



Audit Topic 2 – Report 3 (December, 2015)



LOCAL GOVERNMENT
PERFORMANCE IN
MANAGING POLICING
AGREEMENTS AND
POLICE BUDGET
OVERSIGHT

City of Port Alberni

**A Performance Audit carried out by the Office of the
Auditor General for Local Government of British Columbia**

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MESSAGE FROM THE AUDITOR GENERAL FOR LOCAL GOVERNMENT



2.3.1 I am pleased to present this performance audit report on the City of Port Alberni's management and utilization of the Municipal Police Unit Agreement (MPUA) and its police budget oversight.

2.3.2 I want to thank the City of Port Alberni for its cooperation during the performance audit process and their positive response to our findings and recommendations.

2.3.3 The office of the Auditor General for Local Government was established to strengthen British Columbians' confidence in their local governments' stewardship of public assets and the achievement of value for money in their operations. One of the ways we do this is by conducting performance audits of local government operations.

2.3.4 Our performance audits are independent, unbiased assessments, carried out in accordance with professional standards. They aim to determine the extent to which the area being examined has been managed with due regard to economy, efficiency and effectiveness.

2.3.5 This report outlines our findings in assessing the City of Port Alberni's management of its MPUA and police budget oversight. As such, it is an audit of the City's utilization of the provisions set out within the MPUA implemented in 2012 between the City of Port Alberni and the Province to improve police services. The report is not an audit of the Port Alberni RCMP Detachment's operations.

2.3.6 In reviewing the delivery of police services under the MPUA, and in the making of our recommendations, we try to consider the unique circumstances and capacity of each local government we audit. We do not expect each jurisdiction to exercise their authorities in the same way.

2.3.7 We intend to assist local governments in measuring the effectiveness of policing through an AGLG Perspectives booklet we will publish that provides tools and advice on policing services performance measurement. We intend this to help all local governments assess and – where necessary – improve their oversight of policing services, including police budgets, and their management of police agreements.

MESSAGE FROM THE AUDITOR GENERAL FOR LOCAL GOVERNMENT

2.3.8 Our hope is that this audit report, along with the forthcoming AGLG Perspectives booklet, will assist the City of Port Alberni in enhancing its management of its police agreement and oversight of the police budget.

A handwritten signature in black ink, appearing to read "Gordon Ruth". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Gordon Ruth, FCPA, FCGA
Auditor General for Local Government

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EXECUTIVE SUMMARY

2.3.9 We undertook performance audits on local government management of police agreements and police budget oversight because police service expenditures are a major expense for all local governments in British Columbia. We selected the City of Port Alberni as one of six local governments to audit on this topic because we sought to include a cross-section of local governments with various locations, sizes and other circumstances. The number of local governments to be audited was later reduced to five with the City of Victoria's implementation of a new policing agreement in April 2014 which effectively surpassed our planned review.

2.3.10 Policing is a critical, essential service that municipalities must provide for their residents, and is also one of the most expensive budget items on a municipal budget. For these reasons, it is important for municipalities to pay special attention to their oversight of policing agreements and policing costs. By exercising proper oversight over policing, a local government can be satisfied that its police service priorities are aligned with the community's and that the police service is carrying out its operations knowing it has the confidence of the citizens, through their elected representatives.

2.3.11 Many of the larger police forces across Canada have faced significant expenditure increases, at a much faster pace than inflation, in spite of the long-term trend of declining rates of crime and serious motor vehicle accidents.

2.3.12 Although policing is a complex enterprise that continues to increase in complexity, it must also demonstrate fiscal and program accountability. Local governments should expect their police service to justify expenditures of public money, seek efficiencies, and provide accurate and timely budget reporting.

2.3.13 Our report focuses on the use by the local government of its authorities under the Municipal Police Unit Agreement (MPUA). It is not intended to examine the broader issues of policing and crime, whether the Royal Canadian Mounted Police (RCMP) contract policing or independent policing is the best model, or to suggest what the right number of police is for Port Alberni.

EXECUTIVE SUMMARY

Our Expectations

2.3.14 We expect local governments to understand and fully utilize their policing agreements and to exercise effective budget oversight within the parameters of authority provided to them.

2.3.15 This requires that the local government understand and be actively involved in several key areas, consistent with their authorities in the 2012 RCMP MPUA which fall under the following categories:

- Priority-setting;
- Oversight;
- Effectiveness;
- Cost-control; and,
- Performance assessment.

2.3.16 These responsibilities entail establishing sound management practices including monitoring of budgets, establishing cost containment objectives and setting service levels to receive appropriate policing services, while respecting the independence of policing operations.

2.3.17 The need to respect police independence is important. The relationship between government and police is complex, and exists within a democratic system of government. Police forces are not under the direct control of elected officials because they must be able to conduct investigations and maintain order independently, without political or other influence, and be able to exercise authority to preserve the peace, protect the public and enforce the law effectively. However, police independence is balanced against accountability to the public and to civilian authority through the *Police Act*, the RCMP policing agreements and other legal frameworks.

What We Examined

2.3.18 Our objective was to determine whether the City of Port Alberni effectively and efficiently managed its MPUA with the Province that provides for policing services to be delivered by the RCMP and conducts appropriate police budget oversight.

2.3.19 Our assessment covered the period 2010 through 2013. We substantially completed our examination in 2014.

EXECUTIVE SUMMARY

In Port Alberni, we found there is a relatively strong and appropriate level of oversight at the Council and staff levels.

What We Found

2.3.20 In Port Alberni, we found there is a relatively strong and appropriate level of oversight at the Council and staff levels, based on a positive and professional relationship between the City and Detachment, as well as a solid planning and reporting foundation. Policing priorities were identified through planning performed by the Detachment. Reasonable financial controls were in place to facilitate budget and cost management, and attention was paid to the reporting of policing operations and activities.

2.3.21 We also found there are opportunities to enhance the performance measurement of policing services through the identification of specific targets that will demonstrate progress and results achieved. In addition, the City should re-assess the Detachment strength in order to gain assurance around the size of the police force. Finally, the City and the Detachment should examine potential cost containment approaches.

2.3.22 Exhibit 1 shows the extent to which the City was aware of and took advantage of key improvements in the 2012 MPUA. Overall, we found that the City was aware of the improvements and used the new authorities available to it during the period covered by our audit.

EXECUTIVE SUMMARY

EXHIBIT 1: Scorecard Demonstrating the City’s Management of 2012 MPAU Enhancements

<p>Partnership</p> <ul style="list-style-type: none"> ✓ A Local Government Contract Management Committee was established to address concerns regarding the MPAU. <ul style="list-style-type: none"> • The City is fully aware of this Committee and its role. ✓ A dispute-resolution process is embedded in the 2012 MPAU to allow for local government concerns to be addressed in a timely and systematic manner. <ul style="list-style-type: none"> • To date, the City has not needed to utilize this authority. ✓ The local government has the right to be consulted in the selection of the Detachment Commander. <ul style="list-style-type: none"> • The City was engaged in selecting Detachment Commanders before the new MPAU was signed. 	<p>Accountability</p> <ul style="list-style-type: none"> ✓ Vacancies and changes in rank must be reported to the local government. <ul style="list-style-type: none"> • The Detachment Commander communicates this type of information in monthly reports to Mayor and Council. The Detachment Commander will also introduce new RCMP members to Mayor and Council during monthly meetings. ✓ The local government has input into policing priorities with regular progress reporting from the Detachment Commander. <ul style="list-style-type: none"> • The Detachment Commander seeks the City’s and Council’s input regarding policing priorities to include in the Annual Performance Plans, and reports on progress to Council on a monthly basis. The City also includes in its Annual Report a section on the previous year’s RCMP accomplishments and upcoming year’s policing priorities.
<p>Cost Containment</p> <ul style="list-style-type: none"> ✓ All cost items that local governments must pay are clearly articulated to improve accountability. <ul style="list-style-type: none"> • An established process is used to review the detailed RCMP budget. ✓ The local government receives early notification of changes that have cost implications. ✓ The Detachment Commander provides a five-year financial plan to local government, updated annually. <ul style="list-style-type: none"> • The City receives and reviews annual budgets and five-year forecasts for policing. This information is more detailed and easier to review than it was prior to the new MPAU. 	<ul style="list-style-type: none"> ✓ The Detachment Commander provides the local government with details regarding deployment of members, vacancies and reasons for vacancies, and changes in location/deployment. <ul style="list-style-type: none"> • The Detachment and the City communicate regularly about critical matters related to the RCMP, including organizational changes. ✓ The Detachment Commander provides reports on complaints against the RCMP. <ul style="list-style-type: none"> • This occurs for more significant complaints, but not for minor complaints. ✓ Any request by the local government for an increase or decrease in members must be satisfied within one year. <ul style="list-style-type: none"> • The City indicated that they are aware of this. ✓ The local government can request a directed review of the Detachment to ensure the local government is receiving value for money. <ul style="list-style-type: none"> • To date, the City has not needed to utilize this authority.

EXECUTIVE SUMMARY

EXHIBIT 2:
Summary of
Recommendations

ISSUES	RECOMMENDATIONS
<p>Oversight and Planning</p>	<ol style="list-style-type: none"> 1. The City of Port Alberni should consider expanding the role of its Audit Committee to include the review of operational information and performance updates on policing services. 2. The City of Port Alberni should enhance its performance measurement processes used in monitoring and reporting out on annual policing priorities as outlined in the Community Policing Plans, Priorities and Services section of this report. 3. The City of Port Alberni should request that the RCMP make its Annual Detachment Report available on the City’s website.
<p>Police Resourcing</p>	<ol style="list-style-type: none"> 4. The City of Port Alberni should substantiate the authorized strength of its Detachment by requesting the RCMP to examine their Police Resourcing Model (PRM).
<p>Managing Costs</p>	<ol style="list-style-type: none"> 5. The City of Port Alberni should request that the RCMP include explanatory text in the monthly financial statements for line items that vary significantly from budget. 6. The City of Port Alberni should request that the Detachment undertake a workload review to inform the level of civilian support staffing and assess opportunities to assign corporate services duties and other non-policing work to civilian staff, as well as to confirm the appropriate allocation of costs between the City and the Province.

INTRODUCTION

2.3.23 This report presents the results of a performance audit conducted by the Auditor General for Local Government of British Columbia (AGLG) under the authority of the *Auditor General for Local Government Act*.

2.3.24 We conducted this audit under one of six audit themes outlined in our 2013/14 – 2015/16 Service Plan: “Fiscal and Sustainability Planning, Capacity and Internal Operations.”

2.3.25 Following our identification of audit themes in early 2013, we selected specific audit topics for 2013/14, including the topic of this performance audit: “Local Government Performance in Managing Police Agreements and Police Budget Oversight.”

2.3.26 We identified this topic as a priority because policing is a major expense and a key operation for local governments in British Columbia and effective management of police agreements and oversight of police budgets may provide local governments with opportunities to contain costs.

2.3.27 We selected six local governments to audit on this topic and work began on all six simultaneously. This was later reduced to five as mentioned in the executive summary.

Section **3(1)** and **(2)** of the *Auditor General for Local Government Act*:

3 (1) The purpose of the auditor general is to conduct performance audits of the operations (design and implementation of the programs, services, policies or systems) of a local government and related policies) of local governments in order to provide local governments with objective information and relevant advice that will assist them in their accountability to their communities for the stewardship of public assets and the achievement of value for money in their operations.

3 (2) A performance audit conducted under this Act by the auditor general consists of

(a) a review of the operations of a local government, as the operations relate to a matter or subject specified by the auditor general, to evaluate the extent to which

(i) the operations are undertaken economically, efficiently and effectively,

(ii) financial, human and other resources are used in relation to the operations with due regard to economy and efficiency,

(iii) the operations are effective in achieving their intended results, or

(iv) procedures established by the local government are sufficient for the local government to monitor the economy, efficiency and effectiveness of those operations, and

(b) recommendations to the local government arising from the review referred to in paragraph (a).

