

Ontario Provincial Police (OPP) Municipal Policing Billing Review

Municipal Engagement

Prepared by:
Municipal Policing Bureau
Ontario Provincial Police

October/November 2013

Municipal Engagement Agenda

Regional Engagement Session

12:30 pm – 12:45 pm	Opening remarks, context, facilitator introductions
12:45 pm – 2:00 pm	Current OPP billing model, challenges and rationale for change and walkthrough of the proposed OPP billing model
2:00 pm - 2:30 pm	Break
2:30 pm – 3:00 pm	Municipal feedback on the model; Qs and As
3:00 pm – 4:15 pm	Discussion on potential phase-in schedules for the new billing model
4:15 pm – 4:30 pm	Closing Remarks



Background

- 1945 - the OPP began policing municipalities under contracts.
- 1995 – 102 municipal police services, 35 OPP municipal contracts, 576 municipalities policed by OPP at no direct cost.
- In 1998, under the Local Services Restructuring (LSR) the *Police Services Act* (PSA) was amended transferring the responsibility for policing to the municipal governments in exchange for uploads in education.

Background

- Under the PSA, municipalities can provide policing in a number of ways:
 - Establishing an independent police service;
 - Entering into an agreement with municipal council(s) to constitute a joint board or amalgamate police services; or,
 - Contracting services from either a contiguous police service or from the OPP.



Background

- If a municipality does not provide police services, OPP polices them as a non-contract under section 5.1 of the PSA.
- The OPP recovers costs from contracted and non-contracted municipalities as per the legislation (PSA) and regulation 420/97 *Costs of Ontario Provincial Police Services to Municipalities Under Section 5.1 of The Act*.
- The OPP currently polices 324 municipalities:
 - 153 on contract and 171 on a non-contract basis.



Background

- On average, OPP costs compare favourably to other municipal police services:
 - 2011 average cost of \$334 OPP per household is approximately half the average per household cost of municipal police services in Ontario.
- OPP-policed municipalities have expressed a high level of satisfaction with the services they receive.

Context

- 2011- Minister's commitment:
 - Commence a review process focusing on:
 - Transparency
 - Accountability
- 2012 – Ministry of Community Safety and Correctional Services (MCSCS) and Association of Municipalities of Ontario (AMO) project team:
 - Fulfilled mandate and produced the *Understanding OPP Municipal Policing Costs* document
- 2012 - Minister's commitment at AMO Annual Conference:
 - Work with municipalities to address variations in OPP billing
- 2013 - Minister renewed commitment to review the OPP billing process at AMO 2013 Conference and Rural Ontario Municipal Association and Ontario Good Roads Association (ROMA OGRA) 2013 Conference.

Context (cont'd)

- OPP/MCSCS have been working on the principles of the new billing model with municipalities since March 2013.
- **Activities:**
 - OPP Working Group (March 2013).
 - Targeted Regional Consultations (April/May 2013).
 - Online survey (June/July 2013) of OPP municipalities.
- **Objective:** Engage with municipalities and solicit input from all OPP-policed municipalities to:
 - Determine criteria for successful billing reform.
 - Identify preferred municipal billing concepts.

Current Billing Model (Sec. 10)

