



To: Community Safety Committee

Date: September 24 , 2013

From: Phyllis L. Carlyle
General Manager

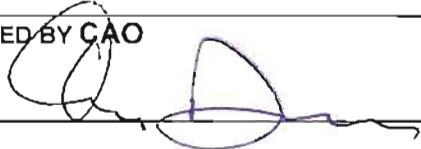
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Re: Lower Mainland District Regional Police Service Integrated Team Annual
Report 2012/13

Staff Recommendation

1. That the report titled "*Lower Mainland District Regional Police Service Integrated Team Annual Report 2012/2013*" from the General Manager, Law and Community Safety, dated September 24, 2013, be received for information.
2. That the Officer in Charge of the Integrated Teams be invited to attend a Community Safety Committee meeting to more fully explain the services provided, in particular any efficiencies achieved through the integration of the services.

Phyllis L. Carlyle
General Manager
(604-276-4104)

REPORT CONCURRENCE	
REVIEWED BY DIRECTORS	INITIALS: DW
APPROVED BY CAO 	

Staff Report

Origin

In September 2013, the Lower Mainland District of the RCMP released the "*Lower Mainland District Regional Police Service Integrated Team Annual Report 2012/2013*". An analysis of their Report has been prepared to examine whether the City is receiving a level of service commensurate with the payment made.

This report responds to Council's Community Safety Term Goal 1, which requires "*ensuring resources are used effectively and are targeted to the City's needs and priorities.*"

Background

The Integrated Teams consist of five specialized units: the Integrated Homicide Investigation Team (IHIT), Integrated Forensic Identification Services (IFIS), Integrated Collision Analysis and Reconstruction Service (ICARS), Integrated Police Dog Services (IPDS) and Emergency Response Team (ERT). These Integrated Teams provide specialized services for municipalities that contract with the RCMP, the Province and independent police departments. The Integrated Teams provide municipalities with the ability to deal with crimes that are highly complex and span multiple jurisdictions.

The costs of the Integrated Teams are shared by participating municipalities and the cost allocation formula¹ has two criteria:

- 1) Criminal Code Offence – 5 year total average criminal code offenses accounts for 75% of the cost sharing
- 2) Population – Annual population accounts for 25% of the cost sharing

The federal and provincial governments provide contributions for the costs of Integrated Teams while the administration of the Integrated Teams costs are charged back to municipalities at full costs. The contributions and charge backs are as follows:

- a) The Integrated Homicide Investigation Team has a 70/30 split, where municipalities are responsible for 70% of the costs (as of April 1, 2012)
- b) The Emergency Response Team has a 50/50 split, where municipalities are responsible for 50% of the costs
- c) All other Integrated Teams have a 90/10 split, where municipalities are responsible for 90% of the costs
- d) Accommodation and Public Service Employee costs are charged back at 100%
- e) Independent police services that utilize the Integrated Teams contribute 100% of the costs

¹ Population and criminal code offenses statistics are based on the report entitled "B.C. Policing Jurisdiction Crime Trends" from the BC Provincial Ministry of Justice, Police Services Division. Example of the generalized formula:

$$\text{Richmond Overall Share} = 0.25 \left(\frac{\text{Population of Richmond}}{\text{Total Population of Participating Partners}} \right) + 0.75 \left(\frac{\text{Richmond 5 Year Total Average Criminal Code Offenses}}{\text{5 Year Total Average Criminal Code Offenses of Participating Partners}} \right)$$

Analysis

City of Richmond Expenditures on Integrated Teams

The City of Richmond expenditure on the Integrated Teams for the completed fiscal year 2012/13 (April 1st to March 31st) was \$2,937,868. Table 1 outlines the historical expenditures and the 5-year forecast of the cost of the Integrated Teams. The financial information contained in the table below is based on true invoiced amounts and is slightly different than the financial information contained in the Report.

