$48.3	4.3%

a) Salary Requirements (\$863.1M)

The total salary requirements for 2023 (exclusive of the collective agreement impacts) are \$863.1M, \$15.9M (1.4%) more than the previous year's budget, as outlined in the Table below.

Table 6 – Breakdown of Salary Requirements

Description	Change \$Ms
Human Resource Strategy for Uniform Members	
• 2023 annualized savings from 2022 separations (projected at 280)	(\$23.4)
• 2023 annualized impact of 2022 replacements	\$20.9
• 2022 annualized and 2023 part-year reclassification costs	\$6.3
• 2023 part-year savings from separations (estimated at 200 officers)	(\$10.8)
• 2023 impact of 2023 replacements	\$15.0
Human Resource Strategy for Civilian Members	
• Additional 20 Communications Operators	\$1.6
• Special Constables	\$2.4
• Filling Civilian Vacancies	\$2.0
Net Other Changes (e.g., in-year job reclassifications, changes in leaves, etc.)	\$1.9
Total	\$15.9

Human Resources Staffing Strategy for Uniform Members:

2022 impacts of separations and hiring:

2022 separations are projected to be at 280 compared to 200 as budgeted for in 2022. The 2023 annualized impact of the 2022 separations is a budget reduction of \$23.4M. The 2023 annualized impact of 2022 replacements is \$20.9M.

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 2023 cost of reclassifications for officers hired in 2022 and in previous years is \$6.3M.

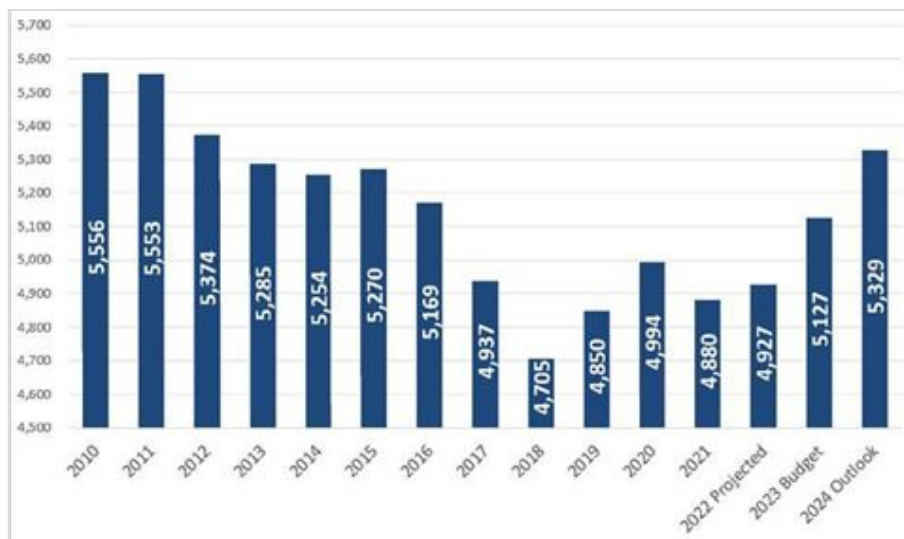
2023 impacts of separations and hiring:

2023 separations are budgeted to be at 200, which results in a budget reduction of \$10.8M. In 2023, the Service is planning class sizes for three intake classes held annually by the Ontario Police College (120 each in April, August, and December, as well as 48 lateral hires), with the goal of reaching deployed strength of 5,127 by December 2023, for a total part year cost of \$15.0M for 2023 hires.

The Service will add approximately 200 uniform officers, net of separations, in 2023 (December 2022 to December 2023) as follows:

- 162 for Priority Response to help meet increased demand and stem further degradation of response times, including 25 for the downtown core as a strategic presence to address spontaneous and unpredictable demands;
- 22 Major Case Management (M.C.M.) to implement recommendations for a functional major case management team; and
- 16 Neighbourhood Officers to continue the expansion of the program to new neighbourhoods after first addressing requirements for priority response and M.C.M.

Figure 8 – Year-End Deployed Uniform Strength



Note: Staffing in the above chart represents the year-end uniform strength

The hiring plan supports a multi-year plan to build capacity to effectively respond to emergency calls for service. It is anticipated that by the end of 2024, uniform staffing levels will reach 2012 – 2013 levels.

Civilian Vacancy Rate:

The Service is budgeting for a vacancy rate of 2.0% based on approved positions of 2,563, down from 5.4% vacancy rate in 2022. 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 positions. The Service will be reducing the vacancy rate during 2023 by back filling Special Constables, discussed further below, as well as continuing to fill other positions that support the front-line. This will result in 2,512 civilian positions staffed by the end of 2023.

Communications Operators

The Toronto Police Communications Services (Communications) is the primary 9-1-1 conduit for emergency services (Fire, Police, and Paramedics) within the City of Toronto. Even though the Service has continued to adjust shift schedules and deploy staff as efficiently as possible, the calls for service continue to grow and this continues to put further stress on our call takers and dispatchers to answer calls and deploy officers on a timely basis in a consistent manner. The N.E.N.A. sets standards for call answer times. The Service has not been meeting these standards consistently as per *Figure A2 – Percentage of Days per Year the NENA Standard was Met by Toronto Police Service* in Appendix A. As a result, the 2023 budget request includes funding to add 20 additional 9-1-1 Communication Operators to improve compliance and to address the Auditor General's recommendation directed at improving 9-1-1 call answering times.

Special Constables

The Service is planning to fill 90 Special Constable vacant positions. As part of this hiring strategy, the Service is moving towards a consolidated General Special Constable program. That is, District Special Constables, Court Officers and Booking Officers, all of which are Special Constables under the *Police Services Act*, will be hired and cross trained for all three positions with a goal of flexible deployment as needs arise. The hiring of Special Constables will supplement front-line service delivery. In addition, as trials having been ramping up with the end of COVID-19 restrictions, Court Services require the backfilling of Special Constables to support normalized operations. This hiring strategy is necessitated by the current number of vacancies as well as the fact that the Special Constable program is an entry point towards becoming a Police Constable, resulting in significant turnover.

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 \$1.9M in 2023.

g) Collective Agreement Impacts (\$18.5M)

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.

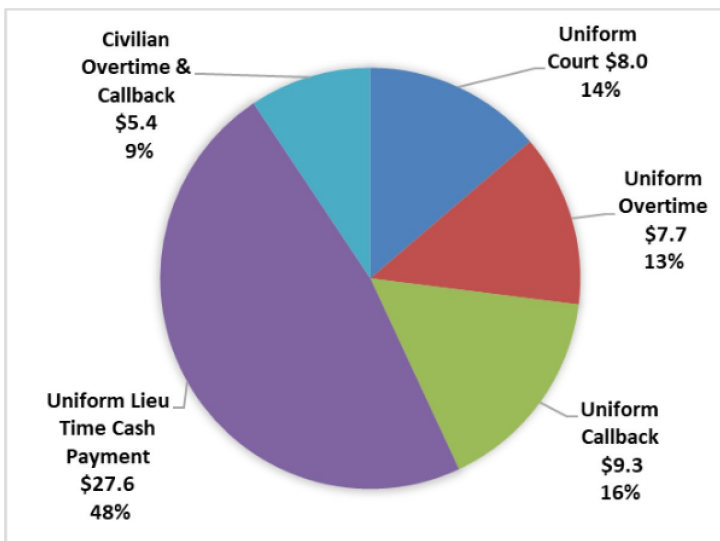
The Agreements include a wage increase of 11.06% over the five-year term (average of 2.21% per year) as well as a Priority Response Unit Patrol Allowance of 3% of basic salary for all hours worked by uniform members with more than five years of service in the P.R.U.

The 2023 budget impact of the collective agreement settlements on the operating budget is \$18.5M.

b) Premium Pay (\$58.0M)

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 9 – Premium Pay



The total premium pay request for 2023 is \$58.0M, up \$11.6M from the previous budget.

The Service's ability to deal with and absorb the impact of major planned and 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. Over-reliance on premium pay to address these events is unsustainable from a financial standpoint, but also from the standpoint of the ability of officers to continue to work a significant number of additional hours and at the same time maintain a healthy workforce.

Since staffing levels have been decreasing over the years, there has been a significant increase in premium pay costs to address critical core service delivery 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 included a further reduction to premium pay of \$3.5M (before salary settlement adjustment) to keep the budget increase in 2022 as low as possible.

Premium pay costs have an inverse relationship with the number of uniform and civilian positions. As staffing levels have decreased, premium pay has increased.

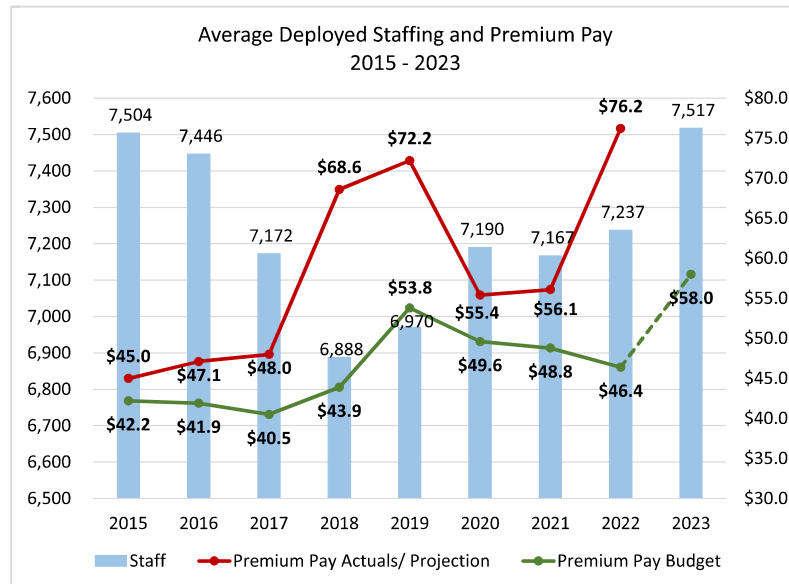
Premium pay costs have historically been underfunded, resulting in a starting pressure that the Service is expected to manage. The 2023 budget request takes into account 2022 projected spending, excluding

one-time events such as the Freedom Convoy protests. The budget request also takes into account the planned increased in staffing during 2023, as a result, the budget request is significantly lower than projected 2022 year-end spending. As the Service creates more permanent capacity through higher staffing levels, premium pay will be relied upon for its traditional intent, rather than to address core service delivery gaps.

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.

The Service will monitor and take steps to control premium pay and will report on actual experience through the quarterly variance reporting process to the Board. However, it will be very difficult to continue to cover the large premium pay pressure, while also hiring and training for increased capacity, and at the same time meet the Service’s public safety responsibilities.

Figure 10 – Average Deployed Staff and Premium Pay 2015 – 2023



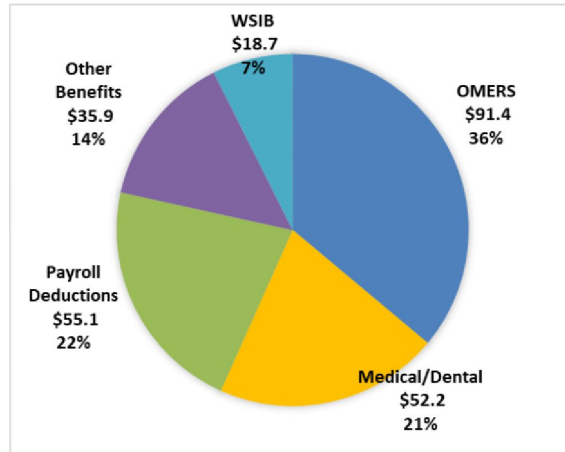
c) *Statutory Deductions and Benefits (\$253.3M)*

Statutory payroll deductions and employee benefits expenditures are \$11.9M or 4.9% higher than the previous year budget.

The biggest changes are attributed to the following items:

- Medical/Dental Coverage (\$5.1M or 11% 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 2021 actuals and the 2022 projected year-end actual, plus an anticipated increase which is well below the suggested industry increase.
- Payroll deductions costs and Ontario Municipal Employees Retirement System (O.M.E.R.S.) (\$1.7M or 1% 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.
- W.S.I.B. costs (\$2.3M or 14% increase): The increase is influenced by the *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. The Service has partnered with a third-party organization to help effectively manage W.S.I.B. claims.
- Other Benefits includes various other expenditures such as Sick Pay Gratuity, Central Sick bank, group life insurance, retiree benefits, etc. (\$2.8M or 8% increase). Central Sick bank expenses have been increased by \$2.1M to be in line with 2021 actuals and 2022 year-end projection offset by reserve draws in revenue, for a net zero impact on the 2023 budget.

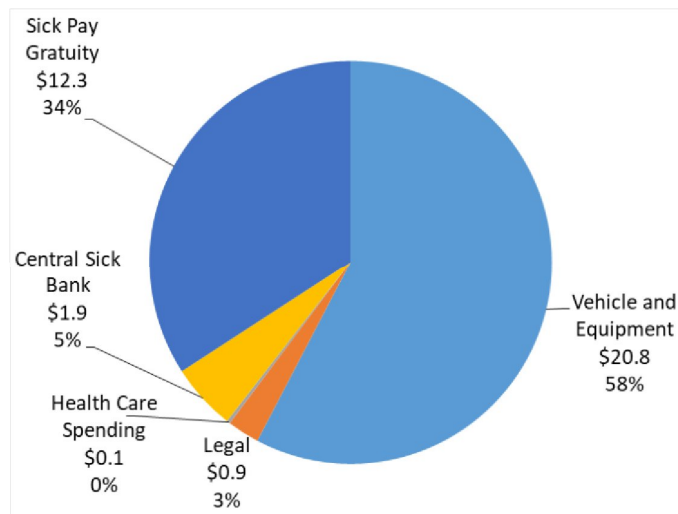
Figure 11 – Benefits



d) Reserve Contributions (\$36M)

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.

Figure 12 – Reserve Contributions



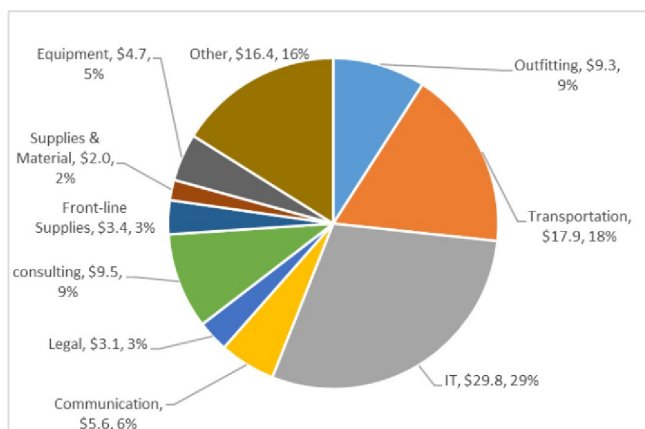
The Vehicle and Equipment reserve makes up the largest portion and is further expanded upon in the Service’s 2023 – 2032 Capital Budget request.

In order to minimize the Service’s 2023 budget request, the total of all reserve contributions for 2023 was held at \$36M, or the same level as the 2022 budget. The Service recognizes that this is not a sustainable approach. To ensure the health of the reserves and those 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.

e) Other Expenditures (\$101.7M)

Other Expenditures 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.

Figure 13 – Other Expenditures Breakdown



These expenditures were increased by \$10.3M or 11.3% compared to the previous year budget, with the largest adjustments attributed to the following items:

- Computer maintenance will require additional funding of \$1.7M 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.