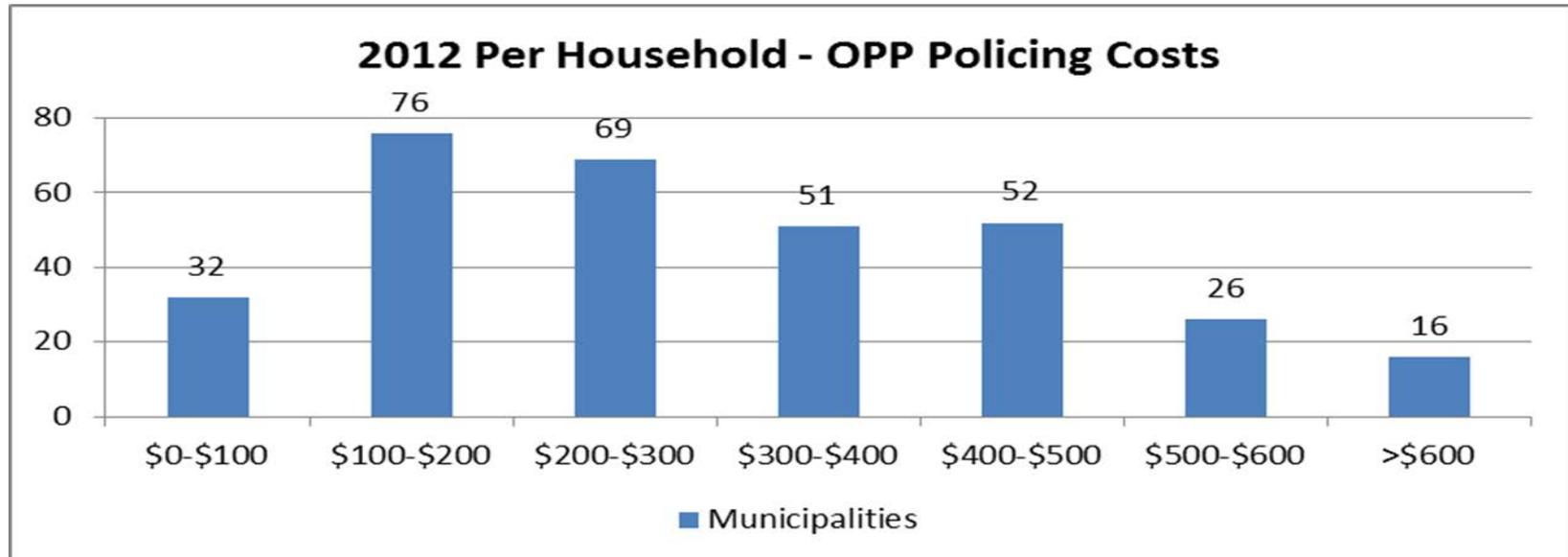
- Utilizes the Deployment Model.
- Relies primarily on calls for service.
- Hourly based methodology:
 - (one Full-Time Equivalent (FTE) = 1467 hrs)
- Cost recovery for individual municipalities are based on:
 - Defined level of service.
 - Actual salaries, wages and benefits.
 - Cost-Recovery Formula: selected support salary and benefit expenditures and Other Direct Operating Expenses (ODOE).
- Allows for contract enhancements.

Current Billing Model (5.1)

- Utilizes the Deployment Model to calculate detachment staffing requirement.
- Cost recovery for individual municipalities are based on:
 - Percentage of detachment workload, primarily measured by calls for service.
 - Actual Detachment staffing level.
 - Actual salaries, wages and benefits.
 - Cost-Recovery Formula: selected support salary and benefit expenditures and Other Direct Operating Expenses (ODOE).

Rationale for Change

- The current cost-recovery process has been in place for over 15 years and there are a number of challenges with the current process.
 - Generates wide variations in per household OPP policing costs.
 - Municipalities that serve as commercial centres for a regional population (e.g. have a major hospital, arena, shopping, bars, etc.), generally experience higher policing costs.



Rationale for Change

- Current model relies primarily on number of core calls for service.
- Cost recovery and billing methodology is complex, difficult to administer and challenging to communicate.
- The 2012 Auditor General's report directed the OPP to: simplify, and make more transparent, its cost-recovery methods; and, address issues in the billing method that results in municipalities paying different rates.
- Ontario Municipal Partnership Fund (OMPF) Program re-design: Ministry of Finance (MoF) is continuing the re-design of the OMPF grant.



Principles

- Billing for OPP municipal policing services should reflect the integrated and comprehensive nature of policing.
- Policing is a complex service involving numerous functions and legislative obligations that cannot be directly linked to a specific municipality under the OPP's integrated service delivery detachment model.
- The list of legislative policing requirements in the PSA and *O.Reg. 3/99 Adequacy and Effectiveness of Police Services* is extensive and requires a substantial investment in staffing, equipment and training regardless of how often they are utilized.