Table 1 – City of Richmond Expenditures on Integrated Teams

Fiscal Year	Cost of Integrated Teams - Richmond Only	Increases from Prior Years	
2008/09	\$ 2,690,816		
2009/10	\$ 2,953,960	\$ 263,144	9.8%
2010/11	\$ 2,991,355	\$ 37,395	1.3%
2011/12	\$ 3,363,128	\$ 371,773	12.4%
2012/13	\$ 2,937,868	-\$ 425,260	-12.6%
2013/14	\$ 3,315,137	\$ 377,269	12.8%
2014/15	\$ 3,602,864	\$ 287,727	8.7%
2015/16	\$ 3,646,925	\$ 44,061	1.2%
2016/17	\$ 3,715,654	\$ 68,729	1.9%
2017/18	\$ 3,786,925	\$ 71,271	1.9%
2018/19	\$ 3,856,410	\$ 69,485	1.8%

Note: 2008/09 to 2012/13 is actual expenditures. 2013/14 is year-end forecast as of August 31, 2013. 2014/15 to 2018/19 is 5 year projection provided by "E" Division RCMP with IHIT at 70% cost, as of May 2013.

The City's expenditure on Integrated Teams had increased from \$2,690,816 in 2008/09 to \$2,937,868 in 2012/13, which equates to a compounded average growth rate (CAGR) of 2.2% annually over a 5 year period.

In 2012/13, the City's expenditure on Integrated Teams decreased by \$425,260, or -12.6%, due to the decrease in the cost of IHIT and ERT of approximately \$2 million, which included the IHIT 70/30 split. Prior to 2012/13, the cost of IHIT was billed at the 90/10 split.

The estimated 2013/14 year-end cost² of the Integrated Teams for the City is \$3,315,137, which is \$377,269, or 12.6%, higher. Staffing and accommodation costs are the main drivers for this increase. The long-term projected cost of Integrated Teams for the City of Richmond in 2018/19 is at \$3,856,410, which equates to a CAGR of 3% over 10 years (2009/10 to 2018/19).

² Year-end forecast as of August 31, 2013 and is subject to change. CS-42
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Lower Mainland Integrated Teams 2013/14 Budget

This section examines the total projected budget³ of the RCMP Lower Mainland Integrated Teams. In 2012/13, the budget for all Integrated Teams was \$52.4 million and in 2013/14 the budget is \$58.1 million, an increase of \$5.7 million or 10.9%. Table 2 below outlines the key areas of the projected cost increases and decreases for the 2013/14 budget (amount includes all partnering municipalities):

Table 2 – 2013/14 Budgeted Increases by Category

Category	Increase/(Decrease)	Percentage Change from Previous Year
Salary	\$939,200	3.4%
Divisional Administration	\$926,800	15.5%
Building and Accommodation	\$3,376,200	1234.9%
Transportation and Travel	(\$469,600)	(33.1%)
Professional Services	(\$418,000)	(7.9%)
Other	\$1,360,910	11.8%
Total Cost	\$5,715,510	10.9%

In summary from 2012/13 to 2013/14, the direct cost⁴ of all of the Integrated Teams increased \$997,300 at 2.4%, while the indirect cost⁵ increased significantly at \$4.73 million, or 40% compared to the previous year. The drivers for the indirect cost increases are divisional administration at \$926,800 a 15.5% increase and building and accommodation at \$3,376,200 a 1234.9% increase

Analysis of Cost Share by Municipalities Compared to “Value of Services Received”

The current cost sharing formula for Integrated Teams is by population (25%) and criminal code offenses (75%) of participating municipalities⁶. Therefore, the cost for Integrated Teams should increase or decrease based on the relative change in population and criminal code statistics of the participating municipalities. There is often no direct correlation on the cost compared to the utilization of the Integrated Teams by municipalities.

Under the current cost sharing structure, the City pays a fixed amount for access to the services of the Integrated Teams, regardless of actual incidents that requires the services received. This section of the report attempts to ascertain the “value of service received” based on “calls for service” data presented in the Report 2012/2013. The underlying assumptions are listed:

- i. It is assumed that the cost allocation is based on the municipality where the crime is reported, detected or committed. With this in mind, it is recognized that crimes investigated by Integrated Teams are multi-jurisdictional in nature.