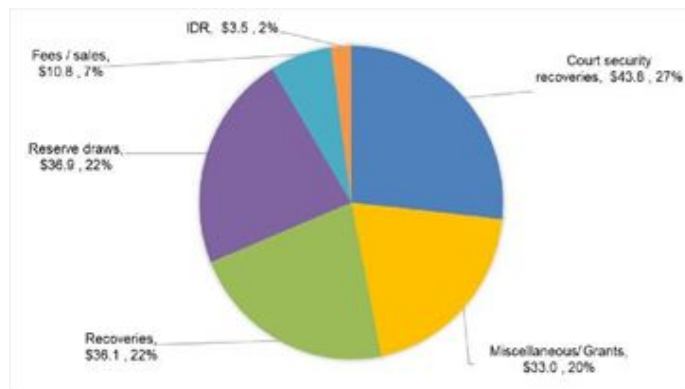
- Gasoline funding was increased by \$3.8M to account for higher gasoline prices.
- Outfitting/Uniform was increased by \$1.4M mostly due to inflationary increase and increases in quantity to outfit new recruits.
- Various increases in other expenditures such as ammunition (\$0.8M) for additional training and cost increase, Canadian Police College training cost increase (\$0.6M), move to the New Toronto Courthouse (\$0.5M), conversion to a new data management system for wellness that would consolidate all files and allow for faster navigation (\$0.5M), plus various other increase for \$1M.

f) Revenues (\$164.1M)

Approximately 88% of the Service’s expenditures are funded by City property taxes. The remaining 12% is funded through multiple sources.

The 2023 Revenue budget, representing funding that excludes the City’s property tax revenue, is \$164.1M. This is \$19.9M or 13.8% higher than the previous year budget with the biggest changes due to the following items:

Figure 14 – Revenues Breakdown



- For 2023, the Service included \$11.8M to reflect provincial funding for projects approved as part of such grants as Community Safety and Policing (C.S.P.), Guns & Gangs (G.&G.), Children at Risk of Exploitation (C.A.R.E.) and other smaller grants. These grants support important and innovative projects that enhance the Service’s ability to serve the community, as well as adopt new technology and investigative techniques.
- The Service experienced a reduction in revenues for Criminal Reference Checks as a result of COVID-19. While revenues have not fully returned to pre-pandemic levels, year-to-date experience indicates that revenues have made a partial return to pre-pandemic levels. Budget is increased by \$1M to bring the budget in line with 2022 year-end projection.
- The draws from various reserves have increased by \$3.9M. This reflects an increase of \$2.1M for Central Sick bank, \$0.6M for Health Care spending, \$0.1M

for Legal and \$1M for Modernization reserve. These increases are offset by increase in expenditures for a net zero impact on budget.

- One-time draw of \$2.6M from the Tax Stabilization Reserve to offset one-time expenditures related to the move to the New Toronto Courthouse, implementation of the 151 Missing & Missed recommendations and ensuring proper security and governance for the Service's information technology; for a net zero impact on budget.

The Revenues also include a recovery from the Province for Court Security and Prisoner Transportation (C.S.P.T.). 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 2023 with no change from 2022. The Province is currently reviewing this program and any changes to the recoveries allocated to the Service will be reflected in future year budgets.

Outlooks

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 by the *Police Services Act*, requires a responsible increase in staffing. In addition to the officers deployed in 2023, the hiring plan will increase the complement of officers by an additional 200 in 2024. The Service will also need to continue filling civilian vacancies.

Staffing increases beyond 2024 have not yet been determined and the Service will spend 2023 and 2024 evaluating the impact of its many change and reform initiatives underway to inform future staffing level discussions. As a result, the 2025 outlook is based on maintaining 2024 staffing levels.

The current collective agreements with the Toronto Police Association and the Toronto Police Senior Officers' Organization expire on December 31, 2023 and new collective agreements will have to be negotiated. No funding is included in the 2024 and 2025 Outlooks for the impacts of the next collective agreements and the City will make an estimated provision in its corporate accounts until a settlement is reached.

As per the table below, in addition to the collective agreement impacts, the Outlooks also have not taken into account any changes, opportunities or efficiencies that may be identified and implemented as part of ongoing modernization or reform efforts.

Table 7 – 2024 and 2025 Outlooks

Description	2024	2025
Starting Request	1,166.5	1,217.4
Salary Requirements	25.9	5.3
Benefit Cost Increases	12.8	12.0
Reserve Contributions	7.0	6.5
Non Salary - Inflationary and Contract Increases	2.9	2.4
Revenues	2.3	0.0
Total Change	50.9	26.2
Outlook	1,217.4	1,243.6
% Change over prior year	4.36%	2.15%

Relevant Board Policies and Compliance

This report is in compliance with the Board’s Budget Transparency Policy, approved on July 29, 2021 under Board Minute P2021-0729-3.0.

Conclusion:

The Toronto Police Service 2023 Operating Budget request is \$1,166.5 Million (M) (\$1,330.6M gross), which is \$48.3M or 4.3% above the 2022 approved budget.

The Service and the Board have expressed concern about a resource picture where service gaps continue to grow with the growth of the city, the increasing number of calls, and a static number of police officers and civilians engaged in community safety service delivery.

This budget request represents a multi-year focus on enhancing core service delivery, creating operational capacity and flexibility, and being responsive to the needs of the community. This request builds off key findings from the City of Toronto’s Auditor General, which concluded, among other things, that our 9-1-1 call answering and priority calls for service response times are not acceptable.

Included in this budget is a hiring plan that will see the net addition of 200 officers in 2023 and an additional 200 officers in 2024. Civilian hiring to support emergency response times includes 20 additional Communications Officers and 90 Special Constables. This budget also includes continued commitment towards police reform, alternative service delivery, modernization, equity and member wellness.

This fiscally responsible budget is in line with the direction set out by the Board, and provides funding to address key priority actions identified for 2023.

Interim Chief Administrative Officer Svina Dhaliwal and Acting Director of Finance and Business Management Cindy Grant will be in attendance to answer any questions the Board may have regarding this report.

Respectfully submitted,

Myron Demkiw, M.O.M.
Chief of Police

*copy with original signature on file at Board Office







Attachments:

Appendix A – Service-Based Budget

Appendix A – Service-Based Budget

The 2023 proposed budget and staffing levels have been allocated to the six service areas as outlined in the table below and information on each key service area follows:

Table A1 - Summary of 2023 proposed budget and staffing levels by Service Area

	911 Response & Patrol 	Investigations & Victim Support 	Crime Prevention 	Events and Protest 	Traffic and Parking Enforcement 	Courts and Prisoner Management 
Percentage of Gross Budget	39%	34%	12%	2%	5%	9%
Allocation of Gross Budget (\$M)	\$524	\$452	\$133	\$33	\$72	\$117
Percentage of Total Staff	41%	30%	10%	2%	5%	11%
Allocation of Uniform Staff	2,348	1,720	602	107	320	31
Allocation of Civilian Staff	821	612	170	39	86	835

Figures may not add due to rounding

Note: Staff in the above table represents the 2023 proposed staffing complement

1. 9-1-1 Response and Patrol

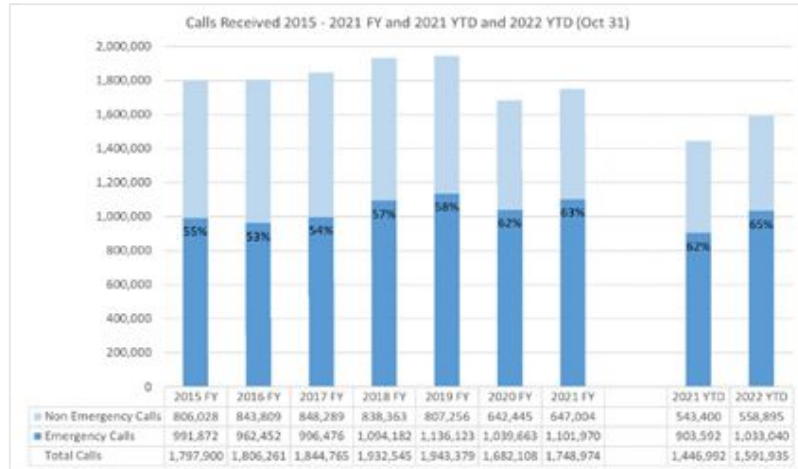
9-1-1 Response and Patrol service ensures that people in Toronto in need of emergency services receive a timely and appropriate response that provides required assistance, ensuring Toronto residents, businesses and visitors have their needs effectively addressed in an emergency. This is a broad service area that encompasses three distinct areas: call taking, reactive response to calls, and proactive patrol:

- T.P.S. operates the 9-1-1 Public Safety Answering Point (P.S.A.P.) for the City of Toronto. All emergency (9-1-1) and non-emergency (416-808-2222) calls are answered by a T.P.S. communications operator. The communications operator triages all incoming calls by taking preliminary information to determine the type of assistance required by the caller, and either transfers the call to a dispatcher to ensure an immediate police response, re-directs the call to the appropriate service outside of the Service or re-directs the call to the appropriate area within T.P.S.
- Police officers are dispatched by Communications operators to respond to a variety of calls for service, prioritized as either emergency calls for service or non-emergency response.
- Police officers in cars are assigned to patrol areas in their respective divisions.

On average, the Service's Communications Centre receives over 1.8 million calls annually. Calls range from pocket dials to Priority 1 emergencies and the same event may generate many calls. All calls must be answered with due diligence and followed up as necessary.

The total number of calls for service increased approximately 8.1% from 2015 to 2019, while emergency calls for service were 15% higher for the same time period. Despite a reduction in 2020 and 2021 due to COVID-19, the emergency calls have increased by 9.2% year to date (October 31, 2022) from 2019 to 2022.

Figure A1 – Calls Received FY 2015-2021 and 2021 YTD and 2022 YTD (October)



The current N.E.N.A. standard for answering 9-1-1 calls is that 90% of all calls shall be answered within 15 seconds and 95% answered within 20 seconds. However, since 2018, the Service's staffing levels (including communication operators) have decreased and the Service has only successfully met the N.E.N.A. standard 1% to 3% of days as outlined below (the off-trend value in 2020 is an anomaly attributed to the effects of COVID-19).

Figure A2 – Percentage of Days per Year the NENA Standard was Met by Toronto Police

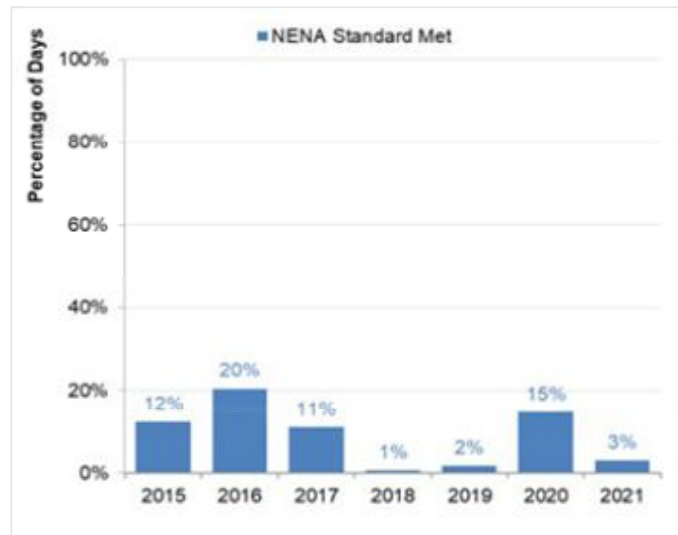


Figure A3 – Breakdown on the Number of Days by 9-1-1 Calls Daily Average Wait Time from 2018 - 2021

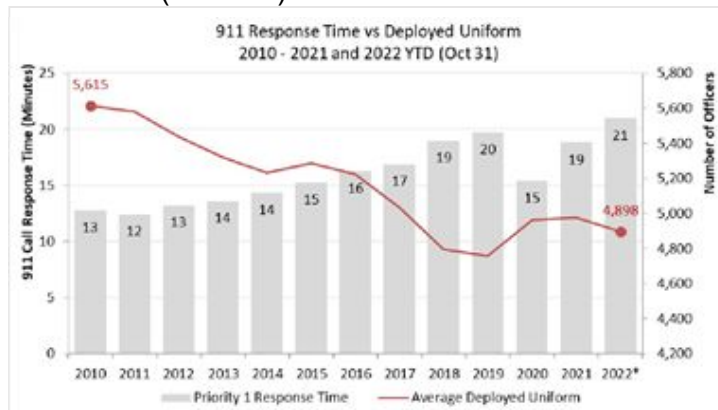
	Daily Average 9-1-1 Wait Time (# of days)			
	2018	2019	2020	2021
15 sec. or less (the wait time target in current service level standard) ¹	66	170	216	123
More than 15 sec. to 30 sec.	182	157	121	175
Subtotal	248	327	337	298
More than 30 sec. to 1 min.	103	38	29	62
More than 1 min. to 2 min.	13	0	0	5
More than 2 min.	1	0	0	0
Subtotal	117	38	29	67
Total	365	365	366	365

Source: Audit analysis of the Morning Statistics Reports

¹The wait time target in the service level standard prior to December 2020 was 10 seconds

Increasing number of calls coupled with insufficient resources to meet the demand has led to degradation of response times, which are currently sitting at 21 minutes for Priority 1 calls, as outlined in the chart. Priority 1 calls are the most urgent situations where a dispatcher may assign the event to any unit from anywhere in the City, for example, person with a gun, child apprehension, serious car accident.

Figure A4 – 9-1-1 Response Time compared to Average Deployed Uniform FY 2010-2021 and 2022 YTD (October)



Note: Staff in the above table represents the average deployed uniform strength

In order to meet increased demands and prevent further degradation of response times, the 2023 budget request includes funding to hire 162 uniform officers for Priority Response, 90 Special Constables to support front-line service delivery, as well as 20 9-1-1 Communications Operators to improve compliance with N.E.N.A. standards. Furthermore, the Service will also continue to divert calls where possible, explore options for alternative service delivery as well as improve processes.

In 2023, the 9-1-1 Response and Patrol service accounts for \$524M or 39% of the total gross budget. The service is comprised of 2,348 uniform and 821 civilian positions.

2. Investigations and Victim Support

Investigations and Victim Support service ensures that investigations are conducted by highly qualified investigators, and victims are provided with immediate, support to ensure incidents of criminality and victimization are addressed and reduced.

Investigations can range from less serious crimes to intense criminal investigations, such as organized crime, financial, drug and sex crimes; homicides; robberies and gun/gang related crimes. When a member of the public or their family is impacted by one of these crimes, victim support is provided by liaising with victims and their families throughout the entire investigative process, beginning with the initial investigation and including the court process and quality of life recovery.

From 2015 to 2019, all major crimes have increased, with the most notable increase seen in auto theft. In 2022, based on data available by October 31, 2022, all of the major crimes have increased, with the exception of homicide, when compared to the same time last year.

Table A2 – Major Crime Indicators

Major Crime Indicators									
	2015 FY	2019 FY	% Chg 2019 over 2015	2020 FY*	2021 FY*	% Chg 2019 over 2015	2021 YTD	2022 YTD	% Chg 2022 over 2021
Assault	18,083	21,083	16.6%	18,309	19,371	16.6%	16,074	17,487	8.8%
Auto Theft	3,282	5,355	63.2%	5,769	6,572	63.2%	5,306	7,517	41.7%
Break and Enter	6,941	8,550	23.2%	6,985	5,749	23.2%	4,785	4,974	3.9%
Homicide	59	79	33.9%	71	85	33.9%	75	59	-21.3%
Robbery	3,544	3,721	5.0%	2,856	2,286	5.0%	1,812	2,396	32.2%
Theft Over	1,047	1,398	33.5%	1,227	1,080	33.5%	889	1,194	34.3%

*indicates COVID years

Table A3 - Clearance Rates for Major Crime Indicators 2015-2021 and 2022 YTD (October)

MCI Category	2015	2016	2017	2018	2019	2020	2021	7 Yr Trend	Chg 2015 - 2021	2021 YTD (Oct)	2022 YTD (Oct)	2 Yr Trend	Chg 2021 vs 2022
Homicide	64%	55%	46%	65%	58%	69%	64%		-0.9%	65%	87%		21.3%
Assault	71%	69%	68%	64%	65%	64%	62%		-9.0%	62%	63%		1.2%
Auto Theft	11%	13%	14%	15%	11%	8%	6%		-5.3%	6%	6%		0.2%
Break and Enter	26%	24%	24%	22%	21%	26%	27%		1.3%	28%	27%		-0.6%
Robbery	45%	44%	44%	44%	42%	46%	51%		5.7%	51%	48%		-2.5%
Theft Over	20%	22%	19%	21%	17%	15%	12%		-8.0%	13%	12%		-0.7%

Clearance rates across the major crime indicators vary as crime trends change. A notable success can be seen in Homicide clearance rates which are at 87% in 2022 (Y.T.D. October), the highest in the last 20 years. In all areas, investigators must be prepared to response to changes in demand, and face the challenge of the dynamic complexity of each case. Changes in technology alter the way in which some crimes

are committed. While advancements may provide additional evidence such as video, collecting and reviewing numerous videos increases investigators time.

