



STAFF REPORT

Meeting Date: July 12, 2021

Title: Police Costing Public Survey Results and Summary Report

Prepared By: Roger Nesbitt

Department: Administration

Report Number: Administration-2021-10

Recommendation:

THAT, Council receive this report as information, and;

THAT, Council provide staff with direction on when to bring a by-law forward for Council's consideration for the acceptance of the OPP contract policing proposal.

Background:

Over the past four years, the City of Dryden has been engaged in two separate OPP contract policing reviews. The first review was conducted from June of 2017 thru to May of 2019. The second costing study and review commenced in October of 2020 and is currently ongoing. The following is a summary of the timeline and significant events involved in both of the reviews;

2017 – 2019 Police Costing Review:

- **June 22, 2017** - By Council resolution, City Council directed staff to request an OPP Costing Proposal for the purpose of comparison to the DPS. Additionally, City Council formed the Police Costing Committee, a committee of Council.
- **September 25, 2018** - the City issued an RFP seeking proposals for consulting services to aid the City in the study and analysis of policing services. The CAO and DPS Chief performed a detailed review of all submitted proposals and both strongly agreed that MNP was the most qualified and objective agency. MNP was awarded the contract in December 2018.

- **November 28, 2018** - Council received the OPP costing proposal at a Special Committee of the Whole meeting. From that date, Council had 6 months to come to a decision on the OPP proposal.
- **December 19, 2018** - the policing study kickoff meeting was held with MNP and the Police Costing Committee.
- **March 4, 2019** - MNP delivered their final report to Council at a Committee of the Whole meeting.
- **March 12, 2019** - a public survey was released by the City through MNP as part of the public consultation process. The survey was intended to gauge public opinion in certain aspects of the OPP costing proposal.
- **March 21, 2019** – two separate public consultation meetings were held with community stakeholders and members of the public.
- **April 10, 2019** – the MNP/City survey results were shared publicly.
- **May 21, 2019** – Council voted to not accept the OPP costing proposal.

2020 – 2021 Police Costing Review:

- **October 26, 2020** - By Council resolution, City Council directed staff to request an OPP Costing Proposal for the purpose of comparison to the DPS. Additionally, City Council formed the Police Costing Committee, a committee of Council.
- **November 23, 2020** – City Council approved the single source contract award to MNP LLP for the police costing study and analysis contract. Work with the consultant commenced immediately after awarding.
- **May 17, 2021** – City Council received the OPP costing proposal at a Special Committee of the Whole meeting. From that date, City Council has 6 months to come to a decision on the OPP proposal.
- **June 7, 2021** – MNP presented their final report for the Analysis of Police Services. In conjunction with the public release of the consultant’s final report, the City launched the official public consultation period.
- **June 7, 2021** – The public survey regarding the OPP costing proposal and the consultant’s report was released.
- **June 14, 2021** – The Dryden Police Services Board Chair and the Dryden Police Service Chief of Police presented to City Council. During the presentation it was stated that DPS would require 3 addition full time positions starting in 2022.
- **June 24, 2021** – A virtual public meeting was held for the purpose of hearing public comments and to answer questions from the public regarding the OPP costing proposal and related matters. Members from the DPS, the OPP and municipal staff were in attendance to provide information and answer questions.
- **July 5, 2021** – The public survey closed.
- **July 7, 2021** – The official public consultation period closed.
- **July 12, 2021** - Two staff reports presented to City Council. The City’s Treasurer presents a report outlining future policing cost increases and possible