EXHIBIT 3:
Excerpt from the AGLG Act

INTRODUCTION

History of Police Services

2.3.28 The first police forces in B.C. were established by the colonies of Vancouver Island and B.C. in 1858. When the two colonies united in 1866, the two police forces were amalgamated. B.C. entered Confederation in 1871, after which time the police force became the British Columbia Constabulary and came under the authority of the Attorney General. In 1895, under the new Provincial *Police Act*, the British Columbia Constabulary was later renamed the British Columbia Provincial Police (the “BCPP”).¹

2.3.29 In 1950, the BCPP was dissolved and the Province entered into a contract with the Government of Canada to have policing services provided by the Royal Canadian Mounted Police (RCMP). The RCMP has been providing contract policing in B.C. since 1950.

2.3.30 At this time, there are 12 municipalities in B.C. that are served by independent (non-RCMP) police forces. The remainder receive contract policing through the RCMP.

Authorized strength means the maximum number of positions a police department has been authorized to fill. This number includes the number of sworn members and sworn civilian members assigned to a detachment or department. It does not include civilian support staff, bylaw enforcement officers, and auxiliary or reserve police officers.

Crime rate means the number of Criminal Code offences reported for every 1,000 permanent residents.

Criminal Code offences means property, violent and other crimes (excludes drug and traffic offences based on B.C. Ministry of Justice data). This represents the number of crimes reported to or discovered by police; it does not represent the number of charges laid, prosecutions conducted, information sworn or convictions.

Case load means the number of Criminal Code offences divided by the authorized strength of local police. It is considered to be a useful indicator of demand for police services.

EXHIBIT 4: Definitions of Key Terms

¹<http://thecanadianencyclopedia.com/articles/british-columbia-provincial-police>

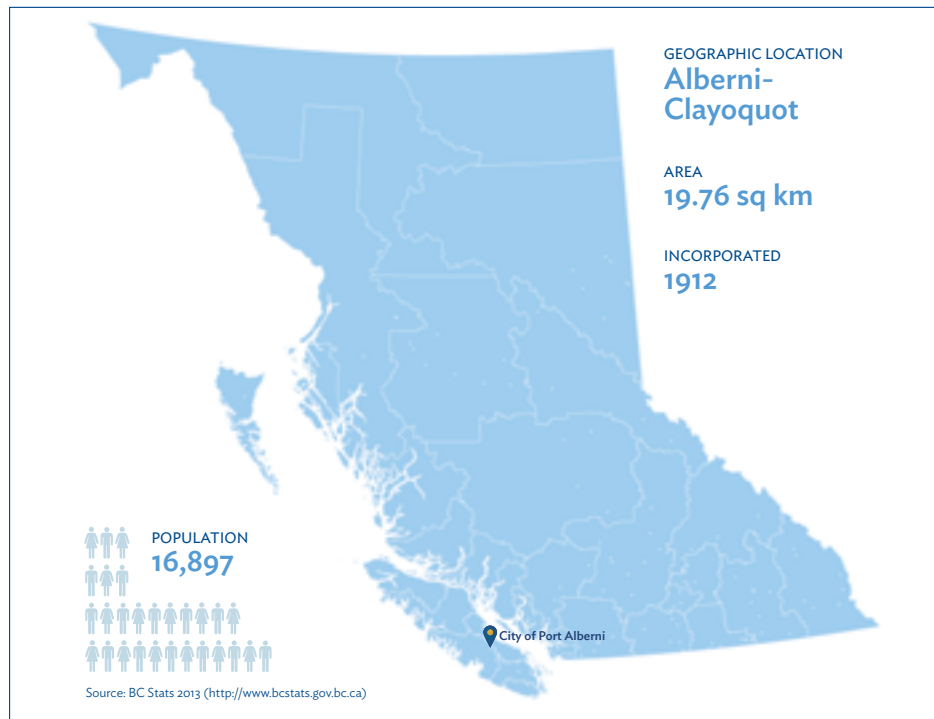
CONTEXT

The City of Port Alberni

2.3.31 Located on central Vancouver Island, the City of Port Alberni was incorporated in 1912. It is part of the Alberni-Clayoquot Regional District

and is home to the Regional District headquarters. Port Alberni covers 19.76 square kilometres and is situated in the Alberni Valley at the head of Alberni Inlet, Vancouver Island’s longest inlet which opens to the Pacific Ocean to the west.

EXHIBIT 5:
Port Alberni Visual Facts



CONTEXT

2.3.32 As Exhibit 6 shows, Port Alberni’s population was estimated at 16,897 in 2013. The City’s population declined by 4.5% between 2010 and 2013, while the population of B.C. as a whole increased by 2.6%.

EXHIBIT 6:
Population Growth in Port Alberni Relative to BC

TOTAL POPULATION	2010	2011	2012	2013	% CHANGE
Port Alberni	17,693	17,934	17,427	16,897	(4.5%)
BC	4,465,924	4,499,139	4,542,508	4,582,625	2.6%
Population of Port Alberni as % of Population of BC	0.4%	0.4%	0.4%	0.4%	

Source: BC Statistics

CONTEXT

2.3.33 There are four First Nation communities located in the Port Alberni area that play a significant role in the local economy including: the Tseshah, the Hupacasath, the Huu-ay-aht and the Uchucklesaht Tribe.

2.3.34 The economy of Port Alberni was built on forestry and fishing, both commercial and sport. The City’s ice-free port transports forest products from central Vancouver Island to international markets.

2.3.35 Forestry in the Alberni Valley has experienced a decline in the past three decades, leading to job loss and a population decline over the period. In 2010, the unemployment rate in Port Alberni was 10.4%, much higher than the provincial average at 7.6%.

2.3.36 Exhibit 7 presents the City’s revenues and expenses for 2010 to 2013 relative to policing costs. The City’s total municipal expenditures, including policing costs, increased by 11.4 % over the same period. Policing costs – including both the RCMP contract costs and municipal support services costs increased at a faster pace than municipal revenues and expenses.

2.3.37 Appendix 1 provides additional contextual details on policing services in B.C. and Port Alberni, including key crime statistics, policing costs and demographic characteristics.

EXHIBIT 7:
City of Port Alberni
Revenues & Expenses
Relative to Policing Costs,
2010 - 2013

TOTAL REVENUE AND EXPENSES	2010	2011	2012	2013	% CHANGE
Local Government Revenue	\$ 33,643,880	\$ 30,756,807	\$ 31,836,088	\$ 35,840,401	6.5%
Local Government Expenditures	\$ 28,332,466	\$ 30,325,637	\$ 30,824,490	\$ 31,561,720	11.4%
Total Policing Costs	\$ 5,073,378	\$ 5,548,861	\$ 6,167,280	\$ 6,025,805	18.8%
Policing Costs as % of Total Local Government Expenditures	17.9%	18.3%	20.0%	19.1%	

Sources: City of Port Alberni 2010-2013 Annual Reports and Five-year Financial Plans

FINDINGS

Overall, we found that the City of Port Alberni pays close attention to both financial and operational results, and has a positive working relationship with the RCMP Detachment.

EXHIBIT 8: Changes in the 2012 Policing Agreement

Key changes in the 2012 Municipal Police Unit Agreement include the following:

Partnership

- A Local Government Contract Management Committee was established to address concerns regarding the agreement.
- A dispute-resolution process was established.
- The local government has the right to be consulted in the selection of the Detachment commander.

Accountability

Vacancies and changes in rank must be reported to the local government.

- The local government has input into policing priorities with regular progress reporting from the Detachment Commander.
- The Detachment Commander provides the local government with details regarding deployment of members, vacancies and reasons for vacancies, and changes in location/ deployment.
- The Detachment Commander provides reports on complaints against the RCMP.
- Any request by the local government for an increase or decrease in members must be satisfied within one year.
- The local government can request a directed review of the Detachment to ensure the local government is receiving value for money.

Cost Containment

- All cost items that local governments must pay are clearly articulated to improve accountability.
- The local government receives early notification of changes that have cost implications.
- The Local Government Contract Management Committee reviews any changes to division administration costs prior to approval.
- The Detachment Commander provides a five-year financial plan to local government, updated annually.

2.3.38 Our findings are based on our review of the City of Port Alberni's management of its policing agreement and police budget oversight, that is, the watchful care and guidance of policing resources. We reviewed the City's systems, practices and policies. We also reviewed relevant documentation and held discussions with key management and staff. Please see the section entitled About the Audit, near the end of this report, for further information on our audit scope and approach.

2.3.39 Overall, we found that the City of Port Alberni pays close attention to both financial and operational results, and has a positive working relationship with the RCMP Detachment.

2.3.40 We found the City of Port Alberni had developed a good understanding of the 2012 MPPUA, exercised an appropriate level of oversight of its policing services, and did a good job of managing its responsibilities under the *Police Act* and the 2012 Municipal Police Unit Agreement.

FINDINGS

The City, working with the Detachment, should examine the RCMP's Police Resourcing Model to gain assurance that their Detachment strength is adequate.

2.3.41 We also found a strong partnership between the City and Detachment built on two-way communication and collaboration. This has led to policing plans and priorities based on Council and public concerns. However, we did find that there are opportunities to enhance City oversight of police planning, monitoring and reporting.

2.3.42 We further found that policing resource levels were appropriately driven by budgetary considerations however, the City, working with the Detachment, should examine the RCMP's Police Resourcing Model to gain assurance that their Detachment strength is adequate.

2.3.43 Finally, we found that robust financial budgeting and monitoring controls were in place, and close attention was paid to cost drivers that were within the control of the City, and there may be further cost containment opportunities that could be identified through a workload analysis of civilian support services. Such an analysis would be useful in determining cost allocation, in assessing appropriate civilian staffing, and the possibility of further transferring non-policing or administrative duties from RCMP members to civilian staff.

RCMP Contract Framework

2.3.44 In 2012, the Province reached agreements with the federal government for the RCMP to provide policing services in the Province. Under one agreement Canada provides the Provincial Police Service (PPSA). Under the second agreement Canada provides the Municipal Police Service (MPSA). Under the MPSA Municipal Police Units are assigned to various municipalities. The two agreements have a 20-year term and feature changes to management and financial transparency provisions. In order to utilize the RCMP a municipality enters into a Municipal Police Unit Agreement (MPUA) with the Province.

2.3.45 The new MPUA is intended to ensure a more cooperative and collaborative relationship among the contracted parties. This modernized relationship is reflected in strengthened accountability and enhanced reporting provisions, as well as the expanded role of the former Contract Advisory Committee into the new Provincial-Local Government RCMP Contract Management Committee (CMC) which focuses on the effective and efficient provision of policing services across the province.

FINDINGS

2.3.46 The provincial and federal governments negotiated the new agreement to include tools for municipalities to better manage their policing services, help monitor and contain policing costs, and take a more active role in policing.

2.3.47 Under the MPSA, the basic cost-sharing formula (see Appendix 1 for details) is similar to that contained in the previous agreement, while new measures have been added for municipalities to monitor and plan for costs. Provincial, federal and municipal governments jointly oversee how services are delivered and how costs are managed over time.

2.3.48 The MPSA calls for a five-year review to gauge whether the contract is meeting the needs of the communities policed by the RCMP. The agreement also includes a requirement for increased financial reporting from the RCMP to local governments to encourage better alignment with municipal planning cycles.