³ Budgeted amount is determined prior to start of the fiscal year and is subject to revisions throughout the year.
⁴ Direct Cost is defined as: Salary costs, allowances, and operations and maintenance.
⁵ Indirect Cost is defined as: Pension, employer contributions (EI, CPP, etc.), National Programs, administration support, accommodation and training.
⁶ The cost share is calculated separately for each Integrated Team due to the differences of participating municipalities.

- ii. It is assumed that all occurrences cost the same. Likewise, it is recognized that some occurrences are far more complex and require more investigative resources than others.

The tables below provide a comparison of the City's cost share under the current funding formula and the value of service received based on the calls for service data⁷, with the exception of IHIT where the number of homicides were used.

Table 3 – Emergency Response Team Value of Service Received

Emergency Response Team				
Year	Calls For Service	Cost Share - Richmond	Value of Service Received	Difference: Paid More/(Paid Less)
2010/11	73	420,695	234,277	186,418
2011/12	114	467,302	210,755	256,547
2012/13	122	441,654	319,063	122,591
3 Year Average	103	443,217	247,633	195,584

Table 4 – Integrated Collision Analysis and Reconstruction Service Value of Service Received

Integrated Collision Analysis and Reconstruction Service				
Year	Calls For Service	Cost Share - Richmond	Value of Service Received	Difference: Paid More/(Paid Less)
2010/11	7	195,773	76,023	119,750
2011/12	19	208,378	224,608	(16,230)
2012/13	13	196,262	160,035	36,227
3 Year Average	13	200,138	151,289	48,848

⁷ The cost share amount, calls for service data and other relevant information used in this section of the analysis were obtained from the RCMP Integrated Teams Annual Report. As well, the 3 year average of the Value of Service Received is based on the total average cost and the total average occurrences for the 3 years. Therefore, the 3 Year Average Value of Services Received provided in the tables is not a straight average of the presented data.

Table 5 – Integrated Forensic Identification Services Value of Service Received

Integrated Forensic Identification Services				
Year	Calls For Service	Cost Share - Richmond	Value of Service Received	Difference: Paid More/(Paid Less)
2010/11	847	675,535	700,892	(25,357)
2011/12	954	779,269	914,136	(134,867)
2012/13	994	766,673	812,913	(46,240)
3 Year Average	932	740,492	809,314	(68,821)

Note: IFIS occurrence data unavailable for 2010/11. 2010/11 figures were from last year's report. Hence, the 3 Year Average is a straight average of the years (not based on total average occurrences and total average cost)

Table 6 – Integrated Homicide Investigation Team Value of Service Received

Integrated Homicide Investigation Team				
Year	Number of Homicide	Cost Share - Richmond	Value of Service Received	Difference: Paid More/(Paid Less)
2010/11	0	1,205,389	-	1,205,389
2011/12	2	1,326,837	919,687	407,150
2012/13	3	949,151	964,029	(14,878)
3 Year Average	2	1,160,459	647,340	513,119

Note: Number of homicides were used to tabulate value of service received, instead of calls for service.

Table 7 – Integrated Police Dog Service Value of Service Received

Integrated Police Dog Service				
Year	Calls For Service	Cost Share - Richmond	Value of Service Received	Difference: Paid More/(Paid Less)
2010/11	1,429	489,695	922,493	(432,798)
2011/12	1,181	567,083	883,705	(316,622)
2012/13	1,037	573,034	640,808	(67,774)
3 Year Average	1,216	543,271	810,920	(267,649)

Table 8 – City of Richmond Integrated Team Cost Share Compared to Value of Services Received

All Integrated Teams				
Year	Calls For Service	Cost Share - Richmond	Value of Service Received	Difference: Paid More/(Paid Less)
2010/11	2,356	2,987,087	1,933,686	1,053,401
2011/12	2,270	3,348,869	3,152,891	195,978
2012/13	2,169	2,926,774	2,896,848	29,926
3 Year Average	2,265	3,087,577	2,666,496	421,081

Note on All Integrated Teams:

- (a) IFIS data for 2010/11 is obtained from previous year's Report to Council
- (b) IHIT is based on number of homicides

Over the last three years, the City has consistently paid more than the value of service received, though the gap is narrowing. A review of the cost sharing compared to the calls for service showed that few municipalities receive a one to one ratio of expenditure to the value of services received. Table 9 is a comparison of other larger participating municipalities cost share in 2012/13 and 2011/12 compared to the value of service received.