In order to ensure sufficient capacity in the Investigations and Victim Support service area, as well as address Judge Epstein's recommendations for Missing & Missed, the 2023 budget request includes funding to hire 22 uniform officers for Major Case Management. In addition, the Service, working with other police services in the G.T.A., established a dedicated team to address the increasing auto theft trends.

In 2023, the Investigations and Victim Support service accounts for \$452M or 34% of the total gross budget. The service is comprised of 1,720 uniform and 612 civilian positions.

3. Crime Prevention

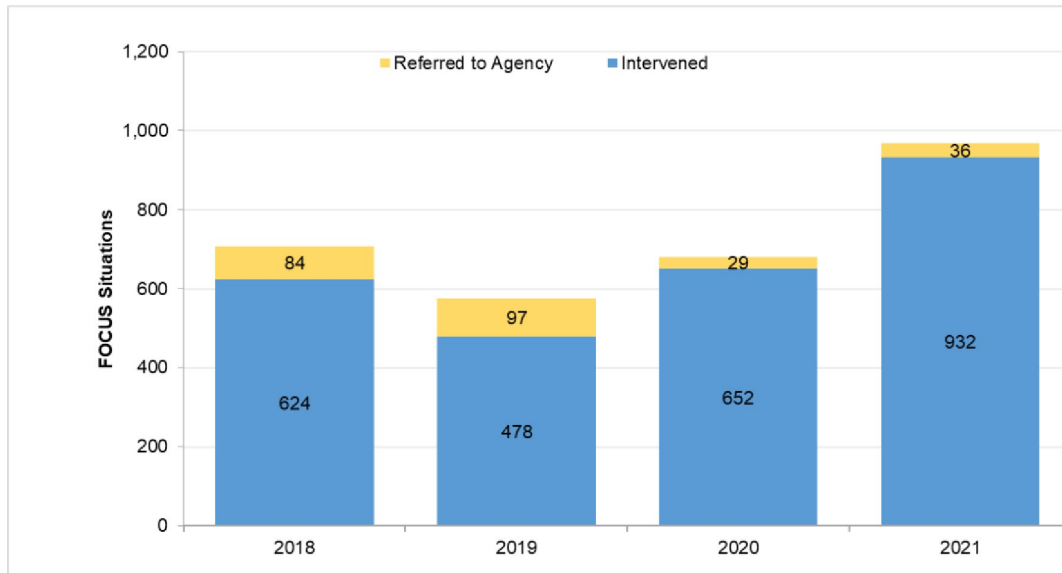
The Crime Prevention service delivers crime prevention initiatives and activities that reduce crime, strengthen community relationships, and increase community resiliency and capacity to maintain their own safety. Examples of the programs and initiatives under this service include Auxiliary Program, Neighbourhood Officer Program, Mobile Crisis Intervention Teams, Toronto Crime Stoppers, Hate Crime Unit, Bail Compliance, Project #Engage416, Aboriginal Peacekeeping Unit, Furthering Our Communities Uniting Services – Toronto (F.O.C.U.S.), and Youth in Policing Initiative. The service also supports the City's efforts to implement SafeT.O. A Community Safety & Well-Being Plan. All of these programs and initiatives aim to reduce hard and social disorder and, as a result, the demand for emergency response.

Measuring the success of crime prevention initiatives can be complex. However looking at trends in the number of cases referred to F.O.C.U.S. tables may provide valuable insights.

Six F.O.C.U.S. tables meet weekly to review referrals from the Service or other agencies. Situations are brought to the F.O.C.U.S. Situation Tables to determine if they represent Acutely Elevated Risk (A.E.R.)². F.O.C.U.S. tables review A.E.R. cases to determine if interventions are feasible, or if the case should be referred to specific agencies. Cases have generally been increasing over the last four years. On average, the F.O.C.U.S. tables are able to intervene in 90% of situations reviewed. The remaining 10% are referred to other agencies.

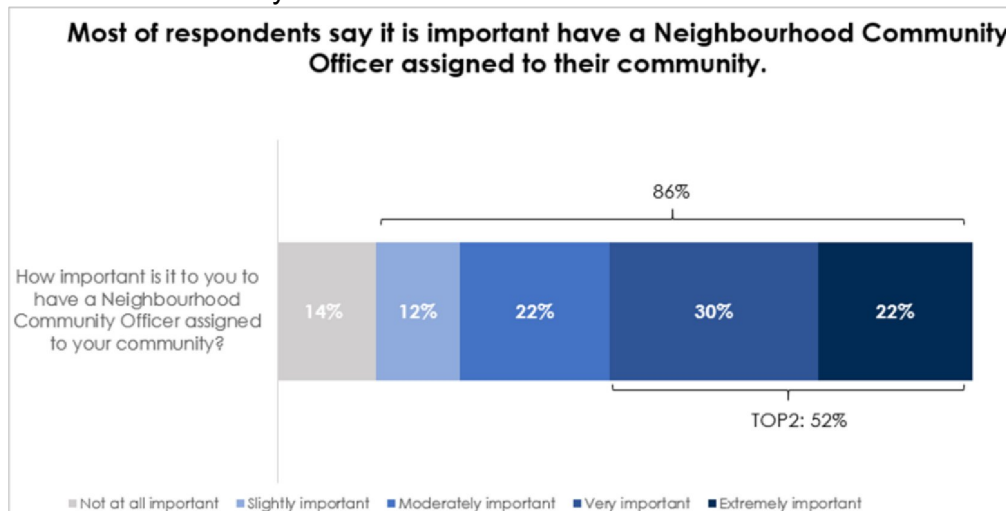
² Acutely Elevated Risk (AER) refers to any situation impinging on individuals, families, group or places where circumstances indicate an extremely high probability of the occurrence of victimization from crime or social disorder. Left untended, such situations will require targeted enforcement and/or other emergency responses. The "acute" nature of these situations is an indicator that either threatening circumstances have accumulated to the point where a crisis is imminent, or new circumstances have contributed to severely increased threats of victimization.

Figure A5 – Breakdown on the Number of F.O.C.U.S. Situations from 2018 - 2021



In the fall of 2022, the Service engaged Forum Research to conduct a community survey of Toronto residents in order to obtain meaningful and measurable feedback that would inform Service priorities and the 2023 budget process. When asked about crime prevention, in particular about Neighbourhood Community Officers (N.C.O.), about 9 in 10 respondents (86%) said it is important to have an N.C.O. assigned to their community, with 52% saying it is very or extremely important as shown in the chart below.

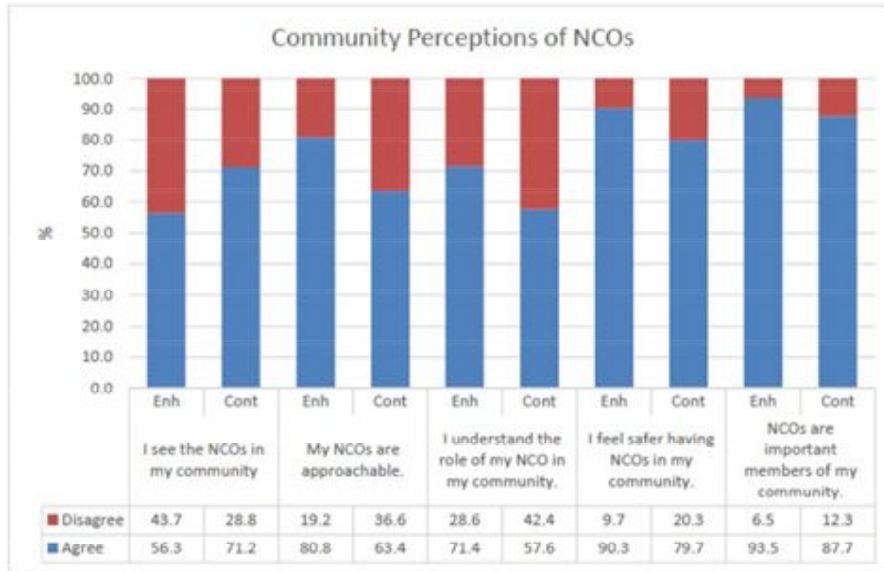
Figure A6 – Breakdown on the 2021 Survey Results related to sentiment around Neighbourhood Community Officers



Many Torontonians agree that the Neighbourhood Officers in their area are visible and approachable. An overwhelming majority feels safer having the Neighbourhood Officers

in their area and believes they are important members of the community. This information tells us that the relationships formed by N.C.O.'s are valued by the community and they are an integral part of crime prevention.

Figure A7 – Breakdown on the 2019 Survey Results related to sentiment around Neighbourhood Community Officers



Enh – Enhance Cont - Continue

The Service is continuing to expand this program with an increase of 16 N.C.O.s planned for 2023. This will bring the current number of neighbourhoods with N.C.O.s from 52 neighbourhoods with 206 N.C.O.s, to approximately 56 neighbourhoods with 222 N.C.O.s. There are 158 defined neighbourhoods in the City of Toronto.

In 2023, the Crime Prevention service accounts for \$133M or 12% of the total gross budget. The service is comprised of 602 uniform and 170 civilian positions.

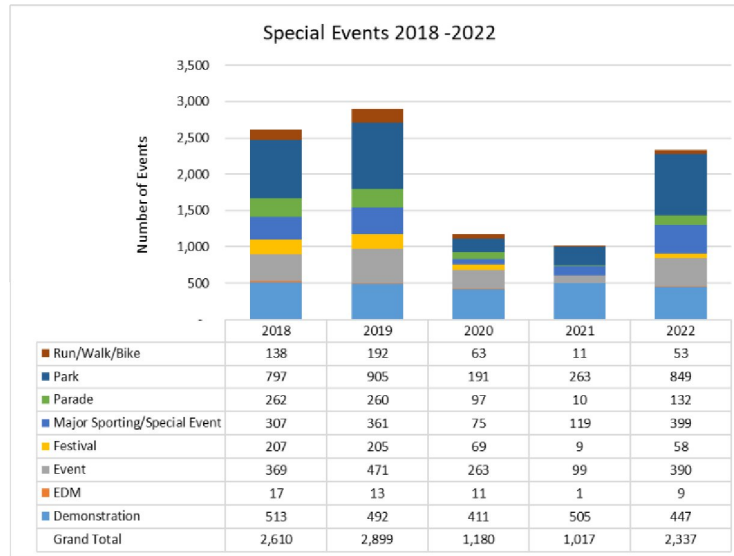
4. Events & Protests

The Events and Protests service ensures the safety of citizens, property and infrastructure through effective planning, preparation, action and follow-up during events and protests that take place in the City of Toronto. This service facilitates the rights and freedoms of persons to gather in peaceful and lawful assembly, while mitigating disruption of day-to-day activities for residents, businesses and visitors. This includes ensuring traffic and pedestrian flow, parking, and access to services, and deterring criminal behaviour that could occur in large crowds. Officers assigned to this function work in conjunction with external partners (e.g., Fire, Paramedics) to ensure the health and safety of attendees and bystanders.

As one of the largest and most diverse cities in Canada, Toronto is the host to many events and protests each year, each unique in its own way. In 2022, the Events & Protests service managed 2,337 events as per the chart below, with most notable being

the Freedom Convoy, multiple M.S.L.E. Leafs and Raptors games, Rolling Loud concert and the Caribbean Carnival.

Figure A8 – Special Events 2018 - 2022



The number of special events and protests have been slowly returning to pre-COVID-19 levels and are expected to increase as the City’s population growth. In addition, the rise of social media to promote events and protests results in increased public participation. These factors drive the need to increase the number of officers at these events.

The Service’s ability to deal with and absorb the impact of major planned and unplanned events relies, in part, on the utilization of off-duty officers which results in higher premium pay costs. In addition, the constant reliance on the same officers to provide more and more hours of service has resulted in fatigue and burnout for members.

The capacity issue is also being felt in the area of paid duties. A significant number of paid duties go unfilled for a variety of reasons. In some instances, paid duty assignments are left unfilled, resulting in unhappy clients. In other instances, where a paid duty must be filled, on-duty officers are assigned to the paid duty. This in turn exacerbates the capacity issues discussed above.

The 2023 budget request includes additional funding of \$11.6M for premium pay, bringing the total premium pay budget to \$58M. However, this increase is still below the projected year-end actual for 2022 of \$76.2M.

In 2023, the Events and Protests service accounts for \$22M or 2% of the total gross budget. The service is comprised of 107 uniform and 39 civilian positions.

5. Traffic and Parking Enforcement

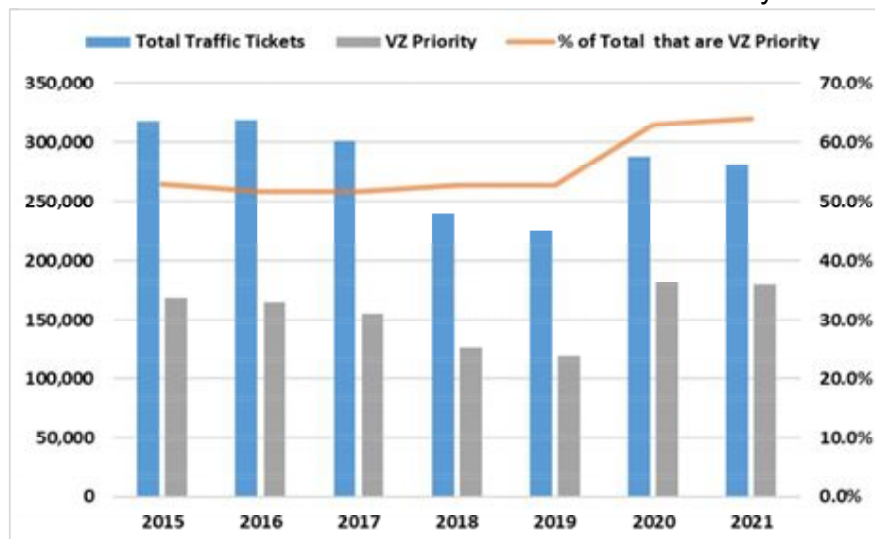
The Traffic and Parking Enforcement Service is responsible for effective enforcement, visibility, public awareness and education programs that minimizes traffic-related fatalities and serious injuries on Toronto's streets, as well as enforcement of parking regulations to keep Toronto moving.

On average, there are 73,000 collisions, 83,000 *Highway Traffic Act* charges laid and over 25,000 traffic related calls for service annually in the City of Toronto. Traffic related issues are expected to increase as population and density increases.