Oversight, Clarity of Roles and Communication

2.3.49 The Municipal Police Unit Agreement of 2012 provides the framework for the relationship between the local government and the RCMP. It is important for City staff to be aware of and understand the changes relative to the former Agreement as these changes set the tone for a new, modernized partnership based on collaboration. A good understanding will also increase opportunities for stronger communication and engagement between the City and the RCMP, higher levels of accountability from the RCMP to the City, and enhanced ability for the City to understand and monitor costs associated with the RCMP contract.

2.3.50 It is important to note that the Port Alberni RCMP Detachment is a joint detachment responsible for federal, provincial and municipal policing. These findings only relate to municipal policing services provided to the City of Port Alberni.

FINDINGS

The City's processes related to financial planning and reporting supported City staff's oversight role with regard to the Agreement.

2.3.51 Many of our findings relate to how well the City is utilizing the new authorities and provisions available to it through the enhanced Municipal Police Unit Agreement (MPUA) introduced in 2012. These new provisions enable the City to:

- Contribute to the development of policing plans and priorities;
- Request staffing updates;
- Receive timely responses to all staffing requests;
- Request clarity from the RCMP around budgetary considerations;
- Receive information on complaints directed towards the Detachment; and,
- Request a directed review of the Detachment when necessary.

Key Players

2.3.52 We found that the City of Port Alberni's senior management staff members who were directly responsible for aspects of the MPUA – the City Manager, the Director of Corporate Services and the Director of Finance – had a good understanding of the authorities available to local governments under the new Agreement and used those authorities that were relevant to their circumstances. This contributed to a strong oversight relationship between the City and the RCMP, which, in turn, supported the City's role in its utilization of the Agreement.

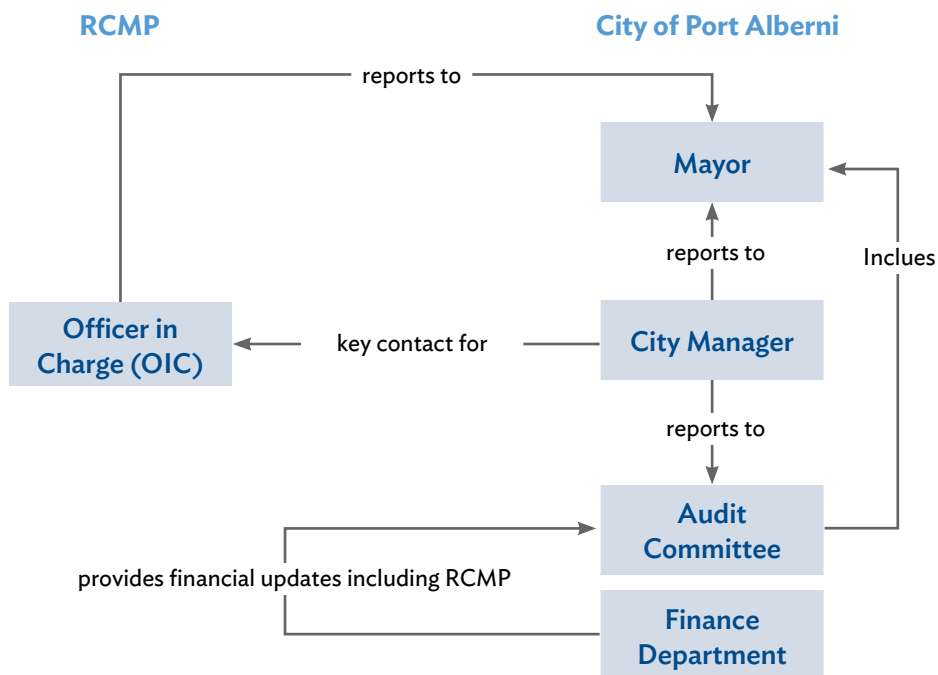
2.3.53 We also found that the City's processes related to financial planning and reporting supported City staff's oversight role with regard to the Agreement. For example, processes were in place to ensure staff understood cost calculations, and budget and variance analysis, which, in turn, enabled the City to provide thorough oversight with regard to the Agreement.

FINDINGS

The governance structure and related roles that manage aspects of the Agreement were clear.

2.3.54 The governance structure and related roles that manage aspects of the Agreement were clear. The Officer in Charge (OIC) of the Port Alberni RCMP Detachment officially reported to the Mayor as Chief Executive Officer (CEO) of the City, while the City Manager served as the principal point of contact for the OIC. Exhibit 9 below shows the City's reporting structure for Policing Services.

EXHIBIT 9:
City of Port Alberni
Reporting Structure for
Policing Services



FINDINGS

Mayor and Council

2.3.55 We found that formal processes were followed to facilitate regular communication between the OIC, the City Manager, Mayor and Council regarding policing trends, issues and priorities. The OIC attended two Council meetings each month. The OIC presented monthly reports to the Mayor and Council; these reports documented crime trends in addition to the Detachment's activities.

Audit Committee

2.3.56 The Audit Committee, comprised of three Councillors, received and reviewed detailed reports on policing costs and discussed these financial reports during Audit Committee meetings.

City Management and Staff

2.3.57 The City Manager included the OIC in departmental meetings that were held twice per month. This encouraged regular and open communication and collaboration between the City's departments and the Detachment.

2.3.58 We also found that formal processes and job descriptions were followed at the municipal staff levels to support day-to-day operational tasks and communication related to the RCMP.

Communication

2.3.59 Processes that facilitated communication with the OIC regarding policing matters existed at the Mayor and Council level and at the management and staff level. Communication was frequent and focused on police activities, policing issues and financial information. The Mayor and the OIC also communicated on an "as needed" basis, if specific policing issues arose that required discussion.

FINDINGS

It is important for community stakeholders and residents to have opportunities to provide input into policing priorities for their community and to provide feedback on the performance of their police service.

Community Policing Plans, Priorities and Services

2.3.60 The MPUA provides for the local government to have input into community policing plans and priorities, in addition to regular reports from the OIC on deliverables and results achieved.

Importance of Local Priority Setting

2.3.61 It is important for community stakeholders and residents to have opportunities to provide input into policing priorities for their community and to provide feedback on the performance of their police service. In the absence of such input, community stakeholders may become disconnected with their police force and key community priorities related to public safety may not be addressed.

Planning and Priority-Setting

2.3.62 We found that the City and the RCMP used several operational planning tools and processes to help set policing priorities, and these processes took into consideration the concerns and priorities of Council and residents. In addition, we found a range of community policing initiatives aimed at crime prevention, many of which were carried out through volunteerism.

2.3.63 The City outlined policing goals and priorities in two corporate documents, while the Port Alberni RCMP Detachment developed two key documents that guided policing in Port Alberni over the audit period. Across these four documents, we found a mix of broadly stated goals, objectives and priorities along specific reporting of police activities and changes in crime rates which, together, serve as a good foundation for accountability.

2.3.64 Overall, while we found a large extent of planning and reporting practices in place, we also found the performance management component that clearly ties back-end reporting to front-end planning could be strengthened. As a result, the

FINDINGS

A strategic objective that is Specific, Measurable, Achievable, Realistic and Time-bound (SMART) can enhance performance and accountability.

City, citizens and stakeholder groups would benefit from more intentional alignment of policing priorities presented in the RCMP's Annual Performance Plan (APP), the City's Annual Report, the RCMP's Annual Report and the City's Strategic Plan.

2.3.65 We found differences between the plans produced independently by the City and the RCMP, indicating different expectations and potentially different priorities. Both the City and the RCMP are required to produce their own annual plans and reports and, we were told, they were produced independent of each other. However, while the City and the RCMP must produce their own strategic documents, there is no requirement that they be produced independently. With respect to police services delivered to the citizens of Port Alberni, there is an opportunity to better align the priorities of the City and the RCMP. In addition, such coordination would ideally streamline two processes that are currently operating in isolation. A more unified planning process would also bring greater clarity to priorities for all stakeholders, and would help improve consistency with regard to reporting out on progress.

City Plans

2.3.66 Corporate Strategic Plan: The City's Corporate Strategic Plan (2012 – 2016) included the following strategic goal and objective related to policing:

Strategic Goal #2: An engaged, inclusive, healthy and socially sustainable community.

Objective 2.1: Support public safety through provision of protective services.

2.3.67 We believe that defining a goal and objective is important and provides a platform on which to build. However, a strategic objective that is Specific, Measurable, Achievable, Realistic and Time-bound (SMART) can enhance performance and accountability. In addition, a strategic objective should be supported by specific action steps or activities and quantifiable performance measures. We also noted that the current Corporate Strategic Plan, which falls outside the timeframe of this audit, does not include goals and objectives related to policing and public safety.

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2.3.68 Annual Reports: The City’s Annual Reports included a section on the RCMP. This provided highlights regarding accomplishments from the previous year, several of which related to initiatives documented in the RCMP’s *Crime Reduction Strategy* and in the Annual Performance Plan. The RCMP section of the Annual Reports also included the areas of focus for policing for the upcoming year, as outlined in Exhibit 10.

EXHIBIT 10:
RCMP Port Alberni
Detachment Areas of Focus
2010 - 2013

YEAR	AREAS OF FOCUS
2010	<p>Continue to focus on the priorities of youth, substance abuse, and traffic and property crimes.</p> <p>Continue the evolution of the Crime Reduction Strategy.</p> <p>Work to enhance the effective use of resources.</p>
2011	<p>Continue the evolution of the Crime Reduction Strategy.</p> <p>Strengthen external partnerships to better address violence in the community.</p> <p>Re-introduce Community Policing (CP), including staffing a vacant position and opening a CP office.</p> <p>Reorganize senior police resources to increase accountability, oversight and assistance to street-level personnel.</p>
2012	<p>Continue the evolution of the Crime Reduction Strategy including greater police presence in high crime areas through foot and bike patrols.</p> <p>Focus on youth including hosting of “Youth Mountie Camp” and expansion of the School Resource Officer position to address high risk youth and increased dedication to youth issues.</p> <p>Increase community engagement through Speed Watch, Citizens on Patrol, Crime Stoppers, Block Watch Program and strategies involving media and volunteers.</p>
2013	<p>Build a safe community through offender management, police presence and intelligence-led enforcement.</p> <p>Focus on drugs by reducing harm in the community through education, enforcement and community involvement.</p> <p>Increase community engagement through police visibility, bicycle, boat and safety patrols, and by working with community groups, volunteers and the media.</p> <p>Reduce the incidences and harm associated with violence in relationships.</p>

Source: City of Port Alberni Annual Reports

FINDINGS

2.3.69 These areas of focus were revised each year based on input from residents and the City that the RCMP received throughout the year. These priorities were intended to align with the Detachment’s Annual Performance Plan (APP) as well.

2.3.70 While this information in the City’s Annual Reports demonstrates collaboration between the City and the Detachment in communicating focal points publicly, the areas of focus tend to be high level and are not explicitly linked to specific policing goals or objectives. As a result, it is difficult to measure the

achievement of progress. We did find however, that over time, the areas of focus became more action-oriented and linked to specific activities and programs which can enhance performance measurement and accountability.

RCMP Plans

2.3.71 Crime Reduction Strategy:
In 2007, prior to this audit period, the Port Alberni RCMP Detachment published its *Crime Reduction Strategy*. The RCMP’s motivation for preparing the *Crime Reduction Strategy* is captured in the following excerpt (see Exhibit 11). It is noted that, while the public and the City did not provide input into the development of the *Crime Reduction Strategy*, concerns from residents regarding crime rates in the area was one of the primary drivers leading to the Detachment’s development of the Strategy. The high crime rate was another motivating factor.

2.3.72 The *Crime Reduction Strategy* was in use over the audit period, and is still in use today.

2.3.73 The *Crime Reduction Strategy* included five objectives stated in both specific and general terms. The Strategy also included two planning worksheets that RCMP members use to plan and monitor initiatives that are intended to contribute to achieving the objectives.