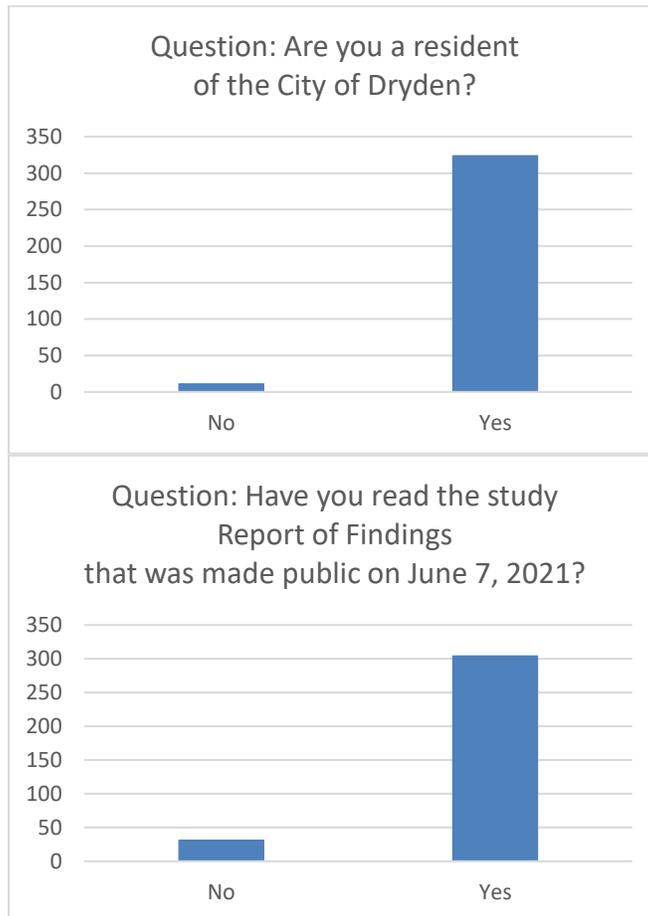
funding solutions and the CAO presents the public survey results and summarizes data and facts gathered during the police costing study and analysis.

