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## **2010 BUDGET BRIEFING NOTE**

### **Non-Program Budget – Parking Tag Enforcement and Operations – Overtime Analysis and Impact**

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#### **Issue/Background:**

At its meeting held on March 5, 2010, the Budget Committee requested the City Manager to provide a briefing note on a strategy for reducing overtime costs related to Parking Tag Enforcement and Operations.

The 2010 Recommended Non-Program Budget for Parking Tag Enforcement and Operations is increasing by \$7.6 million on a net basis over the 2009 Approved Budget due to a reduction in parking ticket revenues attributable to more offenders requesting a trial and an increase in operating expenditures to cover the costs for the addition of three more dedicated court rooms required to address the increased volume of parking tickets requiring a trial.

- As a result of the added court space, additional overtime funding of \$1.7 million is included in the 2010 recommended operating budget and is required by the Toronto Police Service, Parking Enforcement Unit in order to have Parking Enforcement Officers attend court to present evidence on parking tickets they have issued.

The City has experienced an increased volume of requests for parking tag trials, and is addressing this through the doubling of court rooms from three to six assigned for parking tag trials. Increased attendance at these trials by Parking Enforcement Officers has a negative impact on parking enforcement and its related traffic and safety initiatives within the city and a further negative impact on collectable revenues. The cost of the additional overtime is expected to be a temporary pressure for about 2 years over which time staff will be implementing various strategies aimed at reducing the trial request rate to more historically normal levels. Additionally, it is anticipated that the Province will be filing a regulation within the next few months allowing evidence of parking infractions to be submitted without in-person attendance by the officer.

The Parking Enforcement Unit's (PEU's) current deployment practice is to send Parking Enforcement Officers (PEOs) to court on off-duty hours. This practice, which was developed in consultation with City staff, ensures that staffing levels and deployment are minimally impacted, which in turn ensures that there is minimal impact to traffic flow, service and tag issuance numbers. The use of an overtime pay funding envelope needed to maintain enforcement response levels and meet court attendance requirements is, based on staff's analysis, the most cost-effective strategy available to address program objectives.

## **Discussion:**

There is a legal requirement that PEOs attend court as the witness for the prosecution (City legal staff) to provide evidence on charges laid related to parking infractions.

Several staffing / deployment options were examined to arrive at a cost-effective approach that minimizes program impacts while addressing legislative and operational needs. Options explored included:

1. Schedule PEOs to attend court on duty, and do not backfill
2. Schedule PEOs to attend court on duty, and increase the number of PEOs on staff to allow backfilling by on-duty staff
3. Schedule PEOs to attend court on duty, and backfill with staff on overtime, or schedule PEOs to attend court off-duty, at overtime rates

### Option 1: Schedule PEOs to attend court on duty, and do not backfill

PEOs could be scheduled to attend court while on-duty, without backfilling for their regularly scheduled enforcement activities. This would create a budget savings of \$1.7 million in overtime costs. However, traffic and safety would suffer due to reduced enforcement. It is estimated that approximately 225,000 fewer parking tags would be issued. This reduction in parking tag issuance would result in an estimated gross revenue loss of \$6.8 million, creating a net budget pressure of \$5.1M (\$6.8M in lost revenue less \$1.7M in savings from overtime costs).

### Option 2: Schedule PEOs to attend court on duty, and increase the number of PEOs on staff to allow backfilling by on-duty staff

The PEU's staffing establishment could be increased by the average number of officers attending court, to ensure sufficient staff are on-duty to ensure the current standard of enforcement could continue while officers attend court.

Court appearances are scheduled in advance in order to give notice to persons asking for a trial and court dates have now been scheduled into May 2010. Under this option, officers notified to appear at court will not be backfilled with officers to provide enforcement and this will result in a loss of tags during this time period until at least September when additional officers could be hired, trained and deployed.