EXHIBIT 11:
Motivation for Preparing the Crime Reduction Strategy

It is important for the reader to understand what motivated us [the Port Alberni RCMP Detachment] to enter into the Crime Reduction Strategy. There were several factors, however, the most prominent one remains the fact that the City of Port Alberni and the Alberni-Clayoquot Regional District (ACRD) have, historically, had very high crime rates...

Our internal scans indicated a steady [annual] increase in the crime rate and calls for service. As expected, feedback from clients and stakeholders suggested that the community was experiencing an elevated sense of anxiety and diminished trust in law enforcement. This was at the same time that the police were making record numbers of arrests and processing record numbers of offenders through the court system.

- Port Alberni Crime Reduction Strategy, 2007, page 3

FINDINGS

2.3.74 Annual Performance Plans: The requirement for RCMP detachments to produce Annual Performance Plans (APP) was in response to a report issued by the Auditor General of Canada in 2005, which indicated that there was a gap in consultation with stakeholders regarding community policing priorities. The APP is intended to provide a framework for setting priorities, in conjunction with the local government and residents, and for monitoring results annually. It is intended to be an overall policing plan for a community. It is also to be used when assessing the individual performance of the Officer in Charge. The 2013-14 APP contained four priorities focused on crime reduction activities.

2.3.75 Prior to developing the upcoming year's APP, the OIC met with the Mayor and Council to review the previous year's results and obtain input on policing priorities for the upcoming year. Information from the public that was communicated during the year was also considered when developing the APP.

Reporting

2.3.76 We found that a range of police activities and trends in crime rates were reported on regularly in a variety of formats from RCMP to Council and residents and from the City to residents. However in some cases, the linkage between results and priorities was unclear, and the alignment of strategic goals, objectives and priorities and the reporting of results could be strengthened. A stronger alignment would enhance accountability. It would serve to more clearly demonstrate how progress towards addressing priorities had been achieved, what the Detachment did to achieve them, and how it moved the City towards its longer term corporate goal and objective.

2.3.77 We also noted that the Annual Detachment Report, while discussed within Council meetings, was not made available to the public. Disclosing the report would provide easy access to policing priorities, initiatives and results for residents, City staff and Council.

FINDINGS

Overall, we found that the City could benefit by playing a more active role in implementing a more consistent and integrated approach to strategic planning and priority setting, monitoring and reporting of results.

2.3.78 The OIC reported monthly to the Mayor and Council on progress related to Detachment priorities and linked them to the corporate goals and objectives. It is unclear as to what analysis was conducted to determine whether the strategic goals and objectives were achieved. Monthly reporting on policing by the OIC to Mayor and Council also included results related to the *Crime Reduction Strategy* and crime statistics related to the APP, although again it is unclear as to what analysis was conducted to determine whether the objectives were being achieved. At the end of each year, the OIC presented annual results to Mayor and Council, and these results were also included in the City's Annual Report.

2.3.79 Based on our review of these planning and reporting processes, we found the City relies largely on the RCMP to take the lead, which creates the potential for an accountability gap where the City's needs may not be fully considered. Overall, we found that the City could benefit by playing a more active role in implementing a more consistent and integrated approach to strategic planning and priority setting, monitoring and reporting of results.

Performance Measurement

2.3.80 As mentioned, the City and the Detachment have a planning and reporting foundation already in place. This creates an opportunity for the City to enhance its performance measurement process. We found there are opportunities to strengthen performance planning and reporting through the development of clearly defined strategies that are linked to higher goals and SMART objectives that are designed to support identified priorities. In addition, performance measurement could be enhanced by setting specific, achievable performance measures and targets that serve to demonstrate results and provide direction.

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A performance measurement approach would ultimately enhance the City’s oversight of their policing services.

2.3.81 A performance measurement approach would ultimately enhance the City’s oversight of their policing services. Such an approach would include the following elements:

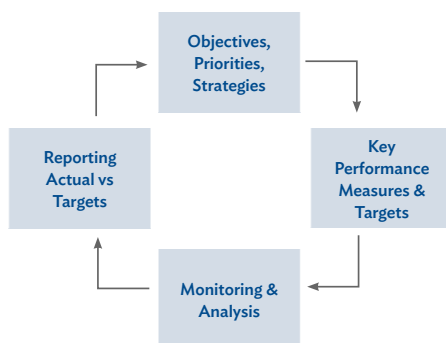
- Identification of one set of measurable policing objectives and priorities, and the strategies the RCMP and volunteers will take to achieve them,
- Specific performance measures and achievable targets linked to those objectives,
- The monitoring and assessment of results achieved, and,
- Standardized reporting processes where results are used to inform future directions.

2.3.82 For example, each of the Detachment’s 2013 Areas of Focus shown in Exhibit 10 could have a specific, measurable target focused on a critical aspect of performance. The target would serve to demonstrate results achieved and provide direction.

2.3.83 Exhibit 12 represents a visual diagram of a typical performance measurement process.

2.3.84 A more coordinated process, perhaps based on the APP, can also assist the City in moving towards a results-based policing model where strategic objectives drive actions to achieve targeted results, and where results are used to inform operational and financial needs. Ultimately this model would enhance the City’s role in police oversight and its stewardship of public resources.

EXHIBIT 12:
Performance Measurement Process



FINDINGS

The oversight role of the Audit Committee could be enhanced by strengthening the performance measurement approach to policing services.

2.3.85 We found that the oversight role of the Audit Committee could be enhanced by strengthening the performance measurement approach to policing services. This would see reported performance being based on the achievement of specific targets tied to plans and used to drive ongoing improvements and actions. Such an approach would increase their awareness and understanding of policing operational and financial performance and would guide both the Committee and Council in decision-making, as the use of performance information is becoming an important part of the planning and budgeting process in many jurisdictions.

2.3.86 We note that an established and broadly-accepted set of performance metrics for local governments to use when evaluating their policing services does not exist in B.C. or in Canada at this time. This is recognized as a complex topic. Several organizations and government agencies have expressed an interest in establishing such metrics, including the BC Ministry of Justice. As new measures are developed and evolved they should be considered as part of the Port Alberni performance measurement process.

Community Policing

2.3.87 Volunteerism is an important component of policing as it fosters positive community relationships and strong community partnerships. It is an effective means of ensuring public input into policing activities and it is a measure through which policing costs can be reduced. We found the City and the Detachment have built a strong community policing base in Port Alberni. There are a range of programs staffed by volunteers with crime prevention as the mandate and community policing results are monitored and reported regularly.

FINDINGS

Determining the most appropriate level of policing is a complex exercise that can have a major bearing on overall policing costs and effectiveness.

Police Resource Levels and Mix

2.3.88 The number of employees and labour costs including salaries and benefits are the most significant cost drivers for policing services. Therefore, changing the number of staff has the largest single impact on police budgets. However, there are other factors that influence costs such as skill requirements for civilian staff and the ratio of regular members to civilian employees. Therefore, prudent assignment of policing resources can have an impact on effectiveness and overall costs. For example, there may be some administrative tasks that can be performed more cost-effectively by civilian support staff than by sworn officers.

2.3.89 As a result, ensuring an appropriate number and mix of employees – including sworn officers and civilian staff – can have an impact on the overall cost and effectiveness of a police service.

Approaches Used to Determine the Appropriate Police Resource Level

2.3.90 Every community is unique and as a result, the levels of policing differ based on a number of factors, including geography, demographics, type of crime, community expectations, and available resources. An optimal approach would utilize some combination of these factors.

2.3.91 Determining the most appropriate level of policing is a complex exercise that can have a major bearing on overall policing costs and effectiveness. There are several parameters that municipalities should be aware of that could be examined in order to enhance their oversight, including the following:

- Community conditions, including variations in crime levels across the region, needs and expectations;
- Budget allocation, if used alone, is an artificial benchmark, as it typically does not consider demand, community expectations or efficiency;
- Minimum staffing levels for officer safety;
- Workload intensity which uses demands for service, response time and location of the workload;
- Utilization of civilian staff for corporate services duties and other non-police work;
- Performance objectives;
- How members spend their time and the quality of that time;
- Average vacancy rates;
- Officer shift scheduling practices to ensure maximum efficiency ; and,
- Minimize extra shift/overtime requirements.

2.3.92 In addition, there are six main methods for determining policing levels for a community or region. These are highlighted in Exhibit 13.

FINDINGS

The RCMP's Police Resourcing Model (PRM) may be an appropriate tool to determine policing levels for Port Alberni.

EXHIBIT 13: Six Main Methods for Determining Police Resource Levels

Historical levels/budget room approach – This incremental approach takes the current level of police resources as the starting point and then adds resources as budgets permit. While it is straightforward, this method does not link level of resources with an analysis of need or police effectiveness and does not relate to any sort of benchmark.

Per capita approach – This approach determines an appropriate number of officers per capita based on a comparison with other communities. This method is also straightforward and does relate to a benchmark, but it does not take into account the specific circumstances of the community, police effectiveness or an analysis of needs.

Minimum staffing approach – This approach estimates the staffing level necessary to maintain officer safety and provide adequate protection to the public. However, there are no objective standards for determining minimum staffing levels and this approach does not take into account workload differences at different times of the day, week or year. As a result, use of this method could result in excess resources at some times and insufficient resources at others.

Authorized level approach – This approach calculates staffing levels based on available budget. While it provides the police agency with control over its allocation of resources, it is not necessarily linked to need or workload considerations and can result in the establishment of an artificial benchmark similar to the historical levels/budget room approach.

Workload-based approach – This approach uses actual demand-for-service data to help determine appropriate staffing levels. Using a computer model, it takes information on calls for service, response times, performance objectives and other data to estimate the appropriate level of staffing. More complex than other methods, it is most useful in determining scheduling and has difficulty accounting for the complexity of larger urban communities.

Coverage-based approach – This approach uses geographic coverage and targeted response times within the area to guide the number of officers hired and the number deployed to particular areas. It is well suited to more disparate rural areas where travel time to respond to calls may vary widely due to distance. Since it is based on response time, it is subjective, as there are no benchmarks for the appropriate number of police per square kilometer or desired response times

2.3.93 The City indicated that they require a high number of police officers per capita to combat Port Alberni's higher-than-average levels of crime. The City's crime rate in 2013 was 149, double the provincial level of 74.5.

2.3.94 The City does a good job of scrutinizing RCMP contract costs with the goal of maximizing its limited financial resources. In this regard, we found that the City relies heavily on its budget allocation, with the objective of containing policing costs, as the principal approach to setting the size of its Detachment. While budget is a key factor, consideration should also be given to a more robust methodology that includes other key factors such as workload, crime levels and community characteristics.

FINDINGS

The RCMP's Police Resourcing Model (PRM) may be an appropriate tool to determine policing levels for Port Alberni.

Police Resourcing Model

2.3.95 In addition to the six methods outlined earlier (see Exhibit 13), the RCMP's Police Resourcing Model (PRM) may be an appropriate tool to determine policing levels for Port Alberni. The PRM is a workload-based approach to determining policing levels, developed by the RCMP to address some of the challenges in determining the police resources needed in a particular jurisdiction. The RCMP is using the PRM in small-to-mid sized communities in B.C. The model uses historical data available from RCMP information systems on initial response times, follow-up, court work and case disposition activities. By factoring in future population forecasts, it can provide a recommended number of uniformed patrol officers for a given community, as well as levels of plain-clothes officers and support staff.

2.3.96 The PRM was first used in British Columbia in 2007. Until 2013, there was only one RCMP analyst in the province trained to use the model, and there are now five. It is now being used to assist with determining staffing levels for several B.C. communities. Given the RCMP has been using the PRM for over five years there should be sufficient data to assess its results.