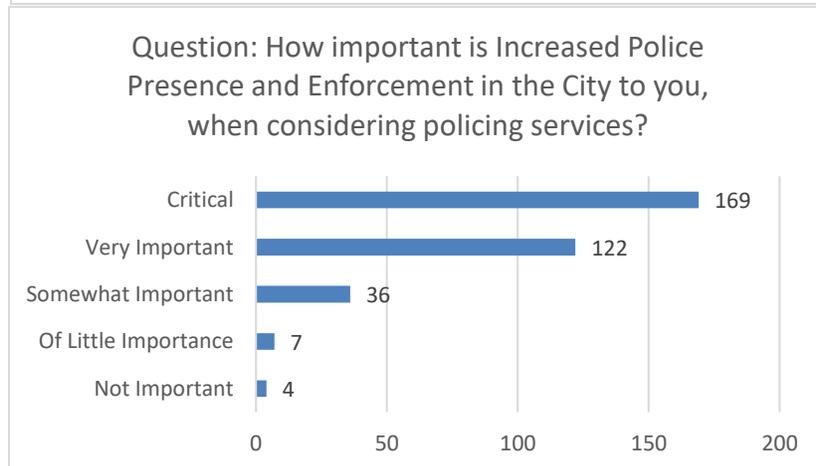
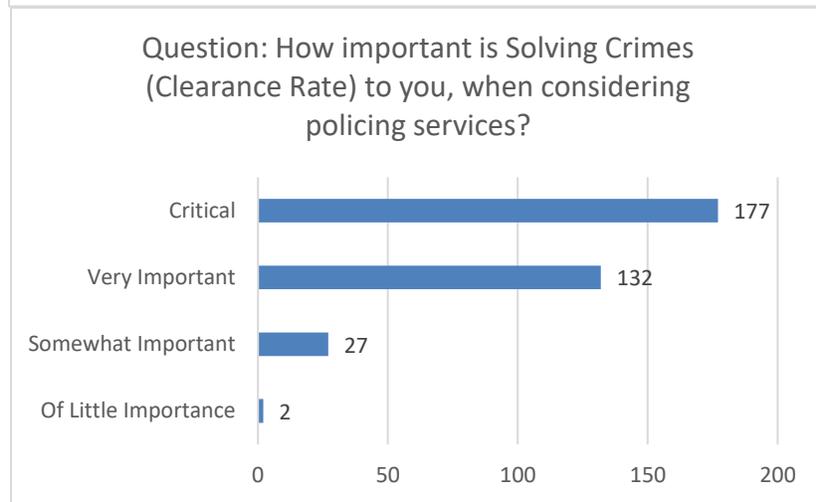
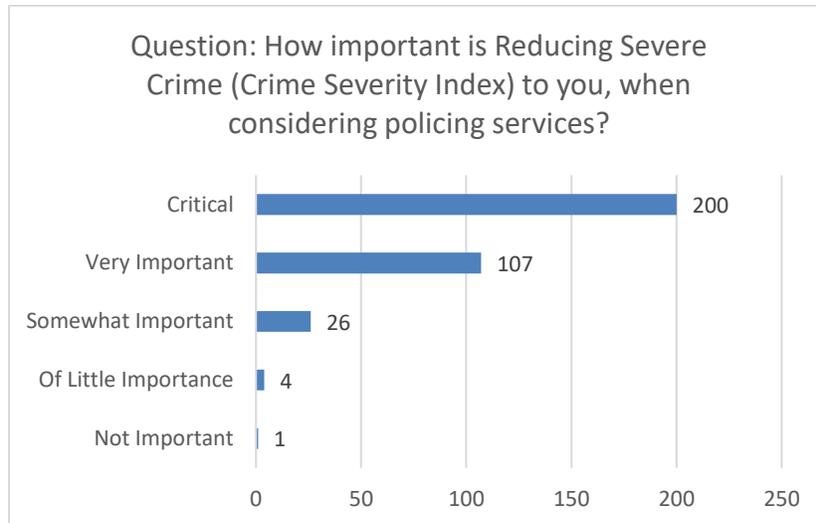
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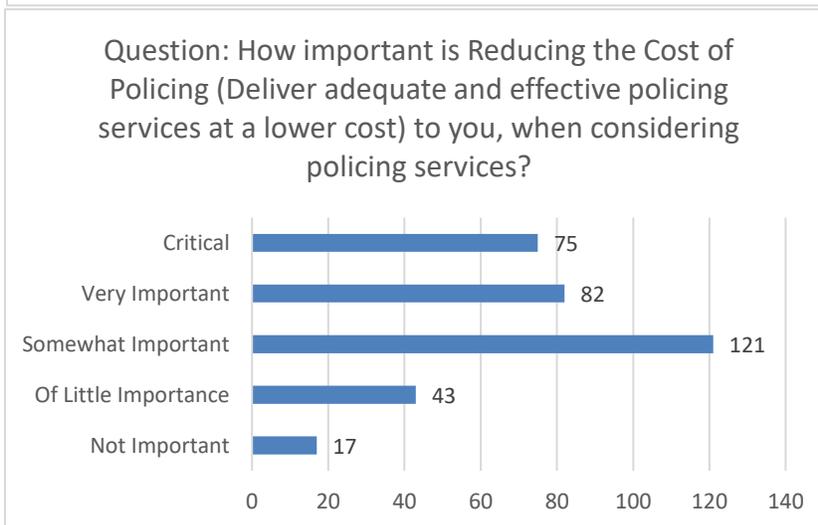
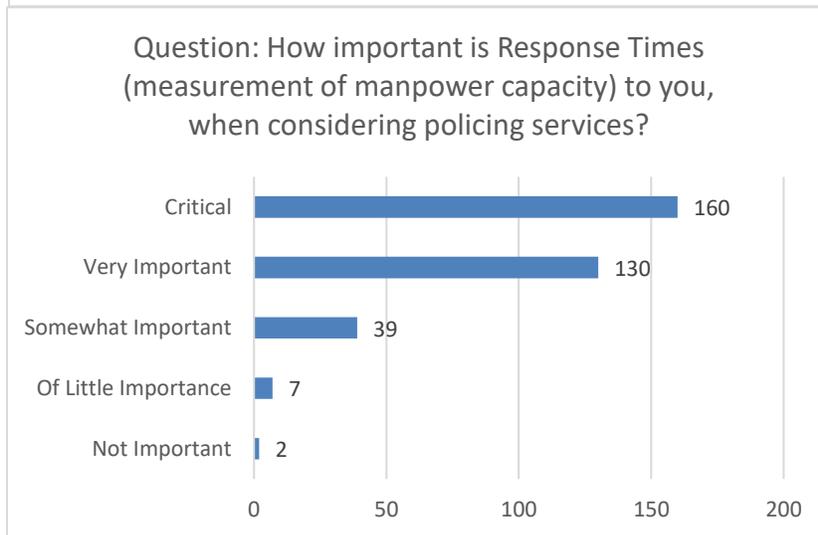
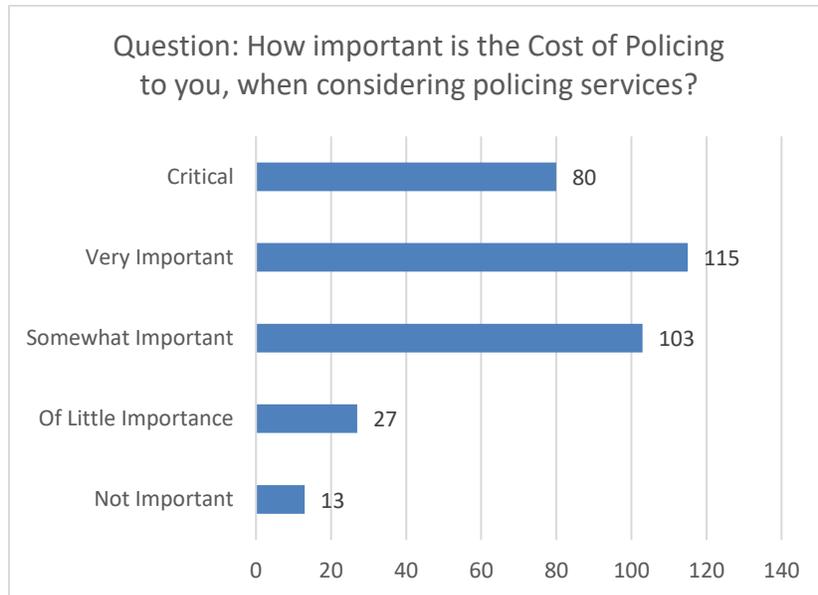
Police Costing Public Survey:

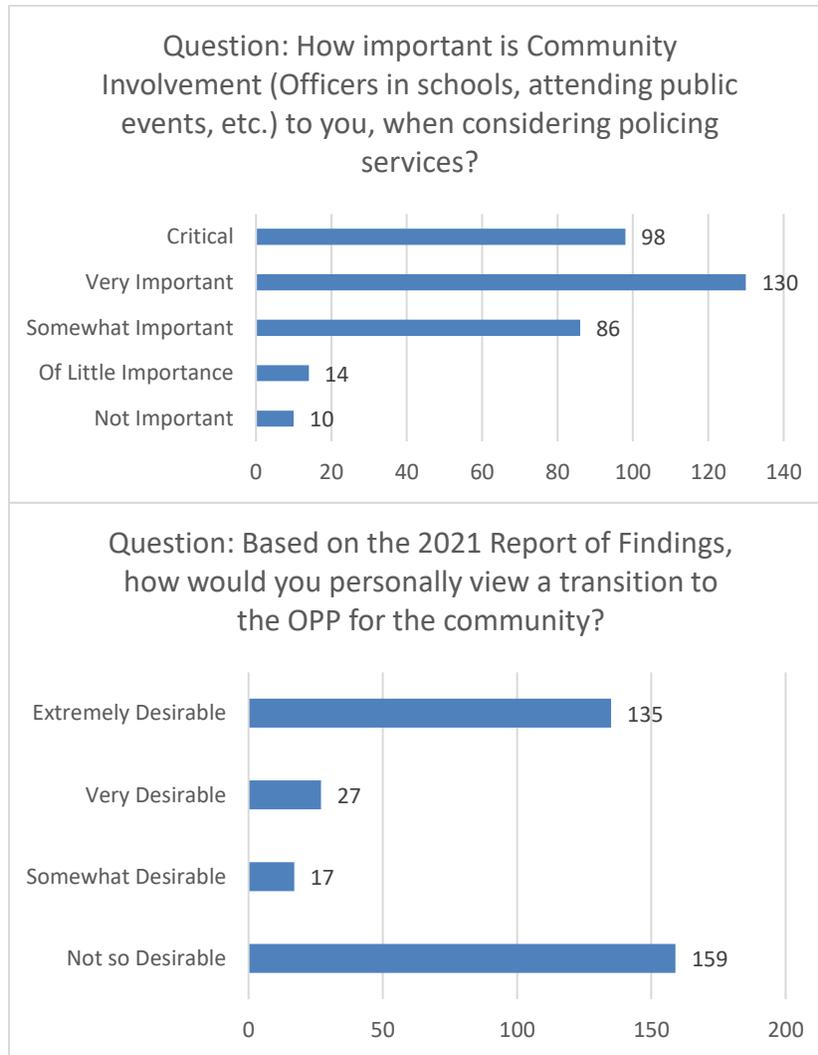
As part of the public consultation, a public survey was launched on June 7, 2021 with a closing date on July 5, 2021. The survey was advertised on the City’s website, through the City’s social media channels and on the local radio station resulting in 338 survey responses. These responses may not necessarily represent unique individuals as anyone desiring to submit a survey response could submit multiple times.

