



REPORT TO COUNCIL

TO: Richmond City Council **DATE:** April 7th, 2000
FROM: Councillor Ken Johnston, Chair **FILE:** 5100-01
Finance Select Committee
RE: **FALSE ALARMS**

The Finance Select Committee, at its meeting held on Thursday, April 6th, 2000, considered the attached report, and recommends as follows:

COMMITTEE RECOMMENDATION

- (1) ***That the City recommence billing for false alarms, effective May 1st, 2000, as set out in the rates and regulations as set out in Bylaw 5977;***
- (2) ***That staff place a notification in the "City Page" to advise the public of this; and;***
- (3) ***That staff meet with the RCMP and Fire Rescue to ensure that accurate information is being obtained and provided in a timely fashion.***

Councillor Ken Johnston, Chair
Finance Select Committee

Attach.

VARIANCE

Please note that staff recommended the following for Part (1):

- (1) That the City recommence billing for false alarms, effective January 1, 2000, as set out in the rates and regulations as set out in Bylaw 5977;

STAFF REPORT

ORIGIN

In November of 1994 staff presented a report to Council recommending that the City commence billing property owners for the attendance at false alarms for which the RCMP or Fire Rescue were dispatched to attend. Council approved a Bylaw 5977 that authorized the billing for false alarms and set the rates that would be applicable for responding.

Staff commenced billing for all false alarms in 1995 and continued through to the end of 1996. During the early part of 1997 several factors came into play that caused the City to halt the billing for false alarms. This report details the status of the billing procedure.

ANALYSIS

In 1994 it was recognized that our protection services, both Fire and Police were responding to an ever increasing number of false alarms. The proliferation of home and business intrusion alarms was increasing dramatically and the requirement to respond to calls was taking up an ever increasing amount of protection service time.

The City instituted a false alarm bylaw which allowed us to bill property owners for responses to false alarms. At roughly the same time, the Provincial Government, through changes to the Municipal Act allowed local government to add any unpaid charges to property taxes.

Our first year of the program (1995) saw our protection service forces respond to roughly 6700 calls. In 1996 the number dropped to approximately 3950. As we entered 1997 the incident rate continued to drop. This appeared to be a direct result of our advertising program, the work by Fire and RCMP on leaving advice notes to first offenders and the costs of infractions themselves.

At the same time as we entered 1997 we were implementing the new computerized property and business licence information systems. The new systems were not compatible with the existing billing system. Staff reviewed the requirements to make these systems compatible and it was estimated that this would cost somewhere between \$35,000 and \$45,000.

The system could have reverted to a manual system, which could have required a part time clerk at a cost of roughly \$20,000. The entire system even in the first two years was extremely labour intensive as all the property information had to be hand entered twice and into two different systems.

At roughly the same time as this was happening, the General Manager of Community Services was proposing a new system for the registration of intrusion and safety alarms. The recommendation from staff at that time was that due to the possibility of the new system and the reduced calls for attendance and computer software problems that no billing should continue until a discussion was made on the new security registration system.

This registration proposal was presented to Committee in October of 1997. The recording of false alarms for billing purposes was discontinued part way through 1997 awaiting the approval of the new registration system. There are, therefore, no comparative statistics for the years 1997 and 1998.

When Finance staff realized that the new registration system was not being pursued for implementation, they commenced keeping statistics late in 1999 and no billing was undertaken.

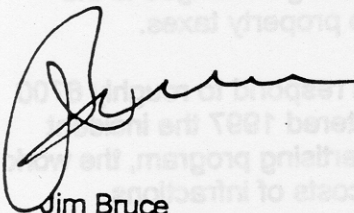
FINANCIAL IMPACT

The revenue from the two full years of false alarm billings is attached in Table 1. If the City had billed for 1999 there could have been a maximum of \$71,700 of revenue. This amount may be somewhat over stated as a great many of the false alarms were multiple calls. If billing would have been in place, this amount should have dropped and I would suggest a pattern similar to 1995/1996 would have been realistic. It should also be noted that of the roughly 1000 calls for 1999, that were billable, (3345 total calls), 161 calls were generated by 18 properties.

It should also be noted that our new PeopleSoft software is now fully operational for Accounts Receivable and we could recommence billing.

CONCLUSION

The false alarm billing was discontinued in 1997 due to software problems and the possibility of implementing a new registration system. As the registration system was not pursued, it would be beneficial to recommence billing for false alarm responses.



Jim Bruce
General Manager, Finance and Corporate Services

JWB/naw

Attach.1

December 1995

Billing Category	Month		Year-to-Date	
	Quantity	Revenue	Quantity	Revenue

Fire

Fire \$ 0	45	\$0.00	378	\$0.00
Fire \$ 50	6	\$300.00	44	\$2,200.00
Fire \$100	11	\$1,100.00	46	\$4,600.00
	62	\$1,400.00	468	\$6,800.00

RCMP

RCMP \$ 0	591	\$0.00	4,316	\$0.00
RCMP \$ 50	197	\$9,850.00	973	\$48,650.00
RCMP \$100	312	\$31,200.00	940	\$94,000.00

	1,100	\$41,050.00	6,229	\$142,650.00
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Grand Totals:	1,162	\$42,450.00	6,697	\$149,450.00
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December 1996

Billing Category	Month		Year-to-Date	
	Quantity	Revenue	Quantity	Revenue

Fire

Fire \$ 0	0	\$0.00	375	\$0.00
Fire \$ 50	0	\$0.00	12	\$600.00
Fire \$100	0	\$0.00	14	\$1,400.00

	0	\$0.00	401	\$2,000.00
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RCMP

RCMP \$ 0	0	\$0.00	2,967	\$0.00
RCMP \$ 50	1	\$50.00	365	\$18,250.00
RCMP \$100	1	\$100.00	220	\$22,000.00

	2	\$150.00	3,552	\$40,250.00
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Grand Totals:	2	\$150.00	3,953	\$42,250.00
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