Table 9 – Comparison of Major Cities Over Two Years

City	2012/13			2011/12		
	Cost Share	Value of Service Received	Difference: Paid More/(Paid Less)	Cost Share	Value of Service Received	Difference: Paid More/(Paid Less)
Burnaby	4,061,874	3,748,292	313,582	4,772,654	4,288,188	484,466
North Vancouver City	935,260	605,999	329,261	1,076,360	1,133,919	(57,559)
Richmond	2,926,774	2,896,848	29,926	3,348,869	3,152,891	195,978
Surrey	9,325,498	12,027,459	(2,701,961)	10,441,054	14,423,067	(3,982,013)

Attachment 1 of this report provides detailed data tables on a team by team analysis of the cost share compared to the value of services received for all municipalities that utilize the RCMP Integrated Teams.

In summary, the cost sharing formula aims for equitable distribution of costs. Over the past three years, the City has paid on average approximately \$420,000 annually more for the Integrated Teams than the value of the services received and thus, future annual monitoring will take place.

Financial Impact

None.

Conclusion

Staff will continue to examine and monitor, based on historical usage, the annual costs and benefits to the City of Richmond of the RCMP Integrated Teams. The Officer in Charge of the RCMP Integrated Teams has offered to present their report to Committee.



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ATTACHMENT - 1

Cost Share Compared to Value of Services Received by Integrated Teams for All Participating Municipalities (excludes Provincial figures)

All Integrated Teams 2012/13 - Comparison of Cost Share to Value of Services Received					
Municipality	Cost Share Amount	Cost Share Percentage	Value of Service Received	Value of Service Percentage	Paid More/ (Paid Less)
Abbotsford	1,626,459	5.0%	1,252,597	3.9%	373,862
Burnaby	4,061,874	12.5%	3,748,292	11.6%	313,582
Chilliwack	1,917,870	5.9%	1,634,987	5.0%	282,883
Coquitlam	2,027,462	6.3%	1,689,837	5.2%	337,625
Hope	178,192	0.5%	172,193	0.5%	5,999
Kent	87,889	0.3%	75,185	0.2%	12,704
Langley City	714,949	2.2%	669,730	2.1%	45,219
Langley Township	1,880,837	5.8%	2,335,109	7.2%	(454,272)
Maple Ridge	1,598,654	4.9%	1,747,911	5.4%	(149,257)
Mission	880,498	2.7%	1,199,557	3.7%	(319,059)
New Westminster	642,459	2.0%	642,686	2.0%	(227)
North Vancouver City	935,260	2.9%	605,999	1.9%	329,261
North Vancouver District	1,083,849	3.3%	788,915	2.4%	294,934
Pitt Meadows	329,703	1.0%	169,963	0.5%	159,740
Port Coquitlam	996,870	3.1%	317,725	1.0%	679,145
Richmond	2,926,774	9.0%	2,896,848	8.9%	29,926
Sechelt	150,617	0.5%	58,879	0.2%	91,738
Squamish	440,289	1.4%	179,553	0.6%	260,736
Surrey	9,325,498	28.8%	12,027,459	37.1%	(2,701,961)
Whistler	314,615	1.0%	121,122	0.4%	193,493
White Rock	305,800	0.9%	91,870	0.3%	213,930
	32,426,418	100%	32,426,418	100%	