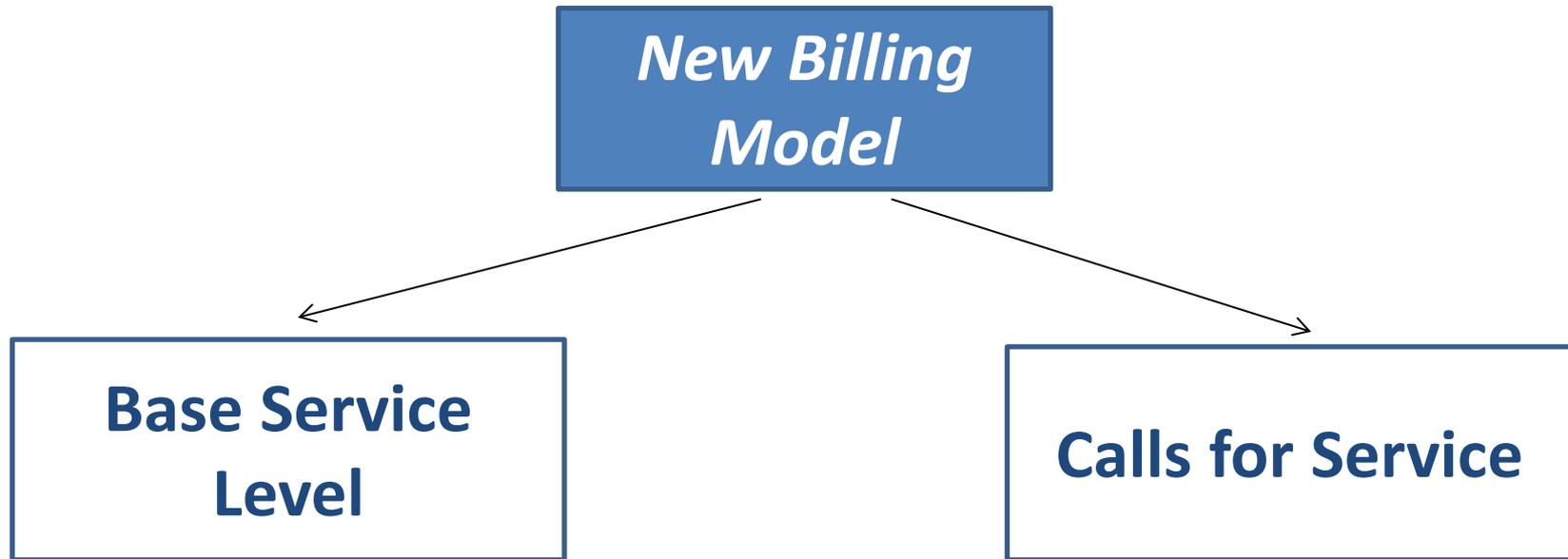
Principles

- All police services require a base level of infrastructure, supervision, administration and sufficient front-line policing necessary to provide adequate proactive policing, ensuring the general safety and security of municipalities.
- Municipalities must have trained, properly equipped police officers available at all times to respond to calls for service and there is a cost associated for this availability.
- Proactive policing activities, such as directed patrols, traffic enforcement and crime prevention are provided to all municipalities regardless of the level of calls for service and when correctly implemented, can reduce or limit calls.

Principles

- The following principles form the basis for a new approach to billing for OPP municipal policing services:
 - All municipalities should pay their equitable share of essential “base level” policing services.
 - Calls for service are one of the primary cost drivers in policing and it is reasonable that municipalities pay the cost of their calls for service.
 - In addition, OPP strives to provide policing services in a manner that is:
 - Transparent;
 - Accountable to the municipalities it serves; and
 - Aligned with the municipal planning process.