The survey results are shown below.









The public survey results are posted on the City’s website at www.dryden.ca/policecosting. Comments that were provided through the survey have been shared with City Council.

Public Comments and Questions:

During the public consultation period, there were approximately 23 written questions submitted by the public, including questions received from DPS association members, and approximately 2 written comments received from the public outside of the public survey. All written questions submitted through the CAO have been responded to by the appropriate agency and the questions and answers have been posted to the City’s website.

During the June 24, 2021 public meeting, there were 2 registered meeting participants wishing to speak at the meeting, both of whom represented the two DPS associations. There was 1 written comment submitted to be read at the public meeting. City staff,

the DPS Chief and an OPP delegation were on hand to provide information and answer questions.

Summary of the Consultant's Final Report:

The Police Costing Committee defined the consultant's scope of work for the police services study and analysis engagement to include the following deliverables.

- Update the service offering comparison with any known changes
- Consult with other Ontario municipalities
- Consult with primary stakeholders as defined by the Police Costing Committee
- Update the existing financial model with additional available years
- Update Call for Service modelling with 2019 data
- Develop additional benchmarking analysis
- Development of a clear and concise executive summary/conclusion
- Presentation of findings to Dryden City Council

This general scope of work was communicated to Council at the November 23, 2020 City Council meeting where it was agreed to by Council.

Consultant's Final Report - Benchmarking & Comparison Data:

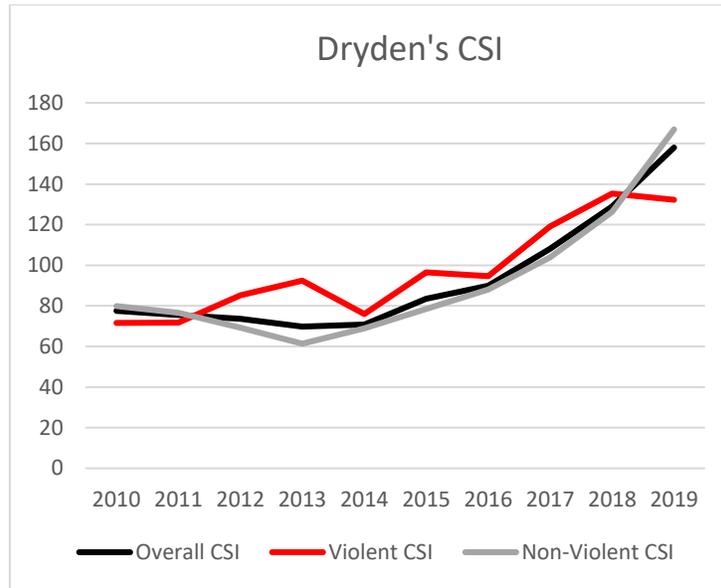
Entering into the second police costing analysis, the Police Costing Committee determined it vital for the study and final report to provide more context and information around two very important areas; rising calls for service and required manpower to address current and future community enforcement needs. Labour costs account for a very large portion of any law enforcement budget. Knowing that calls for service, call severity and other such areas are major drivers for required policing resources and therefore policing costs, these areas had to be further researched and better understood as the previous police costing study did not provide the benchmarking data required in these areas. This understanding is extremely important considering that the OPP's latest proposal is suggesting a 38% increase in sworn officer positions over what DPS currently maintains and that up until June 14, 2021, DPS leadership has indicated through both police costing studies that the DPS would not require additional sworn officers to handle calls for service volumes now and for some time into the future.

Through research conducted by the City's consultant using StatsCanada publicly available data, DPS calls for service/incident data as well as publicly available OPP data, the following items have been determined.