Emergency Response Team 2012/13 - Comparison of Cost Share to Value of Services Received					
Municipality	Cost Share Amount	Cost Share Percentage	Value of Service Received	Value of Service Percentage	Paid More/ (Paid Less)
Burnaby	612,812	13.5%	373,984	8.2%	238,828
Chilliwack	289,272	6.4%	557,052	12.3%	(267,780)
Coquitlam	305,919	6.7%	154,301	3.4%	151,618
Hope	24,547	0.5%	36,614	0.8%	(12,067)
Kent	12,113	0.3%	10,461	0.2%	1,652
Langley City	107,824	2.4%	230,144	5.1%	(122,320)
Langley Township	283,761	6.3%	339,985	7.5%	(56,224)
Maple Ridge	241,152	5.3%	300,756	6.6%	(59,604)
Mission	132,807	2.9%	201,376	4.4%	(68,569)
North Vancouver City	141,097	3.1%	60,151	1.3%	80,946
North Vancouver District	163,598	3.6%	60,151	1.3%	103,447
Pitt Meadows	49,741	1.1%	41,844	0.9%	7,897
Port Coquitlam	150,402	3.3%	54,921	1.2%	95,481
Richmond	441,654	9.7%	319,063	7.0%	122,591
Sechelt	20,757	0.5%	-	0.0%	20,757
Squamish	66,408	1.5%	47,075	1.0%	19,333
Surrey	1,406,763	31.0%	1,718,232	37.8%	(311,469)
Whistler	43,339	1.0%	23,537	0.5%	19,802
White Rock	46,142	1.0%	30,461	0.2%	35,681
	4,540,108	100%	4,540,108	100%	

Integrated Collision Analysis and Reconstruction Service 2012/13 - Comparison of Cost Share to Value of Services Received					
Municipality	Cost Share Amount	Cost Share Percentage	Value of Service Received	Value of Service Percentage	Paid More/ (Paid Less)
Burnaby	272,372	13.5%	295,449	14.6%	(23,077)
Chilliwack	128,600	6.4%	123,104	6.1%	5,496
Coquitlam	135,955	6.7%	98,483	4.9%	37,472
Hope	11,139	0.6%	36,931	1.8%	(25,792)
Kent	5,494	0.3%	12,310	0.6%	(6,816)
Langley City	47,939	2.4%	49,242	2.4%	(1,303)
Langley Township	126,121	6.2%	209,276	10.4%	(83,155)
Maple Ridge	107,197	5.3%	73,862	3.7%	33,335
Mission	59,041	2.9%	49,242	2.4%	9,799
North Vancouver City	62,714	3.1%	49,242	2.4%	13,472
North Vancouver District	72,682	3.6%	49,242	2.4%	23,440
Pitt Meadows	22,108	1.1%	12,310	0.6%	9,798
Port Coquitlam	66,846	3.3%	-	0.0%	66,846
Richmond	196,262	9.7%	160,035	7.9%	36,227
Sechelt	9,416	0.5%	24,621	1.2%	(15,205)
Squamish	29,523	1.5%	12,310	0.6%	17,213
Surrey	625,320	31.0%	701,692	34.8%	(76,372)
Whistler	19,667	1.0%	49,242	2.4%	(29,575)
White Rock	20,506	1.0%	12,310	0.6%	8,196
	2,018,902	100%	2,018,902	100%	

Integrated Forensic Identification Services 2012/13 - Comparison of Cost Share to Value of Services Received					
Municipality	Cost Share Amount	Cost Share Percentage	Value of Service Received	Value of Service Percentage	Paid More/ (Paid Less)
Burnaby	1,063,987	13.5%	1,019,821	12.9%	44,166
Chilliwack	502,361	6.4%	647,713	8.2%	(145,352)
Coquitlam	531,091	6.7%	729,495	9.3%	(198,404)
Hope	43,227	0.5%	85,053	1.1%	(41,826)
Kent	21,321	0.3%	42,527	0.5%	(21,206)
Langley City	187,269	2.4%	246,982	3.1%	(59,713)
Langley Township	492,676	6.2%	502,959	6.4%	(10,283)
Maple Ridge	418,752	5.3%	359,841	4.6%	58,911
Mission	230,635	2.9%	170,924	2.2%	59,711
North Vancouver City	244,986	3.1%	360,658	4.6%	(115,672)
North Vancouver District	283,925	3.6%	168,471	2.1%	115,454
Pitt Meadows	86,364	1.1%	21,263	0.3%	65,101
Port Coquitlam	261,126	3.3%	58,883	0.7%	202,243
Richmond	766,673	9.7%	812,913	10.3%	(46,240)
Sechelt	36,539	0.5%	18,810	0.2%	17,729
Squamish	115,328	1.5%	71,968	0.9%	43,360
Surrey	2,442,732	31.0%	2,488,625	31.6%	(45,893)
Whistler	76,321	1.0%	35,984	0.5%	40,337
White Rock	80,104	1.0%	42,527	0.5%	37,577
	7,885,417	100%	7,885,417	100%	