The Traffic and Parking Enforcement also supports the City of Toronto's Vision Zero Road Safety Plan, which focuses on reducing traffic-related fatalities and serious injuries on Toronto streets. The Vision Zero Enforcement Team (V.Z.E.T.) was the recipient of the 2021 Canadian Association of Chiefs of Police (C.A.C.P.) National Traffic Safety Award and received a Team Corporate Award for their achievements in enforcement, engineering & design, and education. V.Z.E.T. officers are deployed strategically in identified corridors provided by Analytics and Innovation. These locations are analyzed and prioritized based on a number of data sources (collisions, impairment, calls for service), and in consultation with the City of Toronto's Transportation Division. This ensures members are proactively enforcing in areas with the greatest impact to road safety.

With only 18 uniform members, V.Z.E.T. issues about 160 tickets daily, and the team represented approximately 50% of all Service-issued distracted driving tickets in 2021. In 2021, V.Z.E.T. administered over 1,600 M.A.S. device tests leading to 33 Alert or Fail results allowing for the deterrence of 33 possibly serious or potentially fatal collisions.

Figure A9 – Ratio of Total Traffic Tickets that are Vision Zero Priority 2015 - 2021



This Service also runs key programs such as the Reduce Impaired Drivers Everywhere (R.I.D.E.) program, which has been successful in deterring impaired driving as well as continuing providing public awareness around issues of drinking and driving.

As City of Toronto population and density increases, traffic-related calls for service will continue to increase. The Service will continue with enforcement and education to ensure the safety of pedestrians, cyclists and drivers in the city.

In 2023, the Traffic and Parking Enforcement service accounts for \$72M or 5% of the total gross budget. The service is comprised of 320 uniform and 86 civilian positions.

6. Courts and Prisoner Management

The Courts and Prisoner Management Service provides security in Toronto court locations across the city and prisoner management (taking into custody, security, transporting) to ensure the public, judiciary and all justice participants have access to safe and secure locations under our care. Before the COVID-19 pandemic, the Courts and Prisoner Management service provided security in 13 courts across Toronto and transported approximately 100,000 prisoners on an annual basis.

In March 2023, the five Toronto courts will amalgamate operations into two buildings: the Toronto Regional Bail Centre located in the City's north-west area and the New Toronto Courthouse located in the City's downtown core and across from the Superior Courts of Justice and Toronto New City Hall. As such, Courts and Prisoner Management is a changing landscape with the restructuring and amalgamation of Ontario Courts of Justice, as well as changes implemented during the pandemic such as Video Bail and Digital Disclosure (Evidence.com).

The recently implemented Special Constable Generalist program will allow greater flexibility to deploy Special Constables where they are needed most and address some of the staffing challenges in the Courts and Prisoner Management service. Furthermore, hiring 90 Special Constables in 2023 to fill current vacancies will help in alleviating some of the demand pressures.

In 2023, the Courts and Prisoner Management service accounts for \$117M or 9% of the total gross budget. The service is comprised of 31 uniform and 835 civilian positions.



PUBLIC REPORT

December 20, 2022

To: Chair and Members
Toronto Police Services Board

From: Myron Demkiw
Chief of Police

Subject: Toronto Police Service 2023-2032 Capital Program Request

Purpose: Information Purposes Only Seeking Decision

Recommendation(s):

This report recommends that the Toronto Police Services Board (Board):

- (1) approve the Toronto Police Service's (Service) 2023-2032 Capital Program at a 2023 net request of \$16.6 Million (M) and gross amount of \$46.6M (excluding cash flow carry forwards from 2022), and a total of \$219.4M net and \$679.0M gross for the 10-year program, as detailed in Attachment A; and
- (2) forward this report to the City of Toronto (City's) Budget Committee for consideration;
- (3) forward this report to the City's Chief Financial Officer and Treasurer for information.

Financial Implications:

The Service's Capital Program requirements are funded from various sources. The Service utilizes funding from the Vehicle and Equipment Reserve, funded through the Service's operating budget, and Development Charges (D.C.s) revenue, funded through D.C.s paid by developers to help fund the cost of infrastructure related to new developments. City-issued debt is then used to fund the remainder of the program.

For 2023-2032, the City debt target was to maintain the debt levels approved in the 2022-2031 capital program. In addition, as part of efforts to mitigate the financial

impacts of the COVID-19 pandemic, the City requested a permanent reduction of \$4M to the 2022 carry-forward funding into 2023.

In developing the Service’s budget, these constraints were addressed while also considering the Service’s capital needs and value provided. Cash flow forecasts were reviewed in the context of project readiness, previous years’ spending rate, and affordability.

Table 1 below provides a summary of the Service’s 2023-2032 Capital Program request. Additional details can be found in Attachment A.

Table 1: Summary of the 2023-2032 Capital Program Request (000’s)

Projects	2023	2024	2025	2026	2027	Total 2028-2032	Total 2023-2032
Projects in Progress	4,417	39,448	44,808	24,149	27,006	46,665	186,493
Upcoming Projects	12,200	11,450	1,450	500	9,261	76,166	111,027
Life cycle Replacement Projects (Funded from Reserves)	30,009	44,221	39,419	37,952	39,201	190,726	381,528
Total Gross Projects	46,626	95,119	85,677	62,601	75,468	313,557	679,048
Vehicle and Equipment Reserve Funding	(26,980)	(40,230)	(36,077)	(34,855)	(37,468)	(186,247)	(361,857)
Reduction in other Source of Funding (Capital From Current) *	1,900						1,900
Development Charges	(4,934)	(16,362)	(20,917)	(15,600)	(17,416)	(24,423)	(99,652)
Total Net Debt Funding Request	16,612	38,527	28,683	12,146	20,584	102,887	219,439

Note - This table excludes Carry Forwards

* Reduction in Capital From Current (C.F.C.) Revenue due to COVID-19 backstop strategy

Summary:

The purpose of this report is to obtain Board approval of the Service’s 2023-2032 Capital Program request.

Attachment A to this report provides a summary of the total request and a detailed project listing of debt-funded projects. Attachment B provides a detailed listing of projects funded from the Vehicle and Equipment Reserve. Attachment C provides a summary of the operating impact of projects included in the 2023-2032 program, excluding reserve-funded projects.

Discussion:






Relevant Board Policies and Compliance

This report complies with the Board’s Budget Transparency Policy, approved on July 29, 2021 under Board Minute P2021-0729-3.0.

Background:

Capital projects, by their nature, require significant one-time financial investments, as well as required on-going costs. They provide longer-term organizational benefits and impacts. As shown on Figure 1, the 2023-2032 capital plan will enable the Service’s maintenance and modernization efforts through the funding of the following types of projects:

Figure 1- Types of projects

\$679M Gross -\$219.4M Net				
				
Facilities	Information Technology	Vehicles	Communication	Equipment
\$224.3	\$100.1	\$99.9	\$36.9	\$217.8
33%	15%	15%	5%	32%
54 & 55 Divisions	N.G.911**	Vehicle Replacement	Radio Replacement	IT Infrastructure Lifecycle
41 Division <input checked="" type="checkbox"/>	A.N.C.O.E.***			A.F.I.S.****
13 & 53 Divisions <input checked="" type="checkbox"/>	Workstations			Property Racking
S.O.G.R.*	IT Infrastructure			Furniture/Locker
Wellness	New RMS System			Wireless Parking System
	IT Storage Growth			

Does not include carry forward

- Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

*S.O.G.R. – State Of Good Repair; **N.G.911 – Next Generation 911; ***A.N.C.O.E. – Analytics Centre of Excellence; ****A.F.I.S. – Automated Fingerprint Identification System

Facilities (\$224.3M):

A long-term facility plan is being developed with the objective of enhancing operational flexibility, improving aging facility infrastructure, optimizing resources, and, where possible, reducing the Service’s facilities footprint. Some processes are also being reviewed to create efficiencies while taking into account changes made by external partners (e.g., Remote Video Bail initiative). This work will be completed by the end of 2023. Due to the pandemic, there have been delays in planned construction schedules. These factors continue to play a significant role in the progress and cost of the Service’s facility-related projects.

The Service hired a consultant to develop a strategic building and office/operational space optimization program that assesses current space utilization and forecasts the short and long-term requirements of the Service with respect to its current building

portfolio. The result of this study will be available in 2023 and the facility-related capital program will be updated in future years to reflect the result of this study.

Information Technology (I.T.) (\$100.1M):

The Service continues to pursue digital transformation, building on initiatives that include mobile technology, analytics, member wellness and justice reform. This transformation includes greater utilization of on-line reporting, cloud-enabled applications, and the consolidation of lifecycle programs for data storage, server, network, and business continuity. The outcomes of these programs have far-reaching impacts for policing and the community by streamlining digital workflows to:

- eliminate costly and manual processes;
- increase accessibility, accountability and transparency;
- improve information management;
- expand opportunities for enhanced community engagement;
- modernize data storage to manage costs (through cost avoidance) and create value-added capabilities to our data storage infrastructure; and
- create greater operational capacity and flexibility to accommodate growth and emerging priorities.

These modernizations will enable the digital transformation of policing services and allow for easier officer mobile access to systems and applications where and when they need them.

Vehicles (\$99.9M):

The Service maintains a fleet of 1,765 vehicles, comprised of marked, unmarked, and special-purpose vehicles, boats and bicycles for both Service and Parking Enforcement vehicles. These are replaced in a scheduled manner based on their estimated useful life.

Communication (\$36.9M):

The radio lifecycle replacement project provides for the replacement of 4,913 radios, based on a 10-year replacement program.

Equipment (\$217.8M):

This category addresses specialized equipment projects such as furniture, lockers, Body Worn Cameras (B.W.C.), Conducted Energy Devices (C.E.D.), wireless parking system, automated fingerprint identification system.

Climate Change Lens for Capital Projects

In 2022, the City has requested the Service include the cost of climate change components in projects. Below are the initiatives the Service has taken to support climate change initiatives:

- Hybrids / electric vehicles: In 2021 and 2022, the Service piloted the use of hybrid Ford Explorers for Priority Response officers. These vehicles have been found to be functional from an operational, fuel savings and carbon reduction perspective and, as a result, the Service planned on proceeding with the purchase of hybrid vehicles for all front-line policing needs for 2023. Unfortunately, due to the supply chain issues, manufacturers are unable to produce high volumes of hybrid vehicles. Therefore, the Service can only purchase a portion of the 2023 hybrid vehicle forecast (numbers will be determined in 2023). The Service is also piloting two electric vehicles to determine their suitability for policing. Results from this pilot will be used to determine if these vehicles are operationally suitable.
- Light Emitting Diode (L.E.D.) lighting: The Service has installed L.E.D. lighting in various facilities. This has already resulted in hydro savings, and the Service will continue to convert to L.E.D. in the new facilities.
- Net Zero Emission – Net Zero by 2040 initiative: This strategy aims to reduce greenhouse gas (G.H.G.) emissions in Toronto by 2040. Establishing the trajectory needed to reach net zero emissions requires a significant level of investments for all new buildings. The Service is in the process of building a new 41 Division and has been working on modifying and value engineering the building's design to achieve net zero emissions. The goal is for all future new builds to meet Toronto's Green Standards related to climate change mitigation or adaptation, energy or water efficiency, renewable or alternative energy, air quality, green infrastructure, or other efforts related to environment, climate, and energy planning.

Development of Cost Estimates, Timing of Projects and Spending Rate

The Service takes all known factors related to project costs into account to develop accurate cost estimates, and these are reflected in the 2023-2032 Capital Program. However, even with the best planning and management of the projects, assumptions can change throughout the project as more information becomes available, impacting costs and schedules.

During the past few years, the Service's capital spending rate has been lower than anticipated for a variety of reasons and mitigations are being taken in 2023 to improve project progress.

- Despite due diligence efforts taken in advance of the actual start of the project, sometimes issues become known only once the work is in progress, resulting in revised costs, schedule or scope estimates. More project oversight is being

introduced through the use of Steering Committees to adopt a proactive approach towards managing project risks and address known issues faster;

- Staffing challenges and vacancies have put significant pressure on project execution, as the existing staff are often over-tasked. This is being addressed in 2023 through increased hiring efforts and reallocation of work based on project size and complexity. Additional resources will be added for projects that require dedicated expertise.
- Due to the global pandemic, the Service has faced significant challenges, such as material shortages, shortage of computer chips and labour shortages at levels unprecedented in scope and duration. There have been delays in planned construction schedules, including labour and critical supply-chain disruption, and delays in obtaining required permits. These factors continue to play a significant role in the progress and cost of the Service's facility-related projects. Current project plans have been re-baselined to take into account these challenges.
- Significant price increases for materials and other supplies have required the Service to revisit the cost estimates of some projects from a viability and affordability perspective. Adjustments to project scope and timing have been taken into account in this proposed capital plan.

All of these factors have impacted the progress of the Service's projects, and measures have been put into place to improve project execution heading into 2023, which in turn will influence the spending rate.

Major Projects Accomplishments in 2022

Major project accomplishments in 2022 include completion of:

- Next Generation 9-1-1 (N.G.9-1-1) - Construction of the training room at the current Communications Centre building and renovation of the back-up site is mostly complete with some minor work to continue in 2023. The detail design phase of the technological portion of the new N.G. 9-1-1 solution is almost complete. This system will enable voice, text and other data components.
- Body Worn Camera – completed the rollout to front-line officers. About 3,800 officers have been trained with all 2,350 cameras being deployed and actively used. Additional officers are being trained periodically as they move in and out of units and roles.
- Transforming Corporate Support - Technical and functional upgrade completed for the Time and Resource Management System (T.R.M.S.). Significant enhancements included the integration between T.R.M.S. and the Human Resource Management System (H.R.M.S.), as well as, automation of shift-schedule adjustments, enhanced mobile capabilities, reports and automation for budgeting, court attendance, improved time bank management, implementation of secure communication protocols. These enhancements and added functionality was enabled through business process improvements. Most of this

work occurring in 2022 was completed with internal resources contributing to cost savings for this project.

- Significant milestones were achieved on other in-progress projects such as Automated Fingerprint Identification System Replacement (A.F.I.S.), Mobile Command Centre, 41 Division ground breaking, and Analytics Centre of Excellence (AN.C.O.E.). For more details on these projects, please refer to Work in Progress section of this report.
- Radio Replacement - Finalized the lifecycle of mobile and portable radios based on a ten-year cycle.
- Various projects in State of Good Repair (S.O.G.R.) such as Police Dog Services canopy structure, various overhead doors and gates, replacement of various security and access controls, door hardware upgrade and other emergency repairs, which resulted in reduction of S.O.G.R. backlog.
- Various Reserve-funded equipment replacement projects such as vehicle replacement, computer/laptop/printer, network equipment, furniture, and the Digital Video Asset Management (D.V.A.M.).

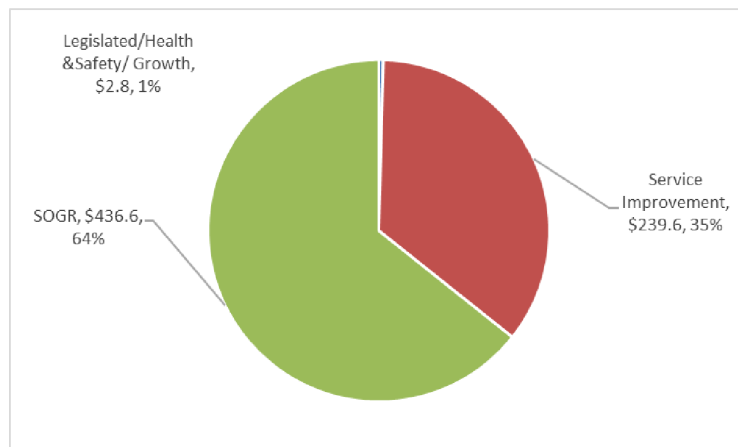
2023-2032 Capital Program Request:

The 2023-2032 Capital Program is segregated into five categories for presentation purposes:

- A. Work in Progress
- B. Upcoming Projects
- C. Projects Funded through Reserves
- D. Operating Impact from Capital
- E. Potential Projects Outside of the Capital Program Request

Projects are shown based on S.O.G.R., service improvement, growth and legislated classifications. As the Figure shows, approximately two-thirds (2/3) of the Service's projects in the 2023-2032 program are S.O.G.R. due to the need for replacing aging infrastructure and equipment. Service improvement projects representing approximately one-third (1/3) of the capital program are associated with aging facilities and enhancement of Service equipment for projects such as B.W.C. and Connected/Mobile Officer program.