Taking into consideration hiring, training, scheduling, benefits, and the associated uniform and equipment, it costs more to hire additional staff on a temporary or permanent basis than it does to deploy the same number of staff on overtime. It is estimated that hiring additional sufficient PEO's to backfill officers required to attend court would require annualized expenditures of approximately \$1.9M. Of greater operational concern is the loss in flexibility of deployment of staff. Staff on overtime can be deployed where and when they are required to backfill, whereas regular staff will work full time hours on a designated shift schedule

In addition, it is anticipated that new officers would not be hired and fully trained for assignment until September at the earliest.

Option 3: Schedule PEOs to attend court on duty, and backfill with staff on overtime, or schedule PEOs to attend court off-duty, at overtime rates

The impact of backfilling staff attending court on duty, using premium pay dollars, or scheduling staff to attend court off-duty, paid at overtime rates, is the same.

There are two groups of officers to consider when reviewing this option. One group of officers works exclusively Monday to Friday in an effort to augment enforcement related to traffic flow and rush hour routes. These officers must attend court on duty, as courts are also scheduled Monday to Friday. This, however, creates a void in service and creates enforcement gaps in key sectors of the City which has negative impacts to safety, traffic flow, rush hour routes, and calls for service from the public which creates quality of life issues. The reduction in tags also results in a loss of revenue. As such, PEU's 2010 proposed budget assumes the recommended approach that this group of officers attend court on duty and be backfilled with other staff, at overtime rates, to preserve service, traffic flow and tag issuance which has a direct impact to the program's revenue component.

The other group of officers works a shift work model. This model allows for off-duty court scheduling during the hours of court operation which is dayshift, Monday to Friday. This strategy ensures that staffing levels and deployment are minimally impacted, which in turn ensures that there is minimal impact to traffic flow, service and tag issuance numbers. This strategy results in premium pay expenditures for the off-duty court attendance, but is the most cost-effective strategy that can be applied.

The impact of this option is \$1.7 million in overtime costs which is the annualized impact for operating 6 courts for parking tag trials.

**Recommended Option:**

Taking into account all variables (cost, impact to traffic flow, service and tag issuance numbers, which has a direct impact to city revenue), option number three is recommended. Option 3, the model of having officers attend court on off duty hours in cases where shift scheduling allows for this and, where shift scheduling does not allow for this, having officers attend on-duty, with officers assigned where needed on overtime to provide ongoing enforcement, has the least operating impact on a net basis. It is this model that has been assumed in PEU's 2010 Operating Budget estimates. The addition of three additional courts for parking tickets has created a pressure in Parking Enforcement overtime of \$1.7 million in 2010. This expenditure is required in order to ensure appropriate traffic management and protection of public safety. Without this additional overtime funding, it is estimated that parking tag issuance would decrease by approximately 225,000 tickets - an estimated revenue loss of approximately \$6.8 million. It is anticipated that the overtime pressure will begin to reduce by 2012 when the number of court rooms assigned for parking tag trials is expected to be reduced.

**Conclusion:**

Staff have reviewed this matter with a view to reducing or eliminating overtime related to court attendance for Parking Enforcement Officers while maintaining enforcement activities and tag issuance.

Although it is possible to achieve savings of \$1.7 million in overtime allocated for court attendance, there would be significant negative impact to safety, traffic flow, rush hour routes and response to calls for service from the public which in turn creates quality of life issues. Furthermore, the reduced enforcement would result in a reduction of approximately 225,000 parking tags which would in turn result in a revenue loss in excess of \$6.8 million.

With the amendments to the *Provincial Offences Act* made by the *Good Government Act, 2009*, staff expect that the Province will enact regulations that will allow evidence of parking infractions to be submitted without in-person attendance by the officer, and thereby reduce the need for officers to appear in court. However, pending the release of the final regulations, all options were considered in terms of how to best accommodate PEO attendance at the 3 additional courts. Option 3, upon which the budget estimates are based, is the most cost effective model.

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