- Crime Severity Index (CSI)
 - Dryden had the highest average CSI for the report's benchmark communities during the period of 2015-2019

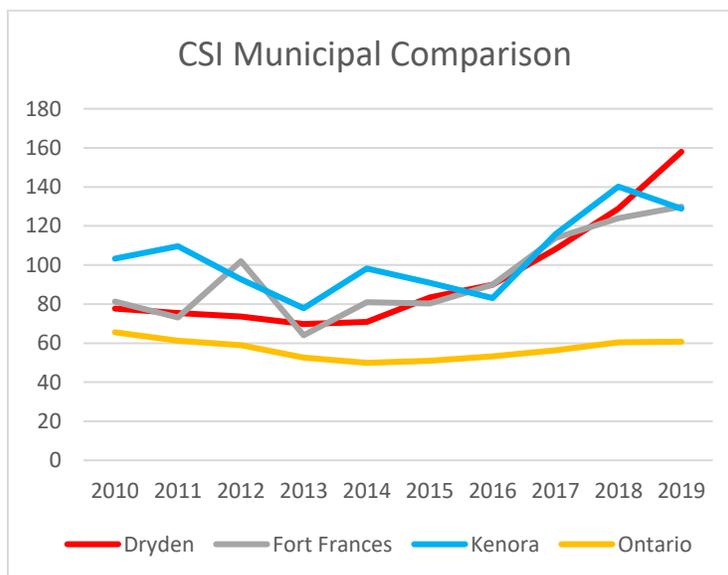
- Dryden had the 2nd highest CSI growth rate over the same period (17% annually)
- Both violent and non-violent CSI are increasing with non-violent CSI growing at a faster rate

Figure 1: Crime Severity Index (CSI), Statistics Canada Table: 35-10-0188-01



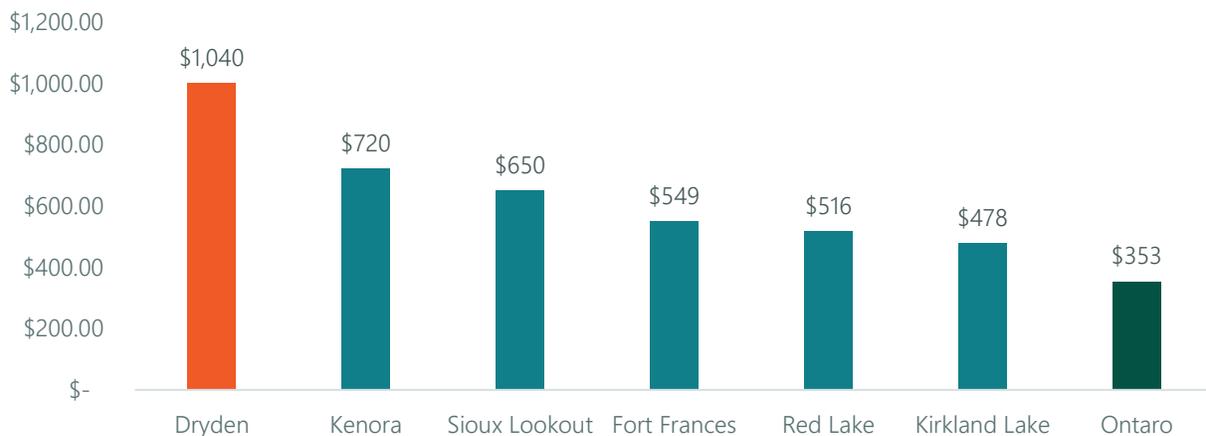
Dryden's CSI in 2014 was 70.86 and in 2019 it was 158, more than doubling over that time period.

Figure 2: Regional CSI Comparison, Statistics Canada Table: 35-10-0188-01



- Criminal Incidents
 - Dryden had the 2nd highest rate of criminal incidents per 100,000 population within the report’s benchmark municipalities and the highest (tied) average annual growth rate (15% annually) in criminal incidents during the 2015-2019 period
 - Dryden had the 3rd highest incident per officer rate during the same period
- Clearance Rate
 - Dryden’s clearance rate decreased over the period of 2015-2019. Dryden had the largest decline of the report’s benchmark municipalities (-4%)
- Sworn Officer to Population Ratio
 - Dryden has a relatively high number of sworn officers for its population (2nd highest of the benchmark municipalities)
- Police Costs
 - Dryden has the highest average policing cost per capita of the report’s benchmark municipalities at \$511 per capita during the 2015-2019 period
 - Dryden has the highest average per property cost of the OPP benchmark municipalities at approximately \$1,040 per property during the 2015-2019 period – approximately 44% higher than Kenora.