Figure 1: 2023 – 2032 Capital Program by Project Category:



A. Work in Progress

There are 14 projects in this category, including projects with carry forward funding only, which are continuing in 2023. See Table 2 below followed by project summaries on the major projects.

Table 2: Work in Progress (\$000's)

Projects	Plan To end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total 2023-2032	Total Project Cost
Work in Progress	112,528	4,417	39,448	44,808	24,149	27,006	46,665	186,493	299,021

State of Good Repair (S.O.G.R.)

Category:	Facilities	Funding Source:	Debt
Project Type:	In Progress	Start Year:	Ongoing
Classification:	S.O.G.R.	Estimated End:	Ongoing

Project Description:

This project includes ongoing funding for the S.O.G.R. facility requirements that are the responsibility of the Service as well as funding to enhance existing technological assets. S.O.G.R. funds are used to maintain the safety, condition and requirements of existing Service buildings. Also, funding is used for technology upgrades in order to optimize service delivery and increase efficiencies.

Project Summary:

Planned use of these funds will be aligned with the future plans for Service facilities, with priority being given to projects in the backlog that must continue and that will not be impacted by the planning work underway on the future of the Service's facilities footprint. Examples of the work schedule for 2023 are painting of Service buildings, signage and wayfinding, door hardware upgrades, flooring replacements, realignment of units within Headquarters, major repairs and replacement of overhead doors and gates.

In 2023, three project supervisors will be added and charged to capital in order to reduce S.O.G.R. backlog and improve project execution.

Project Funding Breakdown:

S.O.G.R. (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	Ongoing	4,400	4,400	4,400	4,400	4,400	22,000	44,000
Impact on Operating Budget		0	0	0	0	0	0	0

Transforming Corporate Support (Human Resource Management System (H.R.M.S.) and Time Resource Management System (T.R.M.S.))

Category:	Information Technology	Funding Source:	Debt
Project Type:	In Progress	Start Year:	2014
Classification:	Service Improvement	Estimated End:	2023

Project Description:

The project focus is to develop more cost-effective, modern and automated processes to administer and report on the Service’s people and human resources-related activities, including employee record management, payroll, benefits administration, and time and labour recording.

Project Summary:

The H.R.M.S. system implementation portion of this project is complete. The technical upgrade of T.R.M.S is also complete.

Enhanced functionality, mobile capabilities, reports and automation were introduced for budgeting, court attendance, improved time banks management and implementation of secure communication protocols. Other significant enhancements include the integration between T.R.M.S. and H.R.M.S., as well as, automation of shift schedule adjustments. These enhancements are on track to be delivered by the end of the year. Both a technical and functional assessment will be completed by the end of 2022 to identify additional system enhancements, as well as, improvements to current business processes.

Project Funding Breakdown:

S.O.G.R. (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	8,435	0	0	0	0	0	0	8,435
Impact on Operating Budget		0	0	0	0	0	0	0

54 and 55 Divisions - Long Term Facility Plan

Category:	Facilities	Funding Source:	Debt , D.C. funding
Project Type:	In Progress	Start Year:	2017
Classification:	Service Improvement	Estimated End:	TBD

Project Description:

This project originally provided funding for the amalgamation of 54 and 55 Divisions (built in 1951 and 1972 respectively) into one consolidated facility at the former Toronto Transit Commission’s (T.T.C.) Danforth garage site located at 1627 Danforth Avenue.

As a result of escalating estimated costs, the operational requirements for each division, including assessing the merits of amalgamation is currently under review.

Project Summary:

The amalgamation of the two divisions was intended to reduce the long-term costs of operating and maintaining two structures, and to support the Service’s recommendations for a modernized, economical and more efficient public safety delivery model. However, this strategy is under a review to ensure it meets the current operational requirements.

The current budget for this project is \$50.5M. Current estimates for the cost of construction has increased considerably, to more than double the cost, due to the increased costs of labour and materials as well as other factors such as the high cost of constructing a very deep, waterproof underground parking structure in the Danforth garage location with a high water table.

The Service is reviewing all potential options to keep the cost within the current project budget. Construction has not started and this project is put on hold. An evaluation of alternative options is in progress to make an informed decision on how to proceed in a fiscally responsible way that meets long-term operational requirements. Once a decision is made on the project direction, the cost will be adjusted as part of the 2024-2033 capital program when more information becomes available. The Service will keep the Board informed of the outcome of the potential options.

Project Funding Breakdown:

54 & 55 Divisions (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	2,238	0	8,825	16,625	19,029	3,783	0.0	50,500
Impact on Operating Budget		0	0	0	0	0	0	0

41 Division New Build - Long Term Facility Plan

Category:	Facilities	Funding Source:	Debt, D.C. funding
Project Type:	In Progress	Start Year:	2018
Classification:	Service Improvement	Estimated End:	2025

Project Description:

The current 41 Division facility is almost 60 years old. Assessments performed have confirmed that it is not economically feasible to address the ongoing building deficiencies through renovations or to retrofit the existing 41 Division to accommodate the current needs of the Service. The phased construction and demolition approach for a new building on the existing 41 Division site will provide the Service with a new facility at the corner of Birchmount and Eglinton avenues, an optimal, easily accessible site with ample area for future expansion.

Project Summary:

During the construction, personnel will continue to occupy a portion of the existing building as well as portable offices, as required, to allow for uninterrupted business operations.

At the request of the City’s Environment and Energy Department, the project team has spent the past several months modifying and value engineering the building's design in order to achieve Net Zero Emissions in this new facility and minimize cost.

July 28, 2022 marked the ground breaking ceremony and the new division will provide a modern, efficient workspace for the Service, serving the community for decades to come. The new 41 Division will be the first Net Zero Emission building in the Service’s asset base and the first of its kind in Ontario.

There has been a significant cost escalation due to inflationary factors, which has been included in the 2023-2032 capital program. Due to increased cost of material and the additional cost of Net Zero Emission requirements, the total cost of this project has increased by \$23.7M for a total project cost of \$76.6M. The project team continues to hold value engineering sessions (cost saving efforts) in an effort to mitigate cost.

The Service will continue to monitor this project and keep the Board apprised of any significant issues, through the quarterly capital variance reporting process.

Project Funding Breakdown:

41 Division (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	26,997	1,367	24,959	23,333	0	0	0	76,656
Impact on Operating Budget		0	0	0	0	0	0	0

Facility and Process Improvement

Category:	Facilities	Funding Source:	Debt, D.C. funding
Project Type:	In Progress	Start Year:	2018
Classification:	Service Improvement	Estimated End:	2023

Project Description:

Aligned with both The Way Forward report (2016), the police reform direction approved by the Board in 2020, and the 2022 Auditor General’s report on priority response calls for service, the review of operational processes continues, focusing on opportunities to improve the efficiency and effectiveness of service delivery, including consolidation of divisional operations where it makes sense.

Project Summary:

This project’s scope is currently focusing on the review of operational processes to improve the effectiveness and efficiency of service delivery. Examples of these improvements include:

- greater use of remote video appearance for bail hearings;
- streamlining investigative reviews including a review of the Community Investigative Support Unit (C.I.S.U.) and standardizing functions across the divisions;
- reviewing non-emergency events throughout the Service, to create an electronic process that can most accurately capture statistics and workloads; and
- engaging the services of a criminal justice management consultant to assist in the review and establishment of a deployment model that will allow the Service to more reliably meet reactive/proactive policing goals and response time targets.

For 2023, the Service will work to operationalize all pilots and recommendations formed from the above-mentioned reviews, to improve the effectiveness and efficiency of service delivery. This project is expected to conclude in 2023.

Project Funding Breakdown:

Facility and Process Improvement (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	3,458	50	0	0	0	0	0	3,508
Impact on Operating Budget *	113	113	113	113	113	113	565	1,130

*Impact on operating budget is for the system support of video equipment in six divisions

A.N.C.O.E./Global Search (Analytics Centre of Excellence)

Category:	Information Technology	Funding Source:	Debt, D.C. funding
Project Type:	In Progress	Start Year:	2015
Classification:	Service Improvement	Estimated End:	2023

Project Description:

A.N.C.O.E. is a business-led, analytics and innovation program, which will oversee and drive analytics and information management activities for the Service. The program focuses on improving the analytical reporting environments with new and enhanced analysis and geospatial and reporting technologies, and will deliver streamlined service processes that will make data and analytics products available to front-line members, management, and the public.

Project Summary:

Enhanced reporting capabilities have been implemented to provide information on persons in crisis, missing persons, and progress updates on reform and modernization initiatives including the 81 Police Reform directions.

The implementation of the Service’s Geographic Information System (G.I.S.) platform is complete and allows the sharing of data, maps, apps and other items with internal members and with the public. The use of spatial analysis enables better decision making for operations and planning activities.

Global Search is an enterprise search application for members to access information through a single search platform, enabling enhanced capacity to search across previously disparate systems and retrieve critical operational information more efficiently.

Project Funding Breakdown:

A.N.C.O.E. (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	12,326	202	0	0	0	0	0	12,528
Impact on Operating Budget **	775	775	775	775	775	775	3,876	7,751

Radio Replacement

Category:	Communication	Funding Source:	Debt, D.C. funding
Project Type:	In Progress	Start Year:	2016
Classification:	S.O.G.R.	Estimated End:	Ongoing

Project Description:

The Service’s Telecommunications Services Unit (T.S.U.) maintains 4,913 mobile, portable and desktop radio units. The replacement lifecycle of the radios was extended from seven years to ten years, a number of years ago, in order to reduce the replacement cost of these important and expensive assets.

Project Summary:

This project is to maintain the radios, keep them operational, and support asset management processes. The 10-year lifecycle replacement was completed in 2022 and the next lifecycle plan is scheduled to commence in 2027.

Project Funding Breakdown:

Radio Replacement (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	38,052	0	0	0	0	14,734	22,145	74,931
Impact on Operating Budget		0	0	0	0	0	0	0

Automated Fingerprint Identification System (A.F.I.S.) Replacement

Category:	Equipment	Funding Source:	Debt
Project Type:	In Progress	Start Year:	2019
Classification:	S.O.G.R.	Estimated End:	2027

Project Description:

The A.F.I.S. system is a biometric identification (I.D.) methodology that uses digital imaging technology to obtain, store, and analyze fingerprint data. This system is being life cycled in 2021 - 2023 with the next lifecycle scheduled for 2027.

Project Summary:

The A.F.I.S. system allows the Service to be compatible with external systems in other agencies such as the Royal Canadian Mounted Police (R.C.M.P.) for the purpose of communicating electronically for real time identification, fingerprint submissions, searches and criminal record updates. This system is integrated with IntelliBook, a prisoner booking system, and communicates electronically to provide real-time confirmation of prisoner identity for Booking Officers.

Project Funding Breakdown:

A.F.I.S. (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	1,581	0	0	0	0	3,589	0	5,170
Impact on Operating Budget		0	0	0	0	0	0	0

Next Generation (N.G.) 9-1-1

Category:	Information Technology	Funding Source:	Debt, D.C. funding
Project Type:	In Progress	Start Year:	2019
Classification:	Legislated	Estimated End:	2024

Project Description:

Current 9-1-1 systems are voice-centric and were originally designed for landlines. Per the Canadian Radio-television and Telecommunications (C.R.T.C.) mandate, Canadian

telecommunications service providers will be upgrading their infrastructure for N.G.9-1-1 to an Internet Protocol (I.P.) based platform technology capable of carrying voice, text and other data components.

This project also includes the renovation of the training room, training room furniture, and the expansion to three other floors at the current Communications Centre building (Primary Site) as well as renovation for the Back-up Site (Secondary Site).

Project Summary:

N.G. 9-1-1 technological solution will be fully implemented by the third quarter of 2023 and Real Time Text (R.T.T.) is expected to be rolled out in 2024. While the impact of R.T.T. is unknown at this time, it is widely anticipated to have far-reaching impacts to processes and staffing levels. These staffing costs will be included in the operating impact from capital when more information is known.

The renovations of three other floors of the Primary Site is for future expansion for additional call taking positions, as well as, much-needed rest areas, meeting space, consolidated management, administration and support areas which is expected to be completed by the end of 2023. It will also include some minor renovation in the Back-up Site (Secondary Site) which is anticipated to be completed by the end of 2022. The new Training Room renovations will be completed by the third quarter of 2023.

Project Funding Breakdown:

N.G. 9-1-1 (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	10,042	0	814	0	0	0	0	10,856
Impact on Operating Budget*		515	515	519	524	528	2,109	4,710

*Impact on Operating Budget is from system maintenance, support, and licenses

Uninterrupted Power Supply (U.P.S.) Lifecycle Replacement

Category:	Equipment	Funding Source:	Debt, D.C. funding
Project Type:	Upcoming	Estimated Start:	2022
Classification:	S.O.G.R.	Estimated End:	Ongoing

Project Description:

This project provides funding for the lifecycle replacement of U.P.S. systems. All Service locations have multiple U.P.S. systems within the facilities. The need to maintain telephone operations using a Voice over Internet Protocol (V.o.I.P.) platform has increased the need for extended U.P.S. run times where no generators are available or when the generator fails to operate.

Project Summary:

The operating funds required to support and replace these U.P.S.s have grown significantly in recent years. A Service-wide lifecycle plan was developed in 2022 to consolidate all existing U.P.S. systems to a single U.P.S. system per facility within a ten-year operating plan. The U.P.S. system requirements were reviewed and designed to provide the lowest possible total cost of ownership based upon a ten-year lifecycle, while improving technological operations. The program will enable the provision of expanded backup for mission critical police facility systems including Closed-Circuit Television (C.C.T.V.) and V.o.I.P. systems, divisional radio systems, and security alarm systems.

Project Funding Breakdown:

Uninterrupted Power Supply (U.P.S.) Lifecycle Replacement	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	400	450	450	450	450	450	2,250	4,900
Impact on Operating Budget	0	0	0	0	0	0	480	480

Mobile Command Centre (M.C.C.)

Category:	Equipment	Funding Source:	Debt, D.C. funding
Project Type:	In Progress	Start Year:	2021
Classification:	S.O.G.R.	Estimated End:	2023

Project Description:

The modern policing environment relies on the ability to be rapidly mobile and support any emerging operations. The M.C.C. is a necessity in a large metropolitan city like Toronto for the effective response to and management of planned and unplanned large-scale and major events/emergencies providing police with a central location to coordinate, manage and execute operations from anywhere at any time. The vehicle will be designed to operate with other emergency services, as well as, municipal, provincial and federal agencies. The technology will focus on both the current and future technological needs required to work within the C3 (Command, Control, Communications) environment, further ensuring efficient and effective management of public safety responses.

Project Summary:

The Request for Quotation (R.F.Q.) for the Mobile Command Vehicle was completed in 2021 and P.K. Van Welding and Fabrication was the successful bidder. There have been several delays due to the ongoing worldwide vehicle chip shortage. Delivery of the chassis is expected by the end of the year and the M.C.C. will be fully functional to respond to and support operational requirements by the end of second quarter of 2023.

Project Funding Breakdown:

Mobile Command Center (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	1,735	0	0	0	270	50	320	2,325
Impact on Operating Budget	0	0	0	0	0	0	0	0

Upcoming Projects 2023-2032

There are six projects in this category as shown below. Project summary section is only included for projects that work has already started.