2.3.97 While we were advised the RCMP intends to rollout PRM across the province in the future, it is unclear when this methodology will be applied in the case of Port Alberni.

2.3.98 Notwithstanding the planned PRM rollout, the City should work with the Detachment to examine and gauge the usefulness of PRM as a tool for determining the appropriate size of the Port Alberni Detachment.

Ensuring Appropriate Policing Levels

2.3.99 Planning for appropriate levels of policing is important, given the impact staffing can have on policing effectiveness and on overall expenses. Salaries and benefits typically comprise a majority of total policing costs. The MPOA includes a paragraph that directs the Officer in Charge and the CAO to exchange information pertaining to the number of positions required for the Detachment, as a component of annual and multi-year financial planning.

FINDINGS

The City relies primarily on the annual budget allocation for determining the numbers of RCMP members in the Detachment.

2.3.100 We found that the City and the Detachment communicated on a regular basis regarding authorized strength, increases to strength, and impact of vacancy rates. We also note the previous use of business cases prepared by the RCMP to justify requests for additional members. However, as mentioned earlier, throughout the review period we found that the City relies primarily on the annual budget allocation for determining the numbers of RCMP members in the Detachment, rather than the consideration of other factors.

2.3.101 In the years leading up to the audit period, the RCMP undertook analysis to support three business cases for adding more municipal support staff and RCMP members to the Detachment. The rationale addressed concerns related to workload and the need to stem rising crime rates. The RCMP conducted these studies in 2004, 2005 and 2008. Council turned down these proposals essentially due to budgetary pressures.

Vacancy Rates

2.3.102 Under the MPUA, the Detachment is expected to provide the City with information pertaining to vacancy rates and reasons for vacancies. Data on vacancies is important as it has both operational and financial impacts. Vacancy rate analysis is also an important input to help determine the right size of the Detachment. Vacancy data should also be used in budget forecasting for member salaries and benefits. Overall, based on the authorized strength, vacancy rates ranged from 8.7% to 16.3% over the four-year period, which were much higher than the national average of 3.4% in 2013. This was a major factor contributing to annual budget surpluses, which are discussed later.

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2.3.103 As shown in Exhibit 14 below, the authorized strength for municipal members at the Detachment was 35 from 2010/11 to 2012/13. The number of actual full time equivalent members (FTEs) was lower than the authorized strength for each year of the audit, due to maternity, parental and long-term sick leaves. We were advised that temporary backfilling of these unplanned vacancies poses a major challenge for the Detachment, although the City should request that the Detachment keep them informed as to the steps they are taking to manage the vacancy rate to a level more on par with the national average.

2.3.104 We were further advised that starting in 2007, the City requested the authorized strength to be at 35, however, this was never realized. As a result, the “unofficial” strength remained at 34. We were advised that in 2013/14, the City requested a reduction in authorized strength from 35 to 34, or an “unofficial” strength of 33 members. The City’s motivation for this was to contain policing costs.

EXHIBIT 14:
Authorized and Actual Strength

CITY OF PORT ALBERNI RCMP	2010/11	2011/12	2012/13	2013/14
Unofficial Strength	34.00	34.00	34.00	33.00
Authorized Strength	35.00	35.00	35.00	34.00
Actual FTEs	29.30	31.02	29.70	31.04
Vacancy Rate	16.3%	11.4%	15.1%	8.7%

Notes: Unofficial strength was requested by the City before budget and strength authorizations by RCMP.

FINDINGS

Overall, we found that the City established and followed good processes for reviewing and analyzing financial reports, worked collaboratively with the Detachment, and paid close attention to financial results with the goal of cost containment.

Managing Policing Costs

2.3.105 Based on the Municipal Police Unit Agreement, and external factors that were relevant to Port Alberni, there are a number of policing cost drivers that the City and the Port Alberni RCMP Detachment should consider on an ongoing basis. However, the following cost drivers, which have contributed to escalating policing costs, were beyond the control of the City:

- Legislative and court-related requirements that are making police processes more complicated and time-consuming;
- Inflation in police salaries and benefits;
- Federal decisions, such as increasing the employer portion of pensions, and changes regarding the rules of severance allowances;
- Division administration expenses;
- National program expenses;
- Information management systems and PRIME expenses; and,
- Facility and equipment requirements in support of police delivery.

2.3.106 Policing-related costs that the City could potentially influence include:

- The number of members and, as a result, costs associated with salaries and benefits;
- All of the costs in the Support Services budget;
- The replacement of, and addition to, the fleet of vehicles;
- Some overtime costs; and,
- Management (and therefore associated costs) of unplanned leaves (such as sick time and maternity/paternity leave).

2.3.107 The risk related to the cost drivers is that overall policing costs can increase significantly at any given time, placing additional financial pressure on the City.

2.3.108 Overall, we found that the City established and followed good processes for reviewing and analyzing financial reports, worked collaboratively with the Detachment, and paid close attention to financial results with the goal of cost containment.

FINDINGS

We found that the City of Port Alberni worked with the Port Alberni RCMP Detachment to develop and refine the annual budget and the five-year forecast.

Budget Process

2.3.109 The MPUA provides the City with the authority to obtain and discuss detailed information regarding resources required to support annual and multi-year financial planning.

2.3.110 We found that the City of Port Alberni worked with the Port Alberni RCMP Detachment to develop and refine the annual budget and the five-year forecast. The process used is outlined below.

Municipal Policing Resource Request by RCMP “E” Division

2.3.111 In May/June of each year, the “E” Division sent the City Manager a five-year forecast of the cost of contracted services, based on the number of members that had been authorized by Council. This RCMP forecast indicates the annual amounts the RCMP expects to charge the City and follows the Federal Government’s fiscal year that ends on March 31.

2.3.112 Finance Staff then worked with the OIC and the “E” Division staff to refine the detailed information contained in the forecast to more accurately reflect anticipated resource requirements.

2.3.113 The RCMP provided additional explanation regarding how the budget was prepared, which included discussions about specific cost drivers, notes and assumptions regarding the five-year forecast, and additional information about certain cost items, such as new firearms. The Director of Finance communicated with the Finance Department at the “E” Division if certain items required clarification.

Budget Presentation and Approval

2.3.114 Each year, the OIC made a public presentation related to the RCMP budget. This provided information related to authorized strength and related costs, operational trends, annual trends related to financial surpluses/deficits, in addition to other information. This is viewed as a good practice contributing to transparency.

2.3.115 The overall Police Services budget was approved by Council as part of the City’s Annual Five-year Financial Plan as outlined in the *Community Charter*. This Municipal Police Services budget follows the City’s fiscal year that ends on December 31, and includes expenditures on its RCMP contract services, civilian support services and the Community Policing Program.

FINDINGS

Cost Monitoring

2.3.116 Each month the City received budget-to-actual reports that listed direct expenditures incurred to provide police services in Port Alberni, as well as an estimate of indirect costs. These financial reports provided the following data by detailed line item:

- Annual budget;
- Current expenditure;
- Year-to-date expenditure;
- Year-end forecast; and,
- Estimated surplus or deficit.

2.3.117 The City believes that having additional details where monthly variances are significant would enable them to better understand the reason for the deviations from the budget. It is noted that the RCMP did provide such explanations on annual statements.

2.3.118 City staff reviewed the cost items line by line and performed budget-to-actual variance analysis each month. The City would raise any concerns to the Detachment or the “E” Division, and would communicate any extraordinary deviations from budget to the City Manager and the Audit Committee.

2.3.119 Similarly, City staff reviewed quarterly invoices from the RCMP before processing them, confirming that budget targets had been met and/or had not been met and that action had been taken to address any negative variances.

RCMP Contract Costs

2.3.120 The City’s RCMP contract cost consists of direct costs, indirect costs and the City’s shared portion on the lower mainland integrated team expenses. Direct policing cost includes expenses on payroll which the City has limited control over, training, travel, communications, and legal services, leasing, equipment and supplies. Indirect policing cost includes pensions, division administration, recruitment, and training expenses. The RCMP indirect cost is the main category of policing costs generally beyond the City’s control.

2.3.121 As shown in Exhibit 15, the City’s actual RCMP policing costs (not including municipal support services costs) increased from \$3.67 million in 2010/11 to \$4.40 million in 2013/14. This represents a relatively high increase of 20% over the four-year period.

FINDINGS

EXHIBIT 15: City of Port Alberni RCMP Policing Costs Budget-to-Actual

RCMP CONTRACT COST	2010/11			2011/12		
	RCMP BUDGET	ACTUAL	VARIANCE	RCMP BUDGET	ACTUAL	VARIANCE
Direct Costs:						
Regular Member Salaries	\$2,471,889	\$2,233,829	\$238,060	\$2,656,375	\$2,491,654	\$164,721
Overtime	\$156,129	\$127,689	\$28,440	\$158,771	\$244,403	(\$85,632)
Other Personnel Costs	\$364,082	\$180,320	\$183,762	\$269,278	\$560,203	(\$290,925)
Total Personnel Costs	\$2,992,100	\$2,541,838	\$450,262	\$3,084,424	\$3,296,260	(\$211,836)
Other Direct Costs	\$796,473	\$712,986	\$83,487	\$903,572	\$970,212	(\$66,640)
Indirect Costs and Credits	\$844,386	\$822,845	\$21,541	\$1,102,385	\$620,991	\$481,394
Total Costs at 100%	\$4,632,959	\$4,077,669	\$555,290	\$5,090,381	\$4,887,463	\$202,918
Federal Contribution at 10%	\$463,296	\$407,767	\$55,529	\$509,038	\$488,746	\$20,292
Net Municipal RCMP Policing Cost 90%	\$4,169,663	\$3,669,902	\$499,761	\$4,581,343	\$4,398,717	\$182,626
	2012/13			2013/14		
Direct Costs:						
Regular Member Salaries	\$2,825,583	\$2,399,954	\$425,629	\$2,900,513	\$2,614,860	\$285,653
Overtime	\$161,454	\$160,806	\$648	\$164,086	\$188,375	(\$24,289)
Other Personnel Costs	\$305,166	\$588,054	(\$282,888)	\$230,740	\$221,700	\$9,040
Total Personnel Costs	\$3,292,203	\$3,148,814	\$143,389	\$3,295,339	\$3,024,935	\$270,404
Other Direct Costs	\$621,910	\$658,307	(\$36,397)	\$607,987	\$595,632	\$12,355
Indirect Costs and Credits	\$1,289,868	\$700,812	\$589,056	\$1,702,878	\$1,287,557	\$415,321
Total Costs at 100%	\$5,203,981	\$4,507,933	\$696,048	\$5,606,204	\$4,908,124	\$698,080
Federal Contribution at 10%	\$520,398	\$450,793	\$69,605	\$560,620	\$490,812	\$69,808
Net Municipal RCMP Policing Cost 90%	\$4,683,583	\$4,057,140	\$626,443	\$5,045,584	\$4,417,312	\$628,272

Source: RCMP statements

FINDINGS

We note that the establishment of a reserve fund as a contingency is a good practice.

Annual Surplus on RCMP Contract

2.3.122 The City’s actual annual RCMP contract costs were under budget in all four years covered by this audit. As shown above, the City’s annual surplus on the RCMP contract approximately ranged from \$203,000 to \$700,000, approximately 4% to 13% of the annual budget on RCMP operations. These annual surpluses exceeded \$2 million over the four years.

2.3.123 The surplus in regular member salaries was the major factor contributing to the overall surplus each year. As mentioned previously, the City had a high vacancy rate during the four years covered by this audit, ranging from 8.7% to 16.3%, much higher than the 3.4% national level in 2013. The City indicated that the surpluses in salaries were largely the result of maternity, parental and long-term sick leave vacancies that could not be back-filled.