Proposed Billing Model



Proposed Billing Model

Base Service Level:

(Approx. 73% of total costs, individual municipal bills may vary)

- All municipalities should pay their equitable share of essential “base level” policing services as all have a legislated obligation to provide or benefit from these services.
 - All supervisor positions – Inspector, Staff Sergeant, Sergeant
 - All administrative positions – Detachment Admin, Clerk, Court, Caretaker, etc.
 - Constables – portion for time spent performing activities, such as patrol, RIDE, crime prevention, training, admin, etc.

Proposed Billing Model

Calls for Service:

(Approx. 27% of total costs, individual municipal bills may vary)

- Calls for service are one of the primary cost drivers in policing and it is reasonable that municipalities pay the cost of their calls for service based on the number and type of call.
- Includes calls for service that are reactive in nature:
 - Crime Calls (Assaults, B&E, Mischief, Drug Offences, etc.)
 - Provincial Statutes (MHA, Landlord Tenant Disputes, Trespass To Property)
 - Motor vehicle collisions (Property Damage, Personal Injury, Fatal)
 - General calls for service (False Alarms, Lost Property, Missing Person, etc.)

** Does not include incidents normally generated through proactive policing.*

Proposed Billing Model

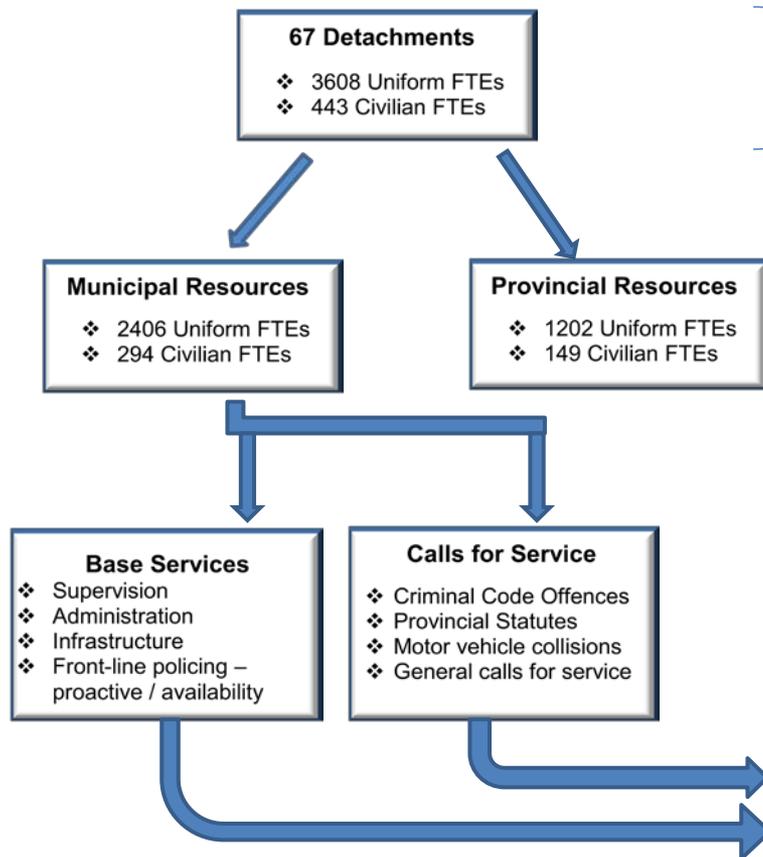
Calls for Service (Time Standards)

- Municipalities billed for the actual number and type of reactive calls for service.
- Model would include up to 354 reactive calls for service types classified into 10 Time Standards (based on common response types & average incident time).
- Updated annually to enhance billing accuracy and improve transparency.

Time Standards (3 Year Average - 2010-2012)

	TOTAL TIME	CFS COUNT	AVG INCIDENT TIME
VIOLENT CRIMINAL CODE	967,268	67,058	14.4
PROPERTY CRIME VIOLATIONS	909,058	151,018	6.0
OTHER CRIMINAL CODE VIOLATIONS	350,495	49,924	7.0
DRUGS	221,988	6,584	33.7
DRUGS POSSESSION	69,156	11,133	6.2
STATUTES	304,581	102,063	3.0
TRAFFIC	387,458	116,208	3.3
OPERATIONAL	776,006	208,335	3.7
OPERATIONAL 2	197,444	176,884	1.1
SECURITY DETAIL	3,041	206	14.8
Total	4,186,493	889,413	4.7

Proposed Billing Model



67 detachments provide policing to municipalities on an integrated service delivery model

Detachment officers are split among municipal and provincial duties using 4 years historical workload data

Municipal Cost Recovery Process

Actual salaries, benefits and overtime plus support and ODOE costs applied at a per officer rate consistent with current billing process.