Table 3: Up-coming Projects (000's)

Projects	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Up-Coming Projects	30	12,200	11,450	1,450	500	9,261	76,166	111,027

Information Technology (I.T.) Data Storage Growth

Category:	Equipment	Funding Source:	Debt
Project Type:	Upcoming	Start Year:	2023
Classification:	Service Improvement	Estimated End:	Ongoing

Project Description:

This project is a dedicated program to outline and measure the historical and ongoing increase in the Service's data storage. Data is being added faster than can be purged through current retention policies. Although the policies are being reviewed, data continues to grow exponentially for police operational needs including evidence gathering, disclosure, analytics, transparency, accountability, and for legislative requirements.

Project Funding Breakdown:

<i>Information Technology Storage Growth</i>	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	0	500	500	500	500	500	2,500	5,000
Impact on Operating Budget	0	0	0	0	0	0	0	0

New Records Management System (R.M.S.)

Category:	Information Technology	Funding Source:	Debt
Project Type:	New Project	Start Year:	2023
Classification:	Service Improvement	Estimated End:	2024

Project Description:

This project is for replacement of the existing R.M.S. system, a core business operating system of the Service. A review of our existing system has highlighted technological weaknesses, as usability and functional gaps continue to create operational challenges, as well as, hinder progress to a digital environment. This misalignment with the Service's strategy for digital reform, limits its ability to improve the flow of information through the organization from front-line to investigative and analytical/intelligence functions. A new system is expected to improve the ability to make connections between related pieces of information and increase the interaction and openness to the public of our information and our processes. It is expected to generate tangible savings, cost avoidance, reduce risk, increase transparency and improve other operational processes to delivery public safety services effectively and efficiently.

Project Summary:

The Service issued a non-binding Request for Pre-Qualification (R.F.P.Q.). Following the results of that process, the Service will submit a comprehensive business case to the Board. Funds have been set aside for the implementation of a new R.M.S. based on high-level estimates.

Project Funding Breakdown:

New Records Management System (R.M.S.) (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	0	10,000	10,600	0	0	0	0	20,600
Impact on Operating Budget	0	0	0	0	0	0	0	0

Relocation of Wellness Services

Category:	Facilities	Funding Source:	Debt
Project Type:	Upcoming	Estimated Start:	2023
Classification:	Service Improvement	Estimated End:	2024

Project Description:

The project is to undertake renovations required to relocate portions of the Service's Wellness Unit from the Toronto Police Headquarters (HQ) to more accessible locations in the west end of the city at the Toronto Police College and an east end location that is

yet to be finalized. Once completed, the new delivery model will allow members to access wellness services from a central, east and west location.

Based on member and stakeholder feedback, as well as outgrowing the current space allocation in HQ, the Wellness Unit has adopted a decentralized service delivery model. The anticipated benefits are increase access to care, improved member service, greater willingness by members to seek support. Co-locating in the Toronto Police College also provides visible demonstration of this priority and normalizes wellness support to new members of the Service.

Project Summary:

Design work has started at the Toronto Police College in 2022 and the work for the west location is expected to be complete by mid-2023. The east location is expected to be functional by the end of 2023 or early 2024.

Project Funding Breakdown:

Wellness Unit (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	0	1,700	300	0	0	0	0	2,000
Impact on Operating Budget	0	0	0	0	0	0	0	0

13 and 53 Divisions - Long-Term Facility Plan

Category:	Facilities	Funding Source:	Debt, D.C. funding
Project Type:	Upcoming	Estimated Start:	2029
Classification:	Service Improvement	Estimated End:	TBD

Project Description:

This project originally provided funding for the amalgamation of 13 and 53 Divisions (built in 1973 and 1985 respectively) into one consolidated facility. However, this strategy is under review to ensure it meets the current and future operational requirements. The Service will be working collaboratively with CreateT.O. for potential solutions.

Project Funding Breakdown:

13 & 53 Divisions (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	0	0	0	0	0	0	56,817	56,817
Impact on Operating Budget	0	0	0	0	0	0	0	0

51 Division, Major Expansion - Long-Term Facility Plan

Category:	Facilities	Funding Source:	Debt, D.C. funding
Project Type:	Upcoming	Estimated Start:	2027
Classification:	Service Improvement	Estimated End:	2029

Project Description:

This project provides for a renovation of the 25-year-old facility and is scheduled to start in 2027. The renovation will enable new technologies and required building improvements to increase the operational effectiveness of the division. The project scope and estimated cost will be reviewed and updated closer to the start date of the renovation, and the capital program updated accordingly.

Project Funding Breakdown:

51 Division, Major Expansion (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	0	0	0	0	0	8,761	16,849	25,610
Impact on Operating Budget	0	0	0	0	0	0	0	0

Property and Evidence Warehouse Racking

Category:	Equipment	Funding Source:	D.C. funding
Project Type:	Upcoming	Estimated Start:	2024
Classification:	Service Improvement	Estimated End:	2025

Project Description:

This project provides for high density and pushback racking. The relocation of files previously held in the City Archives to the Service’s property and evidence facility has helped reduce some space pressure for the City Archives building. As a result, higher density and pushback racking will need to be installed at the Service’s property and evidence facility, to enable sufficient longer-term storage capacity.

The funding requirement of \$50,000 in 2024 is for a feasibility study by a logistics expert to determine what is required for the long term racking. Funding of \$950,000 in 2025 will be utilized for the actual project implementation.

Project Funding Breakdown:

Property and Evidence Racking (\$000s)	Plan to end of 2022	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Requested Capital Expenditures	30	0	50	950	0	0	0	1,030
Impact on Operating Budget	0	0	0	0	0	0	0	0

Vehicle and Equipment Lifecycle Replacements

There are 30 projects across three categories as outlined below:

Projects	Prior Years	2023	2024	2025	2026	2027	Total 2028-2032	Total Project Cost
Equipment	146,075	16,775	29,182	14,466	23,126	22,251	102,334	354,210
Information Technology	91,319	3,703	5,083	14,940	4,835	6,922	37,982	164,784
Vehicles	94,762	9,531	9,956	10,013	9,991	10,028	50,410	194,691
Total Vehicle and Equipment Reserve Projects	332,156	30,009	44,221	39,419	37,952	39,201	190,726	713,684
Vehicle and Equipment Total (Less D.C.Funding)	332,156	26,980	40,230	36,077	34,855	37,468	186,247	694,013

Please refer to Attachment B for a list of projects in this category.

Project Description:

All projects in this category are funded from the Service’s Vehicle and Equipment Reserve and D.C. funding. Using the Reserve for the lifecycle replacement of vehicles and equipment avoids having to debt-finance these purchases, and prevent large swings in annual funding requirements. It is important to note that as new systems are implemented or existing systems are being enhanced, the inventory of computer equipment grows. Over time, this has and very likely will continue to increase the level of funding required for the replacement of the equipment, putting continued increased pressure on the Service’s operating budget. Rationalization efforts are underway to minimize longer-term cost increases and technology innovation drive greater sustainability to accommodate growth in demand for public safety services. Therefore, it is important that annual incremental contributions, which have been deferred in the last several years to meet budget reduction targets, are made to ensure the replacement requirements are met.

B. Operating Impact from Capital

The implementation of capital projects can have an impact on the Service's ongoing operating budget requirements. Capital projects and investments usually require maintenance and operational support beyond the initial one-time project cost. Where additional infrastructure and equipment are required, operating budget increases are required to replace the assets in accordance with their life cycle. It is therefore important to determine the ongoing impact of capital investments on the operating budget, so that capital project decisions are not made independently, but rather from a total cost of ownership perspective.

There are no 2023 incremental operating impact from capital. Please refer to Attachment C for more details.

C. Unfunded Project Requirements

Due to funding constraints and a stage-gating approach towards the monitoring and evaluation of capital projects as they progress, the following future project requirements are unfunded in the current capital program submission.

New 9-1-1 Communications Centre

The objective of this project is to build a new 911 communications center, with proper backup for critical operational continuity that will meet the increased facility requirements resulting from the implementation of N.G.9-1-1.

Additional space will be required to meet the expected increase in the number of communication operator positions, as well as, necessary training and infrastructure needs.

Although critical, this project has been placed in the unfunded category as the requirements and estimated costs are under review. This project and its funding should also be jointly coordinated with other City Emergency Services. The current cost estimate for this project is preliminary and totals approximately \$78M (based on a 2021 high-level assessment). However, it cannot be overstated that this cost is a high-level estimate only and further assessment will be required. The Service has hired a consultant to review all the requirements so that a more complete and firm estimate can be developed.

A business case will be developed that provides the scope, risks, benefits and costs for this project.

22 Division New Build

The current 22 Division was built in 1975 and was included in the Long Term Facility Replacement Program a number of years ago. Studies are underway to determine the optimal location for the new facility. This approach is in line with the Service's

recommendations for a modernized, economical and more efficient public safety delivery model. The divisional boundaries continues to go through significant change. If required, the Service will work with the City to find a site that meets the needs of the Service, as well as, other stakeholders. This project has been placed in the unfunded category as the requirements and estimated costs need further review. In addition, no funding is available at this point for this project.

Based on a review of facility requirements, more up to date estimates for the land, construction cost and timing for the project will be developed, and will be included in the Service's capital program.

Conclusion:

A review of all projects in the Service's 2023-2032 Capital Program request has been conducted to ensure the Capital Program reflects the priorities of the Service and is consistent with the Service's strategic objectives. The 2023-2032 Capital Program has a 2023 net request of \$16.6M and gross amount of \$46.6M (excluding cash flow carry forwards from 2022), and a total of \$219.4M net and \$679M gross for the ten-year period.

Supply chain challenges, inflation and labour shortages continue to impact project delivery timelines, cost and scope. The Service has put in place steps to improve project execution and mitigate known risks. The capital program request will continue to be evaluated and updated as necessary, based on new and or more up-to-date information including the need to increase investments in technology and reflect input received from the long-term facilities planning work underway.

The Board will be kept apprised on the status and health of the projects through the capital budget variance reporting process and future capital program requests.

Ms. Svina Dhaliwal, Interim Chief Administrative Officer, will be in attendance to answer any questions the Board may have regarding this report.

Respectfully submitted,

Myron Demkiw, M.O.M.
Chief of Police

*copy with original signature on file at Board Office

Attachments:

Preliminary 2023-2032 Capital Program (Attachment A), Vehicle & Equipment Reserve (Attachment B), Incremental Operating Impact from Capital (Attachment C)



Attachments

TORONTO POLICE SERVICES BOARD

40 College Street Toronto, Ontario M5G 2J3 | Phone: 416.808.8080 Fax: 416.808.8082 | www.tpsb.ca

2023 - 2032 Capital Program

Attachment A

Project Name	Budget to end of 2022	2023	2024	2025	2026	2027	2023-2027 Request	2028	2029	2030	2031	2032	Total 2028-2032	Total 2023-2032	Total Project Cost
Projects in Progress															
State-of-Good-Repair - Police		2,348	4,400	4,400	4,400	4,400	19,948	4,400	4,400	4,400	4,400	4,400	22,000	41,948	41,948
Transforming Corporate Support (HRMS, TRMS)	8,435	0	0	0	0	0	0	0	0	0	0	0	0	0	8,435
Long Term Facility Plan - 54 and 55 Division	2,238	0	8,825	16,625	19,029	3,783	48,262	0	0	0	0	0	0	48,262	50,500
Long Term Facility Plan - 41 Division; New Build	26,997	1,367	24,959	23,333	0	0	49,659	0	0	0	0	0	0	49,659	76,656
Long Term Facility Plan - Facility and Process Improvement	3,458	50	0	0	0	0	50	0	0	0	0	0	0	50	3,508
Long Term Facility Plan - Consulting	878	0	0	0	0	0	0	0	0	0	0	0	0	0	878
ANCOE (Enterprise Business Intelligence, Global Search)	12,326	202	0	0	0	0	202	0	0	0	0	0	0	202	12,528
Radio Replacement	38,052	0	0	0	0	14,734	14,734	4,733	6,429	4,867	6,116	0	22,145	36,879	74,931
Automated Fingerprint Identification System (A.F.I.S.) Replacement	1,581	0	0	0	0	3,589	3,589	0	0	0	0	0	0	3,589	5,170
Next Generation (N.G.) 9-1-1	10,042	0	814	0	0	0	814	0	0	0	0	0	0	814	10,856
BodyWorn Camera - Phase II	5,887	0	0	0	0	0	0	0	0	0	0	0	0	0	5,887
Communication Centre - New Facility Assessment	500	0	0	0	0	0	0	0	0	0	0	0	0	0	500
Uninterrupted Power Supply (U.P.S.) Lifecycle Replacement	400	450	450	450	450	450	2,250	450	450	450	450	450	2,250	4,500	4,900
Mobile Command Centre	1,735	0	0	0	270	50	320	0	0	0	270	0	270	590	2,325
Total, Projects in Progress	112,528	4,417	39,448	44,808	24,149	27,006	139,828	9,583	11,279	9,717	11,236	4,850	46,665	186,493	299,021
Upcoming Projects															
Information Technology Storage Growth	0	500	500	500	500	500	2,500	500	500	500	500	500	2,500	5,000	5,000
New Records Management System (RMS)		10,000	10,600	0	0	0	20,600	0	0	0	0	0	0	20,600	20,600
Relocation of Wellness Services	0	1,700	300	0	0	0	2,000	0	0	0	0	0	0	2,000	2,000
Long Term Facility Plan - 13.53 Division	0	0	0	0	0	0	0	0	300	8,661	23,303	24,553	56,817	56,817	56,817
Long Term Facility Plan - 51 Division; Major Expansion	0	0	0	0	0	8,761	8,761	9,120	7,729	0	0	0	16,849	25,610	25,610
Property & Evidence Warehouse Racking	30	0	50	950	0	0	1,000	0	0	0	0	0	0	1,000	1,030
Total, Upcoming Capital Projects:	30	12,200	11,450	1,450	500	9,261	34,861	9,620	8,529	9,161	23,803	25,053	76,166	111,027	111,057
Total Gross Debt Funded Capital Projects:	112,558	16,617	50,898	46,258	24,649	36,267	174,689	19,203	19,808	18,878	35,039	29,903	122,831	297,520	410,078
Vehicle and Equipment Total	332,156	30,009	44,221	39,419	37,952	39,201	190,802	33,248	33,863	51,012	34,680	37,923	190,726	381,528	713,684
Total Gross Projects	444,714	46,626	95,119	85,677	62,601	75,468	365,491	52,451	53,671	69,890	69,719	67,826	313,557	679,048	1,123,763
Funding Sources:															
Vehicle and Equipment Reserve	(332,156)	(30,009)	(44,221)	(39,419)	(37,952)	(39,201)	(190,802)	(33,248)	(33,863)	(51,012)	(34,680)	(37,923)	(190,726)	(381,528)	(713,684)
Net Zero Emission	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Source of Funding (Capital from Current)		1,900					1,900							1,900	1,900
Development charges Funding - Debt	(32,062)	(1,905)	(12,371)	(17,575)	(12,503)	(15,683)	(60,037)	(2,000)	(1,239)	(4,952)	(4,235)	(7,518)	(19,944)	(79,981)	(112,043)
Development charges Funding - Reserve	(1,180)	(3,029)	(3,991)	(3,342)	(3,097)	(1,733)	(15,192)	(3,662)	0	(804)	(13)	0	(4,479)	(19,671)	(20,851)
Total Other Funding Sources:	(365,398)	(33,043)	(60,583)	(60,336)	(53,552)	(56,617)	(264,131)	(38,910)	(35,102)	(56,768)	(38,928)	(45,441)	(215,149)	(479,280)	(844,678)
Total Net Vehicle and Equipment	330,976	26,980	40,230	36,077	34,855	37,468	175,610	29,586	33,863	50,208	34,667	37,923	186,247	361,857	692,833
Total Net Debt-Funding Request:		16,612	38,527	28,683	12,146	20,584	114,652	17,203	18,569	13,926	30,804	22,385	102,887	219,439	299,935