2.3.124 Beginning in 2011, a portion of the cumulative surpluses has been kept in a reserve fund, with a target balance of \$1 million, to be used in the case of an unforeseen event that requires extraordinary funding (see Exhibit 16). We note that the establishment of a reserve fund as a contingency is a good practice.

RCMP Overtime

2.3.125 Overtime utilization is an important cost to monitor. In policing work, overtime can be a significant unknown, and a difficult to control cost driven by criminal events and court scheduling. However, overtime can also be driven by vacancy rates and shift schedule issues which are more controllable.

EXHIBIT 16:
Reserve Fund - RCMP Contract

RESERVE FUNDS	2010	2011	2012	2013
RCMP Contract	\$-	\$ 300,000	\$ 480,000	\$ 480,000

FINDINGS

The City’s total policing costs have increased at a relatively high pace during the four years covered by this audit.

2.3.126 As illustrated in Exhibit 17, overtime costs in Port Alberni have fluctuated year-over-year. Over the four-year period, the cumulative overtime costs were \$80,833 over budget. The City advised that overtime costs occasionally exceed budgeted costs due to the vacancies and the need for members to occasionally fulfill the tasks that would have been handled by members in the positions that were not filled.

Total Policing Costs

2.3.127 Total policing costs include both the RCMP contract cost and municipal expenses on support services, prisoner keeping and RCMP building maintenance.

2.3.128 As shown in Exhibit 18, the City’s total policing costs have increased at a relatively high pace during the four years covered by this audit. Civilian support service costs increased at about the same pace as the RCMP contract cost, approximately 20% over the four years.

2.3.129 In three out of the four years covered by this audit, the City’s policing services were within budget. As mentioned previously, the savings were mainly from the RCMP contract reflecting the vacancies of regular members in the Detachment.

EXHIBIT 17:
RCMP Overtime Costs

RCMP OVERTIME	2010/2011	2011/2012	2012/2013	2013/2014	AVERAGE
Overtime Budget	\$156,129	\$158,771	\$161,454	\$164,086	\$160,110
Actual Overtime Pay	\$127,689	\$244,403	\$160,806	\$188,375	\$180,318
(OVER)/UNDER BUDGET	\$28,440	\$(85,632)	\$648	\$(24,289)	\$(20,208)
% (OVER)/UNDER BUDGET	18%	(54%)	0%	(15%)	(13%)

Source: RCMP statements

FINDINGS

EXHIBIT 18: Total Policing Costs 2010-2013

CITY'S POLICING COSTS	2010	2011	2012	2013	2012-2013 CHANGE
RCMP Contract	\$3,597,767	\$3,978,661	\$4,483,615	\$4,328,960	20%
Civilian Support	\$729,986	\$746,634	\$772,715	\$868,397	19%
Community Policing	\$17,544	\$24,191	\$26,421	\$24,264	38%
Commissionaire Services	\$14,798	\$15,058	\$22,225	\$21,242	44%
Building Maintenance	\$307,342	\$350,344	\$431,144	\$324,915	6%
Custody of Prisoners	\$405,940	\$433,972	\$431,159	\$458,026	13%
Policing Costs Before Recoveries	\$5,073,378	\$5,548,861	\$6,167,280	\$6,025,805	19%
Recoveries	(\$326,550)	(\$316,844)	(\$345,063)	(\$298,495)	(9%)
Net Policing Costs	\$4,746,828	\$5,232,017	\$5,822,217	\$5,727,310	21%
Budgeted Policing Costs Before Recoveries	\$5,507,752	\$5,628,179	\$5,813,337	\$6,233,627	13%
Actual Policing Costs Before Recoveries	\$5,073,378	\$5,548,861	\$6,167,280	\$6,025,805	19%
Variance	\$434,374	\$79,318	\$(353,943)	\$207,822	
Variance in %	8%	1%	(6%)	3%	

Source: City's annual financial statements and other financial records

FINDINGS

Per Capita Comparators

2.3.130 In comparison to six other communities in B.C. with relatively similar populations and crime rates, we found the City was at the high end of per capita policing costs (Exhibit 19), while its crime rates remained high during the four years covered by the audit (see Exhibit 20). The City believes its higher policing cost per capita was partially due to declining population and its high crime rate.

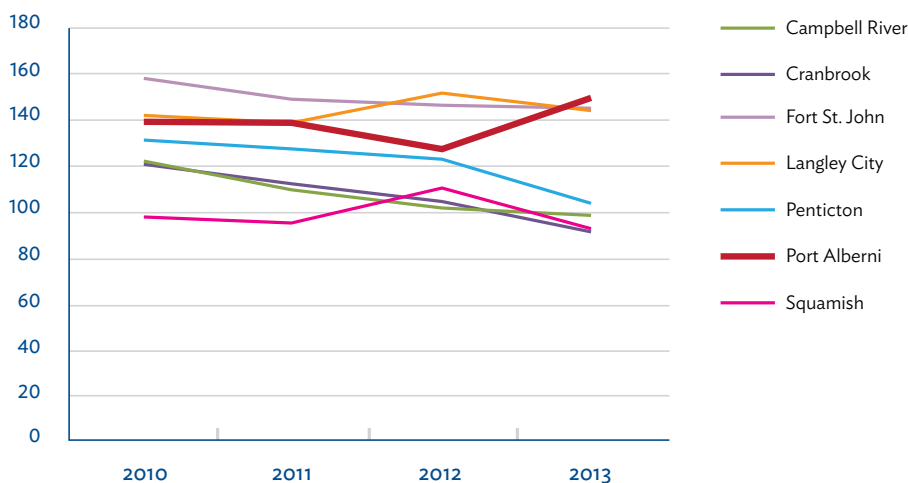
EXHIBIT 19:
Per Capita Policing Costs
Comparison 2010-2013

	2013 POPULATION	AUTHORIZED STRENGTH IN 2013	POPULATION PER OFFICER	POLICING COSTS PER CAPITA				% INCREASE 2010-2013
				2010	2011	2012	2013	
Campbell River	31,601	43	735	\$ 230	\$ 227	\$ 242	\$ 250	9%
Cranbrook	19,245	26	740	\$ 204	\$ 228	\$ 225	\$ 242	19%
Fort St. John	20,268	34	596	\$ 265	\$ 292	\$ 291	\$ 314	18%
Langley City	26,301	50	526	\$ 329	\$ 345	\$ 338	\$ 359	9%
Penticton	33,160	45	737	\$ 228	\$ 218	\$ 226	\$ 242	6%
Port Alberni	16,769	34	493	\$ 285	\$ 311	\$ 338	\$ 353	24%
Squamish	18,658	25	746	\$ 175	\$ 180	\$ 205	\$ 244	39%
Average	23,715	37	653	\$ 245	\$ 257	\$ 266	\$ 286	18%

Source: Policing Resources in B.C. 2010-2013

FINDINGS

EXHIBIT 20:
Municipal Crime Rates
Comparison 2010-2013



Note: The crime rate is defined by the number of Criminal Code offenses reported for every 1,000 permanent residents.

Source: Policing Resources in B.C. 2010-2013

Civilian Support Services

2.3.131 The civilian support services include staff for record management, data processing, reception, administration, court liaison duties and custodial guards. The salary levels and accountabilities of these positions are subject to the terms of a Collective Agreement.

2.3.132 In 2013, there were 15 full-time equivalent positions for civilian support in the Port Alberni Detachment, which accounted for approximately 31% of total staff in RCMP operations. This was on par with the national average of 29% in 2013 and the levels at other communities we reviewed.

FINDINGS

Given the trend in police expenditures, it is important for local governments to identify and implement both cost recovery and cost containment approaches.

Cost Recovery and Cost Containment

2.3.133 Local governments have expressed the concern over the increasing costs of policing and potential impacts on goals and objectives, programs, and services. Given the trend in police expenditures, it is important for local governments to identify and implement both cost recovery and cost containment approaches.

Cost Recovery

2.3.134 The City receives cost recoveries and revenue annually from several sources, which are described in Exhibit 21. Some of these fees are collected by the RCMP Detachment who then passes them onto the City.

EXHIBIT 21:
Typical Cost Recovery Items

COST RECOVERY TYPE	EXPLANATION
Prisoner Expenses	<ul style="list-style-type: none"> Local governments own and operate their prison facilities. Local government is reimbursed for prisoner costs related to keeping of provincial and federal prisoners, based on an hourly rate.
Enquiry Fees	<ul style="list-style-type: none"> The RCMP Detachment charges a fee for specific requests, such as photocopying of records and criminal record checks.
False Alarm Penalty Fees	<ul style="list-style-type: none"> The RCMP Detachment charges a false alarm penalty fee if the same individual/organization incurs a false alarm more than three times, at approximately \$100 / false alarm exceeding the maximum three false calls.
License/Permit Fees	<ul style="list-style-type: none"> These fees are for licenses and permits sold by the local government (e.g., special occasion liquor license).
Building Rentals	<ul style="list-style-type: none"> The RCMP pays a rent to the City for their provincial and federal employees' use of Detachment building owned and operated by the City.
Charges/Recoveries	<ul style="list-style-type: none"> The City bills organizations or individuals who request and use the RCMP to provide security services for special events, such as the Port Alberni Salmon Festival.

FINDINGS

2.3.135 During the period covered by the audit, the City's total policing cost recoveries declined, as shown in Exhibit 22.

2.3.136 We were advised that prisoner expenses, the single largest cost recovery component, is unknown and cannot be accurately forecasted, as it is based on the costs of the number of prisoners the City is able to charge back to the Province.

2.3.137 When faced with the need to replace the old RCMP building in 2006, the City chose to build and own its new building in order to have more control over the capital and operating expenditures. In addition, the City could collect lease payments from the RCMP Detachment, rather than pay a rent for the space required to accommodate the municipal RCMP members and support staff if RCMP owned the Detachment building.

EXHIBIT 22:
Policing Service Cost
Recoveries 2010 - 2013

COST RECOVERIES	2010	2011	2012	2013	% CHANGE
Recoveries (Recovered Prisoner Expenses)	\$166,825	\$169,646	\$160,421	\$167,297	0%
Recoveries (Enquiry Fees)	\$20,075	\$18,526	\$18,344	\$14,321	(29%)
Recoveries (False Alarm Penalty Fees)	\$200	\$-	\$700	\$100	(50%)
Recoveries (License/Permit Fees)	\$3,189	\$3,910	\$3,758	\$3,539	11%
Recoveries (Building Rentals)	\$122,439	\$122,439	\$158,990	\$111,011	(9%)
Recoveries (Charges/Recoveries)	\$13,822	\$2,323	\$2,850	\$2,227	(84%)
Total Cost Recoveries	\$326,550	\$316,844	\$345,063	\$298,495	(9%)

Source: City of Port Alberni financial records

FINDINGS

A workload analysis could assist in determining how much time is spent within each area.

2.3.138 Since the new Detachment building opened in 2007, the RCMP has paid the City a rent for the space deemed to be used by Provincial and Federal members and employees. The City cannot charge rent for the portion of the building used by the municipal RCMP members, as the City must pay 100% of the accommodation expense for these members and for the municipal support services staff. The lease agreement is reviewed regularly by the City and the RCMP.

2.3.139 We did not note any “out-of-scope” police duties performed by the Detachment during the period covered by this audit, such as assisting with policing emergencies in other municipalities. Therefore, the City and the Detachment did not receive any payment for such services.

Cost Containment

2.3.140 As mentioned previously, the cost of civilian support services is another expenditure the City may be able to influence by requesting changes to the staffing size or through more efficient staff scheduling.