Integrated Homicide Investigation Team 2012/13 - Comparison of Cost Share to Value of Services Received					
Municipality	Cost Share Amount	Cost Share Percentage	Value of Service Received	Value of Service Percentage	Paid More/ (Paid Less)
Abbotsford	1,107,890	9.7%	642,686	5.6%	465,204
Burnaby	1,317,131	11.5%	1,285,372	11.1%	31,759
Chilliwack	621,825	5.4%	-	0.0%	621,825
Coquitlam	657,477	5.7%	321,343	2.8%	336,134
Hope	67,302	0.6%	-	0.0%	67,302
Kent	33,202	0.3%	-	0.0%	33,202
Langley City	231,793	2.0%	-	0.0%	231,793
Langley Township	609,893	5.3%	964,029	8.3%	(354,136)
Maple Ridge	518,353	4.5%	642,686	5.6%	(124,333)
Mission	285,482	2.5%	642,686	5.6%	(357,204)
New Westminster	642,459	5.6%	642,686	5.6%	(227)
North Vancouver City	303,269	2.6%	-	0.0%	303,269
North Vancouver District	351,537	3.1%	321,343	2.8%	30,194
Pitt Meadows	106,911	0.9%	-	0.0%	106,911
Port Coquitlam	323,256	2.8%	-	0.0%	323,256
Richmond	949,151	8.3%	964,029	8.3%	(14,878)
Sechelt	56,898	0.5%	-	0.0%	56,898
Squamish	142,752	1.2%	-	0.0%	142,752
Surrey	3,023,777	26.4%	5,141,490	44.4%	(2,117,713)
Whistler	118,827	1.0%	-	0.0%	118,827
White Rock	99,167	0.9%	-	0.0%	99,167
	11,568,352	101%	11,568,352	101%	

Integrated Police Dog Service 2012/13 - Comparison of Cost Share to Value of Services Received					
Municipality	Cost Share Amount	Cost Share Percentage	Value of Service Received	Value of Service Percentage	Paid More/ (Paid Less)
Abbotsford	518,569	8.2%	609,911	9.5%	(91,342)
Burnaby	795,572	12.5%	773,666	12.1%	21,906
Chilliwack	375,812	5.9%	307,118	4.8%	68,694
Coquitlam	397,020	6.2%	386,215	6.0%	10,805
Hope	31,977	0.5%	13,595	0.2%	18,382
Kent	15,759	0.2%	9,887	0.2%	5,872
Langley City	140,124	2.2%	143,363	2.2%	(3,239)
Langley Township	368,386	5.8%	318,859	5.0%	49,527
Maple Ridge	313,200	4.9%	370,766	5.8%	(57,566)
Mission	172,533	2.7%	135,330	2.1%	37,203
North Vancouver City	183,194	2.9%	135,948	2.1%	47,246
North Vancouver District	212,107	3.3%	189,709	3.0%	22,398
Pitt Meadows	64,579	1.0%	94,545	1.5%	(29,966)
Port Coquitlam	195,240	3.1%	203,921	3.2%	(8,681)
Richmond	573,034	9.0%	640,808	10.0%	(67,774)
Sechelt	27,007	0.4%	15,449	0.2%	11,558
Squamish	86,278	1.4%	48,200	0.8%	38,078
Surrey	1,826,905	28.8%	1,977,420	31.0%	(150,514)
Whistler	56,461	0.9%	12,359	0.2%	44,102
White Rock	59,881	0.9%	26,572	0.4%	33,309
	6,413,639	101%	6,413,639	101%	