**2023 - 2032 Capital Program
Vehicle & Equipment Reserve**

Attachment B

Project Name	Budget to end of 2022	2023	2024	2025	2026	2027	2023-2027 Request	2028	2029	2030	2031	2032	Total 2028-2032	Total 2023-2032	Total Project Cost
Vehicle and Equipment	94,762	9,531	9,956	10,013	9,991	10,028	49,519	9,975	10,077	10,102	10,128	10,128	50,410	99,929	194,691
Remote Operated Vehicle (ROV) Marine Unit	109	0	295	0	0	0	295	0	0	0	295	0	295	590	699
Workstation, Laptop, Printer- Lifecycle plan	49,584	2,153	4,147	4,243	3,286	3,947	17,776	3,478	3,713	4,656	3,265	5,543	20,655	38,431	88,015
Infrastructure Lifecycle	107,972	7,778	17,409	5,269	14,816	13,476	58,748	11,180	11,435	11,547	10,000	14,816	58,978	117,726	225,698
Mobile Workstations	25,696	0	346	10,425	1,139	0	11,910	0	346	10,425	1,139	0	11,910	23,820	49,516
Locker Replacement	4,141	340	540	540	540	540	2,500	540	540	540	540	540	2,700	5,200	9,341
Furniture & small furniture Lifecycle Replacement	10,465	2,450	2,600	2,100	1,550	1,450	10,150	750	1,050	1,050	500	500	3,850	14,000	24,465
Automatic Vehicle Locator (A.V.L.)	3,172	0	0	0	0	0	0	2,400	0	0	0	0	2,400	2,400	5,572
In - Car Camera	4,716	1,000	0	0	0	0	1,000	0	625	0	0	0	625	1,625	6,341
Electronic Surveillance	2,255	0	244	0	0	0	244	0	153	92	105	0	350	594	2,849
Digital Photography	1,388	0	0	532	361	0	893	0	0	534	362	0	896	1,789	3,177
Divisional CCTV Management (D.V.A.M. I & II)	6,988	550	590	272	410	615	2,437	330	790	590	272	410	2,392	4,829	11,817
Property & Evidence Scanners	66	0	0	0	0	43	43	0	0	0	0	0	0	43	109
Small Equipment (e.g. telephone handset)	2,720	224	224	224	524	71	1,267	0	445	0	0	200	645	1,912	4,632
Small Equipment - test analyzers	1,446	580	0	0	0	0	580	0	667	667	0	0	1,334	1,914	3,360
Small Equipment - Intelligence	50	0	100	0	100	100	300	0	100	0	100	0	200	500	550
Small Equipment - Video Recording Equipment	1,020	78	40	72	82	70	342	58	60	70	70	72	330	672	1,692
Small Equipment - Video Recording Property & Video Evidence Management	83	9	0	38	0	17	64	30	17	0	30	0	77	141	224
Small Equipment - Auditorium Audio and Visual Equipment	0	1,042	400	400	1,008	707	3,557	522	0	1,137	400	400	2,459	6,016	6,016
Radar Unit Replacement	973	200	86	190	53	237	766	101	0	90	35	13	239	1,005	1,978
Livescan Machines	665	0	0	0	0	771	771	0	0	0	0	0	0	771	1,436
Wireless Parking System	3,738	0	3,567	1,456	0	0	5,023	0	0	3,567	1,456	0	5,023	10,046	13,784
Closed Circuit Television (C.C.T.V.)	1,163	0	0	0	0	2,360	2,360	0	0	0	0	0	0	2,360	3,523
Automated External Defibrillator (A.E.D.s.)	155	0	0	18	0	0	18	0	18	0	128	0	146	164	319
Conducted Energy Device (CED)	3,803	559	559	559	643	643	2,963	643	643	643	643	643	3,215	6,178	9,981
Marine Vessel Electronics	1,070	0	0	0	0	850	850	0	0	0	0	1,100	1,100	1,950	3,020
Connected/Mobile Officer life cycle replacement - reserve	1,430	289	1,592	1,542	1,653	1,600	6,676	1,715	1,658	1,776	1,716	2,058	8,923	15,599	17,029
Body Worn Camera - Replacement Plan	1,526	1,526	1,526	1,526	1,526	1,526	7,630	1,526	1,526	1,526	1,526	0	6,104	13,734	15,260
AV Equipment for Command Vehicle	0	0	0	0	270	50	320	0	0	0	270	0	270	590	590
Hydrogen Fuel Cells	1,000	1,700	0	0	0	100	1,800	0	0	2,000	1,700	1,500	5,200	7,000	8,000
Vehicle and Equipment Total	332,156	30,009	44,221	39,419	37,952	39,201	190,802	33,248	33,863	51,012	34,680	37,923	190,726	381,528	713,684
Vehicle and Equipment Total (Less Development Charges)	330,976	26,980	40,230	36,077	34,855	37,468	175,610	29,586	33,863	50,208	34,667	37,923	186,247	361,857	692,833

Incremental Operating Impact from Capital

Attachment C

Project Name	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2023-2032 Program
Previously Approved:											0
Next Generation (N.G.) 9-1-1	0	0	4	4	5	10	(82)	(84)	0	0	(143)
Total Operating Impact	0	0	4	4	5	10	(82)	(84)	0	0	(143)



PUBLIC REPORT

December 31, 2022

To: Chair and Members
Toronto Police Services Board

From: Myron Demkiw
Chief of Police

**Subject: Toronto Police Service Parking Enforcement Unit – 2023
Operating Budget Request**

Purpose: Information Purposes Only Seeking Decision

Recommendation(s):

This report recommends that the Toronto Police Services Board (Board):

- (1) approve the Toronto Police Service Parking Enforcement Unit's 2023 net operating budget request of \$51.3 Million (M), a \$0.49M or 0.95% increase over the 2022 approved budget; and
- (2) forward this report to the City of Toronto (City's) Budget Committee for consideration and to the City's Chief Financial Officer and Treasurer for information.

Financial Implications:

The Parking Enforcement Unit (P.E.U.) 2023 net operating budget request is \$51.3M net (\$52.6M gross), which is a \$0.49M or 0.95% increase over the 2022 approved operating budget.

Summary:

The purpose of this report is to provide the Board with the P.E.U.'s recommended 2023 operating budget request for its consideration and approval. The report includes information on the level of funding required in 2023 to provide parking enforcement services to the City of Toronto (City).

Discussion:

Background

The P.E.U. assists with the safe and orderly flow of traffic by responding to parking concerns and enforcing applicable municipal by-laws. The unit also provides operational support to the Toronto Police Service (Service). The P.E.U.'s operating budget is separate from the Service's operating budget, and is included in the City's consolidated Parking Tag Enforcement Operations budget, which is comprised of the following:

1. Police P.E.U. – responsible for the enforcement program, based on municipal by-laws; community based parking programs; and Municipal Law Enforcement Officer (M.L.E.O.) training and oversight;
2. City Revenue Processing – responsible for processing and collecting fines for all parking tickets issued in the City;
3. City Court Services, Judicial Processing – responsible for supporting and administering the Administrative Penalty Tribunal. Council appointed Hearing Officers have final authority in the review of Screening Officer decisions; and
4. City Legal Services – responsible for administering the dispute review process at screening offices.

Given that the P.E.U. budget enforcement assumptions are considered in the development of the above budgets, the request has been reviewed with the City Financial Planning Division to ensure consistency across the various budgets.

Relevant Board Policies and Compliance

This report is in compliance with the Board's Budget Transparency Policy, approved on July 29, 2021 under Board Minute P2021-0729-3.0.

Parking Enforcement Unit Responsibilities:

The P.E.U. is staffed to help achieve the safe, efficient and orderly flow of traffic. This goal is achieved by developing and meeting strategic enforcement objectives, responding to calls for service from the community and providing a visible presence to promote compliance. Parking Enforcement Officers (P.E.O.s) are deployed to zones throughout the City to patrol for the aforementioned reasons and support effective service delivery. Any shortfall in staffing levels creates resource shortages, which places pressure on the ability to enforce non-compliance with applicable by-laws (tag issuance) and calls for service, both of which can impact traffic flow. The unit takes all possible action, including the use of available premium pay, to mitigate the overall impact on enforcement activities.

COVID-19:

The impact of the pandemic resulted in reduced parking tag enforcement activity in recent years compared to 2019. While tag issuance has increased in 2022, it is still projected to be 82% of pre-pandemic levels. The P.E.U. tag issuance goal for 2023 is 1.9M, as compared to a pre-pandemic goal of 2.2M tags. This is an increase of approximately 0.1M from 2022 due to anticipated increases in special events and directed enforcement initiatives, however the impacts of COVID-19 are difficult to predict as many people may continue to work from home despite restrictions being lifted, which could impact enforcement. Parking tag issuance is monitored by the City on a weekly basis, and the City has taken into account reductions in enforcement activities and associated revenues in the City's overall financial position, due to COVID-19.

Parking Tag Revenues:

Although the P.E.U. is responsible for enforcement activities, actual revenues from tag issuance accrue directly to the City and are collected by the City Treasurer through the Revenue Services division. Revenues collected are impacted by City Council initiatives, by-law changes, as well as changes to fines and programs. All of these factors have an impact on enforcement operations, the number of tags issued, public behaviour and the overall amount of revenues collected.

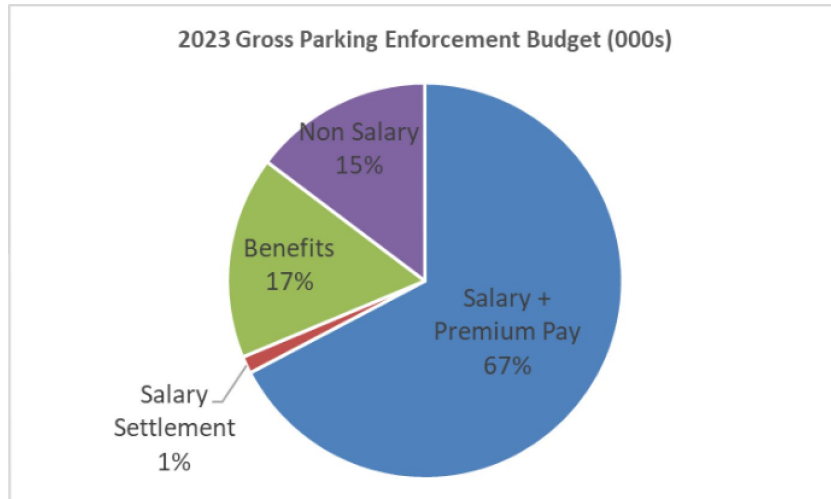
2023 Budget Considerations:

In preparing the 2023-operating budget for the P.E.U., the continuing trends related to COVID-19 were taken into account.

2023 Operating Budget Request:

On a gross basis, 85% of P.E.U.'s budget is for salaries, premium pay and benefits. The remaining 15% is required to support P.E.O.s in terms of the vehicles, equipment and technology they use, facilities they work in, and training they require.

The 2023 net operating budget request of \$51.3M (\$52.6M gross) includes the funding required to maintain an average deployed strength of 357 P.E.O.s, as well as services and equipment required to effectively support operations.



The following table summarizes the key cost drivers included in the 2023 Operating Budget Request.

	Request \$000s	\$ Increase / (Decrease) over 2022	% Increase / (Decrease) over 2022
2022 Net Budget - \$50,856,100			
(a) Impact of 2023 Salary Settlement	\$739.1	\$739.1	1.5%
(b) Salary Requirements	\$33,524.0	(\$376.5)	-0.7%
(c) Premium Pay	\$1,905.0	\$0.0	0.0%
(d) Statutory Deductions and Employee Benefits	\$8,717.0	\$267.7	0.5%
(e) Reserve Contributions	\$2,718.7	\$0.0	0.0%
(f) Other Expenditures	\$5,035.5	\$37.2	0.1%
2023 Gross Budget Request	\$52,639.3	\$667.5	1.3%
(g) Revenues	<u>(\$1,298.4)</u>	<u>(\$182.7)</u>	<u>-0.4%</u>
2023 Net Budget Request	\$51,340.9	\$484.8	1.0%

Summary of 2023 Budget Request Changes by Category

(a) Impact of 2023 Collective Agreement (\$0.7M)

The 2023 impact of the 2019 to 2023 salary settlement with the Toronto Police Association (T.P.A.) is approximately \$0.7M, or 1.5%, representing the largest component of the unit's overall budget increase.

(b) Salary Requirements (\$33.5M)

To maintain the P.E.O. staffing levels, the P.E.O. staffing budget assumes one class of 45 in January of 2023, and another class of 25 in June 2023. This hiring strategy is

required due to P.E.O.s increasingly filling vacancies in other areas of the Service. The hiring strategy will also help mitigate reduced enforcement activities. It is important to note that parking enforcement officer separations will be monitored in 2023 and the number of recruits and the timing of the June class will be adjusted accordingly.

(c) Premium Pay (\$1.9M)

Nearly all premium pay at the P.E.U. is utilized to staff enforcement activities at special events and directed enforcement initiatives instituted to address specific problems. The opportunity to redeploy on-duty staff for special events is minimal, as this will result in decreased enforcement in the areas from which they are being deployed. All premium pay expenditures are approved by supervisory staff and carefully controlled.

The total premium pay budget request for 2023 is \$1.9M. This budget represents a 0% change from P.E.U.'s total 2022 budget. This premium pay budget is still \$0.6M less than the pre COVID-19 funding levels and recognizes that restrictions have been lifted and will result in greater enforcement activities.

(d) Statutory Payroll Deductions and Employee Benefits (\$8.7M)

This category of expenditure represents an increase of \$0.3M or 0.5% over P.E.U.'s total 2022 budget. Employee benefits are comprised of statutory payroll deductions and requirements as per the collective agreements. Additional funding is required due to an increase in statutory benefit rates; however, this is partially offset by an increased draw from the Central Sick Bank reserve.

(e) Reserve Contributions (\$2.7M):

The P.E.U. contributes to reserves and reserve funds through provisions from its operating budget. All reserves and reserve funds are established by the City. The City manages the Sick Pay Gratuity reserve, while the Service manages the Vehicle and Equipment and Central Sick Bank reserves. The total 2023 budget for contributions to the reserves is \$2.7M and is unchanged from 2022.

(f) Other Expenditures (\$5.0M)

Other expenditure categories include the materials, equipment and services required for day-to-day operations. Wherever possible, accounts within this category have been flat-lined to or reduced from the 2022 level. Increases have only been included where considered mandatory, and one-time reductions have been taken into account where applicable. The 2023 request includes \$0.1M required to acquire 50 new bicycles, as well as anticipated cost increases to parking tags, uniforms and gasoline that will require additional funding of \$0.3M. These increases are partially offset by reductions to other areas such as computer hardware and software, resulting in an overall increase of 0.01% over P.E.U.'s total 2022 budget.

(g) Revenues (\$1.2M)

Revenue is comprised of draws from reserves and towing/pound administrative recoveries. The overall increase of \$182K is comprised of an increase to the draw from

the Central Sick Bank Reserve to align with historical expenditures, as well as anticipated increases to towing/pound recoveries as COVID-19 impacts are reduced.

2023 and 2024 Outlooks:

City Finance has requested that budget outlooks for 2024 and 2025 be provided for each budget. Based on known pressures and inflationary increases, the current estimate for 2024 is \$53.7M (a \$1.1M or 2.03% increase over 2023) and for 2025 is \$54.3M (a \$0.6M or 1.24% increase over 2023). The majority of the increase in 2024 relates to annual salary increment, inflationary impacts for contractual group benefits, and increases in statutory benefit costs.