2.3.141 The Port Alberni RCMP Detachment is a joint detachment responsible for federal, provincial and municipal policing, and the city is only responsible for cost sharing the municipal workload. At this time the City lacks the workload analysis data that would enable them to determine how the civilian support staff members utilized their time with respect to time spent on federal, provincial and municipal support duties.

2.3.142 A workload analysis could assist in determining how much time is spent within each area. Data records in the PRIME-BC system (Police Records Information Management Environment) used in B.C. could be analyzed with respect to criminal offense and location where the offense occurred in order to sort the respective federal, provincial and municipal case loads.

2.3.143 This analysis could be used to determine the right allocation of costs across federal, provincial and municipal support services. In addition, the analysis could be used to support revisions to staffing levels and scheduling which may lead to cost reductions. Further, such an analysis could also inform cost containment opportunities for the City through the transfer of administrative tasks from higher paid RCMP members to those civilian support staff.

CONCLUSION

2.3.144 Overall, we found that the City pays close attention to both financial and operational results, and has a good working relationship with the RCMP Detachment.

2.3.145 We found the City of Port Alberni had developed a good understanding of the 2012 MPUA, exercised an appropriate level of oversight of its policing services, and did a good job of managing its responsibilities under the *Police Act* and the 2012 Municipal Police Unit Agreement.

2.3.146 We also found a strong partnership between the City and the Detachment built on two-way communication and collaboration. This has led to policing plans and priorities based on Council and public concerns. However, we did find that there are opportunities to enhance City oversight of policing planning, monitoring and reporting.

2.3.147 We further found that policing resource levels were appropriately driven by budgetary considerations however, the City, working with the Detachment, should examine the RCMP's Police Resourcing Model to gain assurance that their Detachment strength is adequate.

2.3.148 Finally, we found that robust financial budgeting and monitoring controls were in place, and close attention was paid to cost drivers that were within the control of the City. There may be potential cost containment opportunities such as a workload analysis on civilian support service to assess appropriate staffing and possibility to further transfer non-policing or administrative duties from RCMP members to civilian staff.

RECOMMENDATIONS

Recommendation 1

The City of Port Alberni should consider expanding the role of its Audit Committee to include the review of operational information and performance updates on policing services.

Recommendation 2

The City of Port Alberni should enhance its performance measurement processes used in monitoring and reporting out on annual policing priorities as outlined in the Community Policing Plans, Priorities and Services section of this report.

Recommendation 3

The City of Port Alberni should request that the RCMP make its Annual Detachment Report available on the City's website.

Recommendation 4

The City of Port Alberni should substantiate the authorized strength of its Detachment by requesting the RCMP to examine their Police Resourcing Model (PRM).

Recommendation 5

The City of Port Alberni should request that the RCMP include explanatory text in the monthly financial statements for line items that vary significantly from budget.

Recommendation 6

The City of Port Alberni should request that the Detachment undertake a workload review to inform the level of civilian support staffing and assess opportunities to assign corporate-services duties and other non-policing work to civilian staff, as well as to confirm the appropriate allocation of costs between the City and the Province.

SUMMARY OF LOCAL GOVERNMENT'S COMMENTS

The City of Port Alberni would like to thank the Auditor General for Local Government and his staff for the thorough review that they have undertaken of the City's processes and procedures regarding the management and utilization of the Municipal Police Unit Agreement (MPUA) and our police budget oversight. City staff has advised that all interactions with the AGLG's staff during the conduct of this audit have been professional, courteous and thorough.

City Council is pleased with the positive findings of the audit which in summary indicate that the City's management staff pay close attention to both financial and operational results, have a positive working relationship with the RCMP Detachment, have developed a good understanding of the 2012 MPUA, exercise an appropriate level of oversight of its policing services, and do a good job of managing

our responsibilities under the Police Act and the 2012 Municipal Police Unit Agreement.

City Council has considered the recommendations of the audit and find that they are thoughtful and reasonable actions which can potentially provide for even better oversight of our police contract. Council have directed staff to implement the recommendation and an Action Plan is attached for your information and inclusion in the final Audit document.

Mike Ruttan
Mayor

November 24, 2015

CITY OF PORT ALBERNI'S ACTION PLAN

AGLG RECOMMENDATION	MANAGEMENT RESPONSE AND NEXT STEPS	PERSON RESPONSIBLE	TIMEFRAME
RECOMMENDATION 1			
The City of Port Alberni should consider expanding the role of its Audit Committee to include the review of operational information and performance updates on policing services.	Consider additional expenditure detail reporting to Audit Committee. OIC to attend Committee meetings.	CAO, OIC and Director of Finance	Commence for first Audit Committee meeting in 2016.
RECOMMENDATION 2			
The City of Port Alberni should enhance its performance measurement processes used in monitoring and reporting out on annual policing priorities as outlined in the Community Policing Plans, Priorities and Services section of this report.	Adopt standard performance metrics and monitor as part of Annual Reports and Strategic Plans.	CAO and OIC	Before end of 2016.
RECOMMENDATION 3			
The City of Port Alberni should request that the RCMP make its Annual Detachment Report available on the City's website.	Straightforward.	OIC and City Clerk	Before end of 2015.
RECOMMENDATION 4			
The City of Port Alberni should substantiate the authorized strength of its Detachment by requesting the RCMP to examine their Police Resourcing Model (PRM).	Request "E" Division to update PRM.	CAO and OIC	Request 1st quarter 2016. Completion up to RCMP timeframes.
RECOMMENDATION 5			
The City of Port Alberni should request that the RCMP include explanatory text in the monthly financial statements for line items that vary significantly from budget.	Request "E" Division to provide.	Director of Finance and OIC	Request 1st quarter 2016. Completion up to RCMP timeframes.
RECOMMENDATION 6			
The City of Port Alberni should request that the Detachment undertake a workload review to inform the level of civilian support staffing and assess opportunities to assign corporate-services duties and other non-policing work to civilian staff, as well as to confirm the appropriate allocation of costs between the City and the Province.	Prepare report with estimates of resource requirements and advance to budget consideration.	CAO, OIC and Director of Finance	Advance to budget consideration for 2016.

ABOUT THE AUDIT

The work completed for this audit was conducted in accordance with Canadian Standards on Assurance Engagements.

Audit Objectives

2.3.149 The overall objective of the audit was to determine whether the City of Port Alberni has effectively managed its responsibilities under the *Police Act* and the Municipal Police Unit Agreement by establishing sound managerial oversight practices including monitoring budgets, cost containment objectives and service levels for policing services while respecting the independence of policing operations. In addition, we looked for examples of leading practices and tools that other local governments could use to support their management of police agreements and police budget oversight.

2.3.150 Our specific objectives were to assess the City of Port Alberni's governance structure for policing, budgeting, forecasting and cost monitoring and reporting processes.

Audit Scope and Approach

2.3.151 The audit included a review of the City of Port Alberni's performance in two specific areas over the years 2010, 2011, 2012 and 2013:

- Corporate governance within the local government,
- Police budget management in accordance with the Municipal Police Unit Agreement.

2.3.152 The audit dealt only with local government operations, so did not include the RCMP Detachment's actual policing operations or its processes related to cost control and police detachment management.

2.3.153 In carrying out the audit, we interviewed staff and the Mayor at City of Port Alberni, as well as representatives of Port Alberni's RCMP Detachment.

2.3.154 The documentation we reviewed included agreements, plans and reports relating to policing in Port Alberni.

2.3.155 At the beginning of the performance audit process, we shared key audit-related documents with the City of Port Alberni. These included a description of the audit background, focus, scope and criteria and an engagement protocol describing the audit process and requirements. At the audit reporting stage, we also obtained management confirmation that the findings included in this report are factually based. The audit process is summarized in Exhibit 23.

Audit Criteria

2.3.156 Performance audit criteria define the standards that were applied to assess Port Alberni's performance. We expressed these criteria as reasonable expectations for the City's management of its police agreement and police budget oversight to achieve expected results and outcomes.

2.3.157 Below are the criteria that were applied to gauge the City of Port Alberni's performance. These criteria were defined in the audit program for this performance audit.

1. The local government has established a governance structure that is appropriate and allows for effective oversight of the police detachment.

ABOUT THE AUDIT

- The local government understands its authorities under the MPPUA and is positioned to exploit these authorities to contain policing costs.
 - The local government has appropriate engagement with the RCMP detachment.
2. The local government has established budgeting, forecasting and cost monitoring processes that are adequate and effective in directing resources to where they are needed.
- An annual priority-setting process exists within the local government to set priorities, goals and objectives for the RCMP detachment as allowed by the MPPUA.
 - The process for setting the priorities, goals and objectives is defined and transparent and, through community input, reflects the community's safety and security priorities.
 - The local government prepares a projected annual budget and projected budgets for the five-year financial plan for the RCMP detachment, in accordance with Article 16 of the MPPUA and reviews and discusses the budget with the RCMP detachment.
 - "Budget-to-actual" reports are received by the local government and variance analysis is performed in a timely manner; key cost drivers are identified and evaluated with regard to those that the government can and cannot influence; budget-to-actual variances are investigated on a regular basis.
- The local government requests data and information that allows the government to monitor the performance of the RCMP detachment, particularly with regard to effectiveness in accordance with Article 17 of the MPPUA.
- The local government:
 - > Identifies possible opportunities for cost containment, including new technologies and practices in other jurisdictions, and discusses these opportunities with the RCMP detachment in the context of Article 16 of the MPPUA.
 - > Monitors policing services provided in addition to law enforcement and 1) considers revenue-generating opportunities without impacting its public policing priorities; 2) uses its ability to recover costs related to additional policing requirements in a manner that is consistent with the policing agreements, the *BC Police Act* and the *RCMP Act*.

Period Covered by the Audit

2.3.158 The audit covered the four year period 2010 to 2013. We substantially completed our examination in 2014.

ABOUT THE AUDIT



EXHIBIT 23:
Performance Audit
Process

APPENDIX 1 – SUPPLEMENTARY INFORMATION ON POLICING SERVICES IN B.C. AND PORT ALBERNI

2.3.159 This section contains detailed contextual information on policing services in B.C. and Port Alberni, including key crime statistics, policing costs and demographic characteristics. This information will provide the reader with a more complete understanding of policing services.

How Policing is Delivered in B.C.

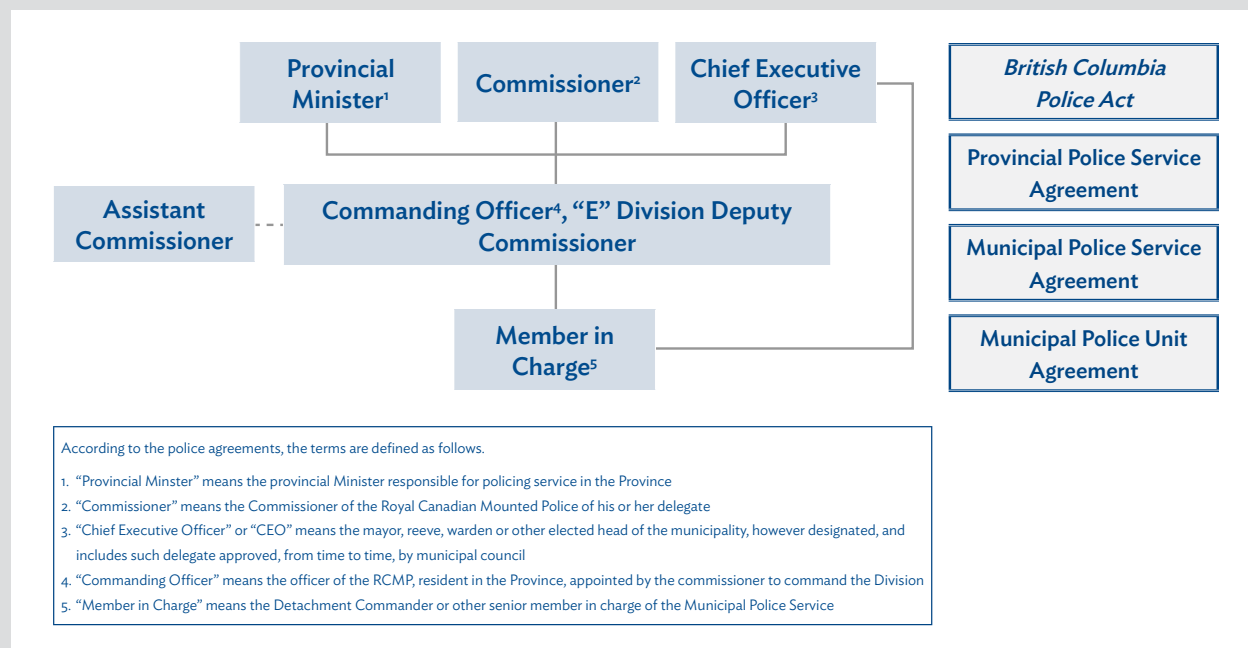
2.3.160 The Royal Canadian Mounted Police (RCMP) has been providing contract policing in British Columbia since 1950, when the province ceased to have its own police force.