Figure 3: Average Cost Per Property by Jurisdiction Between 2015 and 2019, MNP Final Report June 2021



Dryden: Orange
OPP Detachments: Teal
Ontario (OPP): Dark Green

Through various comments and presentations made since the consultant’s final report was published, we’ve heard from a few that some of the indicators used in the consultant’s report are not solely controlled or solely driven by law enforcement. This is 100% correct and has been acknowledged by many including the consulting team.

Access to services in sectors such as healthcare, public health, social services, education, municipal services and so on, can have a direct and material impact on these indicators. Our criminal justice system also plays a significant role. However, law enforcement is still a very critical piece to the overall safety and wellbeing of a community and many of these indicators are used nationally to measure community vitality.

We've also heard some individuals downplaying the importance of the indicators in the consultant's report or that some of the municipal comparisons contained in the consultant's report are not valid and the City should not be comparing Dryden to other communities in Ontario. I strongly disagree with this position. All Ontario municipal law enforcement agencies including the OPP are governed by the Comprehensive Ontario Police Services Act. Recognizing that there is uniqueness between every municipality, in the northwest region we share a common trait, high policing costs. This region's costs are well above the provincial average with many Northwestern Ontario municipalities shouldering some of the highest, if not the highest, policing costs in Ontario, this includes Dryden. We need to accept this benchmarking and comparison data and use it to further communicate to our senior levels of government our requirement for adequate funding for policing as well as the other impacting sectors and clearly state that rising policing costs are not sustainable for municipalities in our region.

Consultant's Final Report – Financial Analysis:

The consultant's final report contains a financial analysis section that has been thoroughly researched to provide projected operational cost increases for both the DPS and the OPP. The consultant's research, based on historical data, shows both the DPS and the OPP having an average operational cost increase similar in magnitude. The consultant's financial analysis also provides various call for service volume scenarios to show how future costs may be impacted. As in all projections and forecasts, some assumptions are required and the assumptions made in this case are clearly stated in the report.

On June 14, 2021, DPS leadership presented to City Council during which they informed City Council that they would be seeking Police Service Board approval to increase their staffing numbers in 2022 by the following 3 FTE positions.

- 1 Detective Constable position
- 1 Community Crime/Support Constable position
- 1 Civilian Crisis Response/Mental Health position

The intention of DPS leadership to seek additional staff was not communicated to the consultant or to municipal staff during either of the police costing studies so receiving this information after the study had completed makes it difficult to consider this new information in the study and include in the final report. However, recognizing that this

information is critical in Council's consideration of the OPP policing proposal, the consultants have incorporated this new information into the financial analysis and have produced updated financial projections and summary tables. This information has been shared with City Council and is posted publicly at www.dryden.ca/policecosting as an addendum to the final report.

This revised financial analysis is summarized in Tables 1 and 2.

Table 1: 0% Annual Increase in Calls for Service

DPS Present Value	\$70,941,345.40
OPP Present Value	\$57,353,657.07
Net Present Value	\$13,353,657.07
Payback Period (years)	5.50
Internal Rate of Return	23.89%

Table 2: 4% Annual Increase in Calls for Service

DPS Present Value	\$78,354,580.53
OPP Present Value	\$70,132,904.24
Net Present Value	\$8,221,676.29
Payback Period (years)	6.90
Internal Rate of Return	17.56%

As mentioned previously, Council should note that the consultant's financial analysis and projections use some assumptions to develop the projected operational and capital costs, calls for service rates of increase and required policing FTE's. While the assumptions are based on historical factual data and are well researched, using assumptions does make it difficult to achieve down to the dollar accuracy, but the projections do show an order of magnitude in savings. This order of magnitude has been consistent through both studies.