Base Level Services

- ❖ Approximately 73% of municipal police costs.
- ❖ Charged on a per household basis.

Calls for Service

- ❖ Approximately 27% of municipal police costs.
- ❖ Charged based on numbers of calls and type.

Contract Enhancements

- ❖ Additional FTEs requested by municipalities

Potential Impacts

- 2015 municipal cost would be based on:
 - Base service level estimated at \$260 per household; plus
 - Calls for Service (number and type).

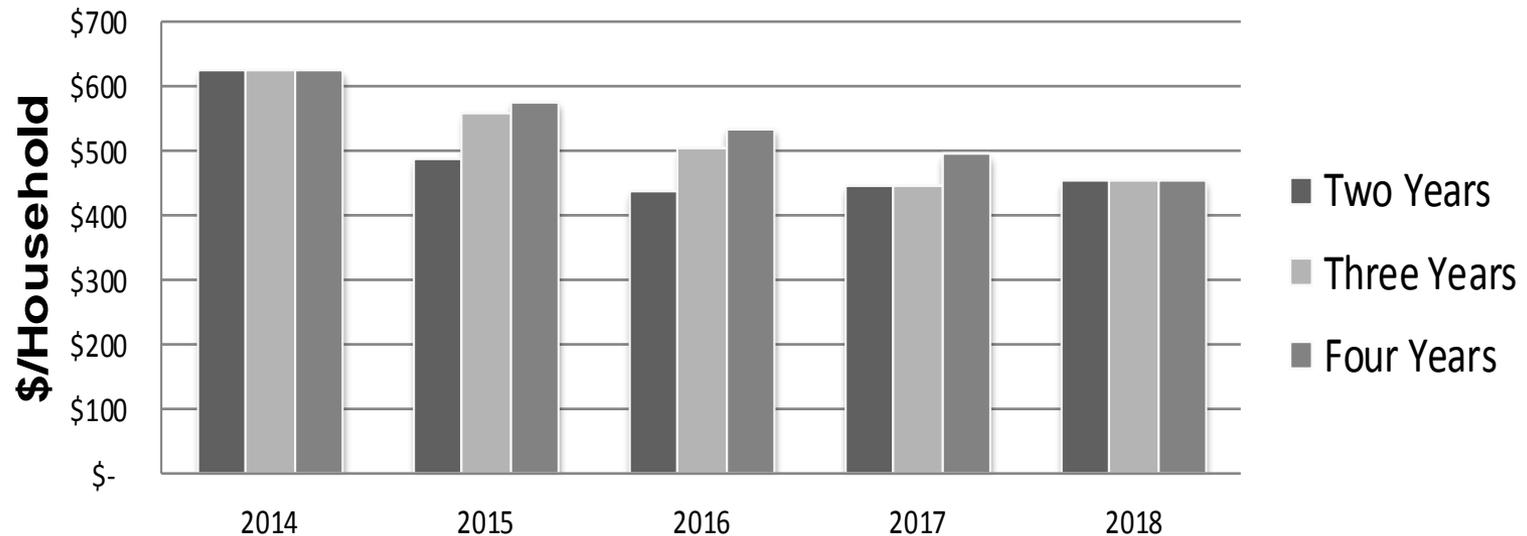
- Shift in costs:
 - Municipalities currently lower than \$300 per household will generally see an increase; municipalities currently higher than \$400 per household will generally see a decrease.