The current agreement with the T.P.A. expires on December 31, 2023 and a new collective agreement will have to be negotiated. No funding is included in the 2024 and 2025 Outlooks, and the City will make an estimated provision in its corporate accounts for the purpose of funding the collective agreement impacts until a settlement is reached.

Equity Analysis

The changes in the Parking Enforcement Unit's 2023 Operating Budget will not have any significant equity impacts.

Conclusion:

The P.E.U.'s 2023 net operating budget request is \$51.3M (\$52.6M gross), which is a 0.95% increase over the 2022 approved budget. The 2023 budget request includes the funding required to meet the P.E.U. 2023 collective agreement obligations. It also includes funds for inflationary increases to equipment and supplies and accounts for some impacts associated to the pandemic. This budget request will allow the P.E.U. to provide strategic enforcement activities to promote compliance and improve the traffic flow within the city. Acting Deputy Chief Lauren Pogue, Community Safety Command, and Acting Chief Administrative Officer Svina Dhaliwal, will be in attendance to answer any questions the Board may have regarding this report.

Respectfully submitted,

Myron Demkiw, M.O.M.
Chief of Police

*copy with original signature on file at Board Office



PUBLIC REPORT

December 28, 2022

To: Chair and Members
Toronto Police Services Board

From: Ryan Teschner
Executive Director and Chief of Staff

Subject: Toronto Police Services Board 2023 Operating Budget Request

Purpose: Information Purposes Only Seeking Decision

Recommendation(s):

This report recommends that the Toronto Police Services Board (Board):

- (1) Approve the Board's 2023 net operating budget request of \$2,176,800 which is a \$207,000 increase over the 2022 approved budget;
- (2) Approve the 2023 staff complement for the Board of 10.5 positions, which is an increase of 3 positions from 2022; and,
- (3) Forward this report to the City's Budget Committee for consideration and to the City's Chief Financial Officer and Treasurer for information.

Financial Implications:

This Toronto Police Services Board 2023 operating budget request is a net amount of \$2,176,800, which represents an increase of \$207,000 over the 2022 budget.

A summary of the net operating budget request is as follows:

TORONTO POLICE SERVICES BOARD

40 College Street Toronto, Ontario M5G 2J3 | Phone: 416.808.8080 Fax: 416.808.8082 | www.tpsb.ca

(\$000)	2022 Budget	2023 Request	Change	2024 Outlook	Change
Salaries & Benefits	1,354.4	1,561.4	207.0	1,744.4	183.0
Net Non-Salary Expenditures	615.4	615.4	0.0	615.4	0.0
Total Net Request	1,969.8	2,176.8	207.0	2,359.8	183.0

Summary:

This report proposes a 2023 operating budget that will ensure the Board, with the support of the Office of the Police Services Board, is able to discharge its statutory police governance and oversight responsibilities in the context of a significant and evolving police reform and modernization agenda, and at the same time, preparing to comply with new provincial policing legislation and its associated impacts on police governance and the Board's operations.

The proposed budget recognizes that the Board's work and the work of its professional staff occurs in the country's largest municipality, with Canada's largest municipal police service. In her report, *Missing and Missed*, Judge Epstein detailed the role and work of the Board and the Office of the Police Services Board, recognizing its importance in maintaining public confidence in the Toronto Police Service. Commenting on the increasing complexity and significance of the work required to fulfil the Board's statutory role, Judge Epstein recommended that the Board "should be allocated sufficient funding to ensure it can perform its extensive governance and oversight responsibilities under the *Police Services Act* and the new *Community Safety and Policing Act, 2019*." To address these recommendations, this operating budget includes funding for three (3) additional staff to inform and support the Board's governance and oversight function in priority areas. The last time the Board has expanded its staff complement was in 2019, when one and a half (1.5) additional roles were added, while prior to that, the Board's staff complement was reduced by one (1) role in 2015.

Discussion:

Background and the Board's Legislative Responsibilities

The Toronto Police Services Board is the seven member, statutory civilian body that governs and oversees the Toronto Police Service. 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.

Under Ontario's *Police Services Act*, the Board is responsible for ensuring the provision of adequate and effective police services in Toronto, including the development of policies for the effective management of the Service.

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 and other Command Members of the Service (Deputy Chiefs, the Chief Administrative Officer, and the Chief Information Officer); direct the Chief of Police and monitor their performance; negotiate labour relations contracts with the two bargaining agents for the Service's members; and, determine the budget for the police service.

Relevant Board Policies and Compliance

This report complies with the Board's Budget Transparency Policy.

Collaboration and Consultation as Key Tools for Effective Governance

Ontario's municipal policing model places independent civilian governance at its core. It is a responsibility taken very seriously by the Board and the small professional team that supports it. The Board and Office of the Police Services Board work closely with the Chief of Police to set the strategic vision for the Service, and provide evidence-based governance through policies and other legally binding direction. Importantly, the Board also creates opportunities for members of the public, government bodies and stakeholder groups to engage and provide their perspectives and input concerning contemporary policing issues.

Over the past year, the Board has continued to modernize its approach to governance, introducing practices that enhance the relationships of the Board with both internal and external stakeholders. These relationships are crucial to the effective development and implementation of initiatives that respond to the Board's reform agenda, including its 81 recommendations for policing reform approved in August 2020.

Throughout 2022, the Board has continued to engage extensively with regulatory bodies, different levels of government, community organizations, academic experts, subject-matter experts within the Service, the Board's own Anti-Racism and Mental Health and Addictions Advisory Panels, and the public as a whole, on a series of issues and initiatives related to policing reform and improved services. Several of these initiatives have come to fruition in 2022, while others will be implemented in the coming year. These ongoing consultations, meetings, and conversations ensure that we remain current in matters of community safety and well-being and ensure that we deliver comprehensive civilian governance and oversight.

Key Successes and Ongoing Work

Building on the roadmap for reform established by the Board in 2020, work in the past year has focused on the continued implementation of the recommendations approved

by the Board, and developing new initiatives and approaches that enhance the effective governance of policing in Toronto. Some key accomplishments in 2022 include:

- Completion of the most extensive Chief of Police selection process in the City's history, resulting in the Board appointing the Service's new Chief, Myron Demkiw;
- Continuing to implement, together with the Service, 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*, an independent report by the Hon. Gloria Epstein on missing person investigations;
- Development and implementation of a new Artificial Intelligence Policy, the first of its kind in Canada, and a significant update to the Board's Adequacy Standards governance framework, including a new approach to monitoring for compliance with provincial standards;
- Continuation of a public-facing consultative process on the upcoming revision to the Use of Force Policy;
- Engagement as an Advisory Group member for the City's SafeTO Community Safety and Well-Being Plan, and continued collaboration with the City on its Alternative Community Crisis Response Model and other initiatives of mutual interest;
- Ongoing work with the Board's Anti-Racism Advisory Panel (ARAP) and the renewal of the Mental Health and Addictions Advisory Panel (MHAAP) membership;
- Participation in professional forums as experts to profile the innovative approaches developed by Board Office Staff, and to contribute to the evolution of modern civilian police governance 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 Policing Act, 2019 (CSPA, 2019)*, including providing commentary on and proposals concerning new regulations;
- Continuation of the implementation of a Memorandum of Understanding (MOU) 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;
- Enhancing the Board's independent governance supports, through work undertaken pursuant to an MOU with the Auditor General, and establishing a new relationship with Ombudsman Toronto to diversify information channels and expertise; and,
- Increased transparency and public engagement through the Board's website (i.e., regular press releases, increasing the accessibility for our policies from PDFs to user-friendly HTML formats, up-to-date information on Board initiatives,

enhanced public consultation on policy development, etc.), social media platforms and media engagement.

Key Challenges and Risks

The Board, with the support of the Office of the Police Services Board:

- Must continue its high degree of engagement with diverse communities on significant policing and police governance and oversight issues;
- Continue to evolve its civilian governance structures, processes, policies and approaches to maintain its position as a national and international leader in this space, and in the midst of the most significant legislative changes to Ontario's policing environment in decades;
- Continue to improve its access to information and analysis on the impact and effectiveness of implementing policing standards, Board Policies and direction to the Chief, and the Service's programs and initiatives, so as to ensure a constant 'feedback loop' that drives improvement and innovation;
- Maintain public transparency and accessibility to its work and governance processes; and,
- Address the many and wide-ranging priorities, initiatives, and projects that are currently being implemented or that are forecasted to be addressed in 2023, in a manner that maintains public confidence in police governance and oversight in Toronto, while ensuring Board members and Board Office Staff can respond to unanticipated events.

Key Priorities for 2023

There are many priorities, initiatives, and projects that are currently being implemented or that are forecasted to be addressed in 2023 that will require Board members and Board Office Staff to be nimble, engaging, and accessible to the public. For example:

- The continued implementation, in collaboration with the Service, of the remainder of the Board's 81 Recommendations on Police Reform and the 151 Recommendations from the *Missing and Missed* report concerning missing persons investigations;
- 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, the implementation of the City's Alternative Community Crisis Support Service pilot, and other 'City family' initiatives;
- Enhanced work to streamline, modernize and improve the Board's governance approaches through analysis of the impacts of implementing 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;
- Undertaking further work to impact the new legislative environment for policing and police governance in Ontario, through engagement with the Ministry of the Solicitor General as part of the *CSPA, 2019* regulatory development process;
- Work to prepare the Board, Board Office and the Service for new, enhanced or different approaches that will be required once the *CSPA, 2019* comes into force; and,
- Establishing or enhancing supports, education and awareness for Board Members and Board Office Staff, so that trends and emerging issues are consistently part of considerations brought to bear in the context of decision-making.

Salary and Benefit Accounts

The Board Office's approved staffing complement is 7.5 staff, which comprises: an Executive Director and Chief of Staff; Senior Advisor, Policy and Communications; Senior Advisor, Strategic Analysis and Governance; Senior Advisor, Strategic Policy & Stakeholder Relations; Board Administrator; Executive Assistant to the Chair; Executive Assistant to the Executive Director; and Part Time Administrative Assistant. Together, these staff members provide the full spectrum of professional support in a wide range of areas associated with the Board's statutory function, including: policy development, labour relations, executive human resources, budget development and support, Board meeting work, public engagement, research and analysis, communications, legal matters (with the assistance of counsel from City of Toronto Legal Services), government relations and administrative support. The work performed by the small team of professional staff is essential to the Board's ability to provide adequate and effective police services to the communities we serve.

The 2023 Operating Budget Request is proposing the addition of three (3) additional staff: two Governance Quality Assurance Analysts, and one Indigenous Engagement Advisor. The additional staff will enhance the Board's governance and oversight functions in the context of addressing Judge Epstein's recommendation in *Missing and Missed*. These new staff roles will permit the Office of the Police Services Board to stand up additional capacity in important governance and oversight areas, in particular:

- collect data on the impacts of implementing Board initiatives, policies and direction and independently analyze data collected by the Service to inform Board decision-making;
- develop and implement monitoring and evaluation plans for the implementation and effectiveness of provincial adequacy standards, Board Policies and direction, and recommendations emanating from external reviews and inquiries;

- establish and foster key partnerships with Indigenous Nations and their communities, organizations, City partners and key stakeholders;
- develop and implement a governance and oversight approach to the Toronto Police Service's implementation of the City's Reconciliation Action Plan;
- support the Board's evolving communication and engagement strategies to ensure the public is aware of the Board's work and initiatives; and,
- support work of the Board's permanent Mental Health and Addictions Advisory Panel and Anti-Racism Advisory Panel.

The budget request in the Board's salary and benefit accounts, totalling \$ 1,561,400, includes salary/benefits for its approved staff complement, as well as the proposed new hires.

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 (Min. No P205/19 refers). As a result, the 2023 impact of the settlement, amounting to \$0.022 million, has been reflected in the Board's operating budget.

Non-Salary Expenditures

The budget request does not include any additional funding for the non-salary expenditures in 2023.

The base budget for non-salary expenditures will allow for the continued implementation of police reform and other strategic initiatives, as well as honouraria for community members on the Board's Advisory Panels (a new budget item that was built into the Board's Operating Budget, beginning last year). A portion of the non-salary accounts has also been allotted to training and development for the Board Members and the Board Office Staff. The Board Office Staff are critical to delivering professional, best-in-class services to support the Board's various functions. The Board Office must be able to function as a fully independent policy, quality assurance, evaluation, communications, stakeholder engagement and government relations centre of excellence. Staff are better equipped to perform these key functions through accessing specific and topical professional development training programs and learning opportunities to keep their skills relevant. Additionally, members of the Board Office Staff frequently contribute to professional development conferences, seminars and other forums hosted by the Canadian Association of Police Governance, the Ontario Association of Police Services Boards, and other organizations focused on police governance, oversight and contemporary policing topics.

A significant portion of the non-salary costs are for arbitrations/grievances. It is not possible to predict or control the number of grievances filed or referred to arbitration, as filings are at the discretion of bargaining units. In order to deal with this uncertainty, the 2023 budget includes a \$424,800 contribution to a Legal Reserve for the costs of

independent legal advice – an amount that is unchanged from the 2022 budget. Fluctuations in legal spending will be dealt with by increasing or decreasing the budgeted reserve contribution in future years' operating budgets so that the Board has funds available in the Reserve for these variable expenditures.

The Legal Reserve ensures that funds are available in the event that the Board requires legal advice other than that made available from the City of Toronto Legal department. Similarly, funds will be available should the Board require any additional external consulting advice or professional services.

Expenditures within the proposed legal services accounts are difficult to predict as they are often incurred in response to an action or event. Recent settlement statistics related to labour disputes and grievances indicate that fewer matters proceed to a hearing, but that the matters that do proceed to hearings are increasingly complex.

The remaining portion of the proposed non-salary budget is for the running of the day-to-day operations of the Board Office, and includes funding for membership in the Ontario Association of Police Services Boards and the Canadian Association of Police Governance, the provincial and national associations for police governance.

Equity Analysis

The increase in staffing within the Office of the Toronto Police Services Board will have a **high positive** equity impact. Indigenous Peoples, Immigrants, Refugees & Undocumented individuals, women, 2SLGBTQ+, Persons with Disabilities, Racialized Groups, Black, Vulnerable Youth, and Vulnerable Seniors will be positively impacted by the additional focus that can be brought to bear by professional staff on matters of relevance to these groups and communities.

The *Indigenous Engagement Advisor* (1) will work towards developing governance and oversight approaches in support of the Toronto Police Service's implementation of the City's *Reconciliation Action Plan*, and generally improve ongoing communication between the Board and the Indigenous Nations and their communities in Toronto, with a goal of ensuring that Indigenous voices, perspectives and advice are regularly engaged and given respectful consideration. Furthermore, the Advisor will support the important work of the Mental Health and Addictions Advisory Panel and the Anti-Racism Advisory Panel.

The *Governance Quality Assurance Analysts* (2) will develop and help execute evaluation plans for the implementation and effectiveness of Board Policies, directions and recommendations stemming from external reviews, including those relating to police reform, anti-Black racism, systemic discrimination, and mental health.

Additional staff will enable the Board to increase its capacity to address the Service's role in systemic inequities and better meet the needs of Indigenous Peoples, Black communities, and other equity-deserving groups within Toronto.

Conclusion:

The budget proposed in this report is founded on the Board's continued commitment to meet its legislative mandate in a manner that inspires public confidence, is meaningful to those we serve, and is fiscally responsible. The Board and Office of the Police Services Board will deliver modern independent police governance that continues to lead the country.

Respectfully submitted,



Ryan Teschner
Executive Director and Chief of Staff

Contact

Danielle Dowdy
Senior Advisor, Strategic Policy & Stakeholder Relations
Email: Danielle.Dowdy@tpsb.ca