As Council has already heard from the City's Treasurer, the projected rate of return of an OPP amalgamation is attractive albeit coming with a certain amount of risk and a higher upfront cost through the transitional period of 3+ years to achieve the overall rate of return.

One assumption that was made in the first police costing study and was carried through to the second study was the assumption that DPS would be required to add sworn officers if calls for service continued to rise. With the latest information coming from DPS leadership indicating that DPS will need to increase their staffing levels starting in

2022, the assumed rate that was used initially to increase DPS staffing in the consultant's financial analysis projection model is now known to be underestimated. This raises a very significant question regarding the DPS office facility. With a faster rate of increase in staffing levels which would be accompanied by an increasing call for service rate, there could be a need for expansion of the DPS office building to accommodate staff, holding cell capacity and or additional fleet and equipment storage. These issues were discussed through the first costing review, but current facilities were deemed adequate based on the initial assumptions for DPS staffing increases. Based on our knowledge today, this facility's future requirement assumption may or may not be accurate. If the DPS office facility assumption proves to be inaccurate, the municipality would be responsible for all required future capital investment in this facility.

Consultant's Final Report - Governance:

Several aspects of the OPP and DPS governance models were reviewed in the previous consultant's report with the following key points;

- A Section 10 board (OPP) would see the current Police Services Board (PSB) lose direct control of hiring and management of the Chief of Police.
- A Section 10 board would see the PSB lose direct control of the police services financial budgeting process and labour negotiation responsibilities with the caveat acknowledged that when contractual bargaining moves to binding arbitration, final control rests with a 3rd party in both models.
- A Section 10 board would see reduced control pertaining to what policing services are provided in the community. It was acknowledged that feedback from other communities regarding this point had been positive regarding the OPP acting on recommendations made by the Section 10 board. The reoccurring message received from other communities was that a positive and collaborative relationship between the board and the OPP Detachment Commander was key.
- A Section 10 board would eliminate or greatly reduce the liability exposure for the municipality over maintaining their own municipal force.

Consultant's Final Report – Service Levels:

Service levels have been compared between the DPS and the OPP in the consultant's report. The consultant's comparison included - deployment models, staffing levels, service provision and officer skills and abilities. Key points are;

- Staffing Levels:
 - DPS Sworn Officers – 20 (revised to 22 along with 1 mental health civilian)
 - OPP Sworn Officers – 57.89 total with 25.89 assigned to the new Dryden zone

- Financial projections indicate that once the municipality is rolled into the OPP billing model, the OPP increased FTE count actually comes at a lower cost to the municipality than projected DPS costs.
- Service Standards:
 - DPS stated minimum is 2 uniformed officers on duty.
 - OPP will not state a guaranteed minimum number of officers due to their integrated services delivery model but their expectation would be for 3 to 4 constables plus a sergeant in the City of Dryden as a consistent minimum for the Dryden zone.
 - While the OPP's integrated service delivery may at times reduce officers assigned to patrol the City of Dryden, this model can also work to increase officers in the City of Dryden at peak times or for significant incident response needs.
- Training & Services Offered:
 - Both forces have well trained and have very capable officers to provide frontline policing services.
 - The OPP do have highly trained officers on specialty teams and some of those teams or services are available to assist DPS when specific skills and assets are required by DPS.
 - The OPP have other specialty teams that are used to supplement OPP frontline officers to aid in keeping those officers focused on frontline policing.

Council is now tasked with making a final decision regarding the acceptance of the OPP contract policing proposal before November 17, 2021. Well researched, comprehensive, and creditable information has been provided to City Council to aid them in making this significant decision. The goal of the Police Costing Committee and municipal staff has been met by ensuring Council has the best information possible to make this decision in a timely manner.

Municipal staff are seeking direction from City Council on when to bring a by-law forward for Council's consideration for the acceptance of the OPP contract policing proposal.

Financial Implications:

Reference Treasurer's staff report titled "Policing Cost Forecast and Impacts" presented at the July 12, 2021 Committee of the Whole meeting.

Attachments (Reference Material):

Reference material posted at www.dryden.ca/policecosting

- Police Costing Public Survey

- Police Costing Public Meeting Videos
- MNP LLP Report
- OPP Costing Proposal
- Police Costing Question and Answers
- Related staff reports

Reference material posted at www.opp.ca