Illustrative Example – Municipality with a Bill Decrease

Municipality A

- **Current Policing Bill:** approximately \$600 per household
- **Approximate Decrease:** \$200 per household

Municipality A (Per Household Bill – Illustrative Example)

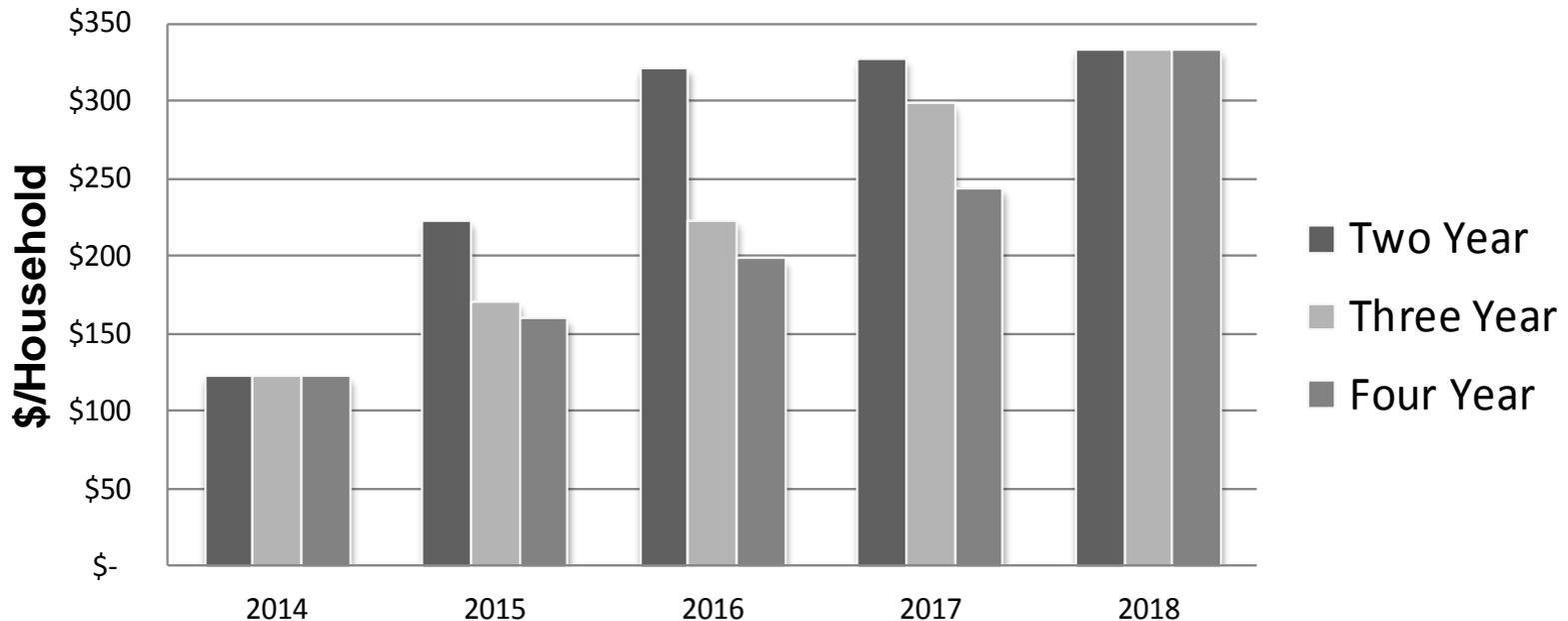


Illustrative Example – Municipality with a Bill Increase

Municipality B

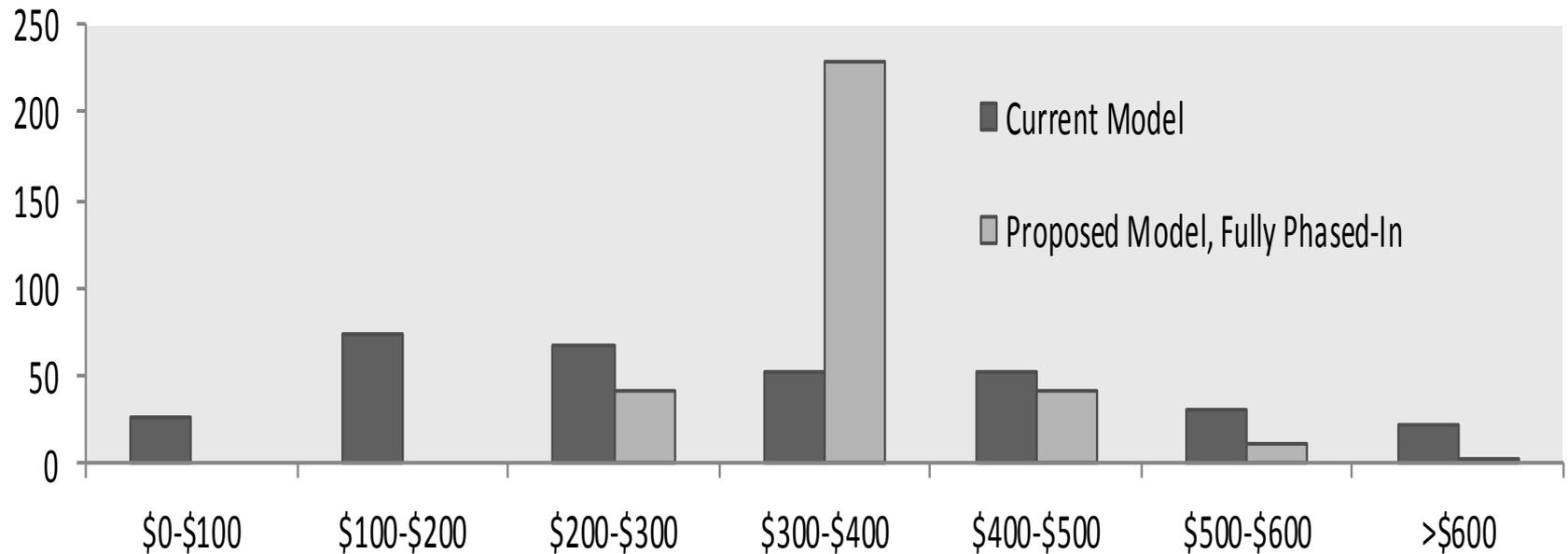
- **Current Policing Bill:** approximately \$100 per household
- **Approximate Increase:** \$200 per household

Municipality B (Per Household Bill – Illustrative Example)



Summary

Current Model vs. Proposed Model Per Household Costs



Summary

- A new billing model will:
 - Address the 2012 Auditor General's report directing the OPP to simplify, make more transparent and address issues in its costing and billing methods that result in municipalities paying different rates.
 - Ensure all communities equitably share the cost of infrastructure, supervision, administration and front-line policing necessary to be available to respond to calls for service and provide adequate proactive policing.
 - Enhance the transparency for municipalities.
 - Provide greater budgeting certainty for municipalities.

Scheduled Break

30 Minute Break

DISCUSSION

- What are the benefits of a new model?
- Do you agree with the division of services in the base and calls for service categories?
- Is detailed reporting of calls of service helpful?
- What other types of information would be useful?

DISCUSSION

- Do you agree with the proposed billing model principles?
- Are there other principles that should be included?

DISCUSSION

- Is there a preferred mitigation approach?
- What would be manageable for municipalities?
- What type of information is needed ahead of time?
- Are there suggestions or important considerations?

Next Steps

- Further feedback
 - OPP.GHQ.MunicipalPolicingBureau@ontario.ca
 - Link to online feedback form
- Municipal engagement on the proposed billing model will continue over fall 2013/winter 2014.
 - Mid-2014 target for finalizing details of the new model would allow early communication to municipalities.

Regional Engagement Sessions (Fall 2013)

- Open to all 324 OPP client municipalities and municipal associations
- Provide feedback on the working model and implementation considerations.

Technical Consultations

(Winter 2013/14)

- MCSCS/OPP would invite a group of municipal fiscal experts, AMO and others to analyze feedback from regional sessions and advise on technical details related to the billing model and implementation options.