2.3.161 The British Columbia *Police Act* (the “*Police Act*”) stipulates that a municipality must assume responsibility for police services when its population reaches 5,000 persons. There are three options for municipalities to meet their policing requirements:

- Form their own municipal police department (Independent Police Force);
- Contract with an existing municipal police department; or,
- Contract with the provincial government for RCMP municipal services.

2.3.162 Exhibit 24 below illustrates the high-level relationship between the relevant act, agreements and positions. The Chief Executive Office (“CEO”) is the mayor, reeve, warden or other elected official of the municipality.

EXHIBIT 24: RCMP Police Structure



APPENDIX 1 – SUPPLEMENTARY INFORMATION ON POLICING SERVICES IN B.C. AND PORT ALBERNI

2.3.163 The RCMP has policing models for municipal Detachments, regional and integrated Detachments and First Nations policing. The municipal Detachment model is the only one of these that is relevant to this performance audit.

2.3.164 The British Columbia *Police Act* requires municipalities to pay for local police services if their population totals 5,000 persons or more. Regional districts do not have policing responsibilities.

2.3.165 There are currently 74 municipalities in B.C. with populations of 5,000 or more. The number of municipalities by policing model is shown in Exhibit 25. A brief description of these models follows the table.

EXHIBIT 25: Number of B.C. Municipalities by Policing Model, 2014

POLICING MODEL	# OF MUNICIPALITIES
Independent Force	12
Over 15,000 RCMP	31
5,000 – 15,000 RCMP	31
Total	74

2.3.166 A municipality that chooses to have its own independent police forces pays 100 % of the costs and has a civilian police board to govern the police department. The board works with the chief constable to set priorities, goals and objectives. These must be consistent with provincial laws and must be in response to community needs.

2.3.167 A municipality that chooses to contract with the

provincial government for RCMP municipal policing services enters into a Municipal Police Unit Agreement with the Province.

2.3.168 Municipalities with populations over 15,000 pay 90% of the direct policing cost, with the federal government paying the remaining 10%. Municipalities with populations between 5,000 and 15,000 receiving police services from the RCMP pay 70 %, with the federal government paying the remaining 30 %. All municipalities that contract for RCMP services pay 100% of certain costs, such as Detachment accommodation and support staff.

2.3.169 The RCMP’s “E” Division in B.C. is the largest of 15 RCMP Divisions across Canada. “E” Division headquarters are located in Surrey. The RCMP divides the province into four districts: Lower Mainland District, North District, South East District and Vancouver Island District. Through “E” Division, the RCMP provides federal, provincial, municipal and First Nations policing services, as well as policing infrastructure such as air services, communications and specialized units.

Policing in Port Alberni

2.3.170 Port Alberni’s population was close to 17,000 in 2013. Any municipality in B.C. with a population of 5,000 or more is responsible for its municipal police services as per the BC *Police Act*. Port Alberni has contracted with the provincial government for Royal Canadian Mounted Police (RCMP) municipal police services.

2.3.171 The Port Alberni Detachment is located in the “E” Division’s Island District, which includes Vancouver Island and a portion of the B.C. mid-coast.

APPENDIX 1 – SUPPLEMENTARY INFORMATION ON POLICING SERVICES IN B.C. AND PORT ALBERNI

2.3.172 In Port Alberni, the RCMP Detachment’s Officer in Charge reports to the City’s mayor and chief administrative officer, as well as to the Commanding Officer of the RCMP “E” Division. The City’s Chief Administrative Officer, who is the City Manager, is the main point of contact for the Officer in Charge.

2.3.173 The Port Alberni Detachment includes regular members who are fully dedicated to policing in the City of Port Alberni, regular members who have Provincial policing responsibilities in the broader Alberni Valley outside the City, and federal members dedicated to First Nations policing. The City of Port Alberni does not pay for the members who handle policing in the broader Alberni Valley and First Nations policing.

2.3.174 In 2013, the Port Alberni Detachment had an authorized strength of 34 officers dedicated to policing in the City and 29 municipal support services staff. These 29 municipal staff include part time employees and the total of 29 equates to 15 full time equivalents (FTEs).

2.3.175 Port Alberni also has a Community Policing Office, a partnership between the RCMP and the community. The Community Policing Office is operated by approximately 90 trained, security-cleared volunteers who run programs such as Citizens on Patrol (COPS), Block Watch and Speed Watch.

Crime Trends

2.3.176 While it would be beyond the scope of this audit to examine causes of crime and any possible links between policing and levels and types of crime, we acknowledge that it is widely accepted that crime rates are influenced by a complex range of factors. While the media and the public often draw direct links between crime rates or individual high profile crimes and policing levels and methods, we do not assume any such links.

In Canada and B.C.

2.3.177 Police reported crime has declined in Canada for the past 20 years. As Exhibit 26 indicates, this trend continued between 2010 and 2013.

2.3.178 Across Canada, close to two million criminal incidents were reported to police services in 2012, about 36,000 fewer than in the previous year.

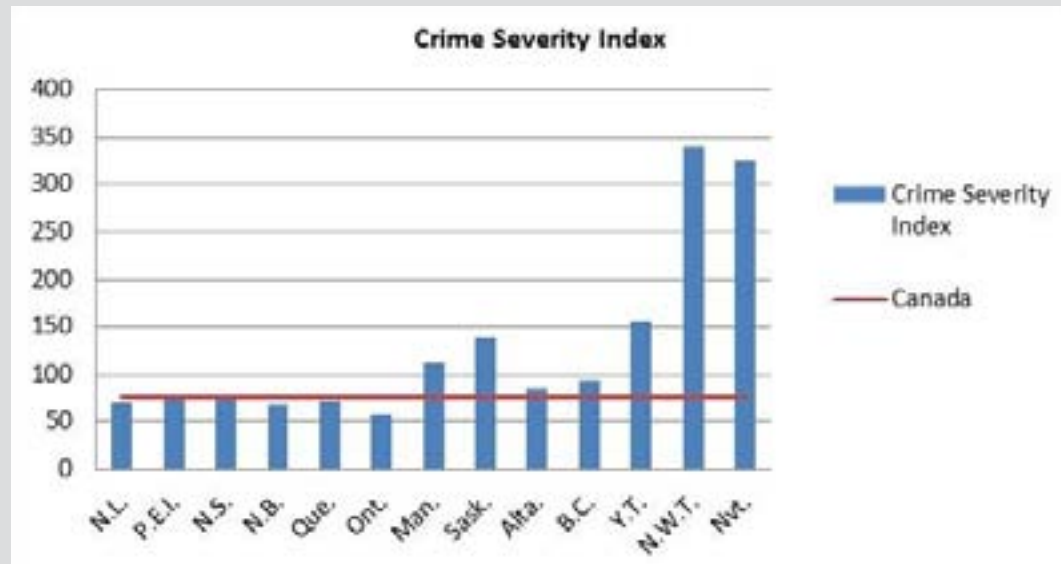
YEAR	# OF REPORTED CRIMES	EXHIBIT 26: Police-Reported Crime, Canada 2010 - 2013
2010	2,094,338	
2011	1,984,790	
2012	1,957,227	
2013	1,824,837	

Source: Statistics Canada, Canadian Centre for Justice Statistics, Uniform Crime Reporting Survey.

APPENDIX 1 – SUPPLEMENTARY INFORMATION ON POLICING SERVICES IN B.C. AND PORT ALBERNI

2.3.179 For almost all provinces, the Crime Severity Index has remained low and is now the lowest it has been since 1998; the first year such a statistic was calculated. The index is calculated by assigning a weight to each type of offence based on sentences handed down by the courts. While the index for B.C. has declined in recent years, it remains higher than the Canadian average.

EXHIBIT 27: Crime Severity Index by Province and Territory, 2012



Source: <http://www.statcan.gc.ca/pub/85-002-x/2013001/article/11854/c-g/desc/desco5-eng.htm>, downloaded July 18, 2014

APPENDIX 1 – SUPPLEMENTARY INFORMATION ON POLICING SERVICES IN B.C. AND PORT ALBERNI

In Port Alberni

2.3.180 As Exhibit 28 shows, the overall crime rate in Port Alberni increased by 7.6% between 2010 and 2013, while criminal code offences increased moderately. Motor vehicle offences declined by 54.2% and property offences, by 11.1%. Violent offences declined by 2.2% and calls for service declined by 2.5%. Administration of justices offences ² increased by 33.9%, “other” ² criminal code offences by 21.3% and drug offences by 14.7%.

EXHIBIT 28: Port Alberni Crime Statistics 2010 to 2013

CITY OF PORT ALBERNI	2010	2011	2012	2013	INCREASE/ (DECREASE) 2013/2010
Criminal Code Offences (CCO)	2,465	2,508	2,286	2,505	2%
Crime Rate	139	141	129	149	8%
Violent Offences	457	527	445	447	(2%)
Property Offences	1,167	1,116	1,087	1,038	(11%)
Other Criminal Code Offences	841	865	754	1,020	21%
Homicide Offences	-	1	1	1	
Motor Vehicle Offences	59	38	40	27	(54%)
Administration of Justice Offences	295	284	307	395	34%
Drug Offences (CDSA)	102	172	125	117	15%
Number of Calls for Service	9,961	10,455	9,830	9,712	(2%)

Sources: Police Services, Ministry of Justice

(Note that crime statistics may vary, depending on the source.)

² Other Criminal Code Offences include criminal code offences not classified as either violent or property crimes, e.g. prostitution, gaming and betting, offensive weapons, offences related to currency, offences against the administration of justice, offences against public order, etc.

APPENDIX 1 – SUPPLEMENTARY INFORMATION ON POLICING SERVICES IN B.C. AND PORT ALBERNI

Policing Cost Trends

In Canada and B.C.

2.3.181 As Exhibit 29 shows, per capita policing costs across Canada increased by 7.5 % between 2010 and 2013, while policing costs per capita increased by 4.0 %.

2.3.182 Total policing costs in B.C. increased by 4.9 % over this same period. Exhibit 30 shows that average per capita policing costs in Canada were slightly higher than Port Alberni's over the four-year period. However, the gap narrowed over the audit period, such that average per capita policing costs were only \$30 higher for Canada relative to Port Alberni.

EXHIBIT 29: Policing Costs in Canada, 2010 – 2013

POLICING COST IN CANADA	2010	2011	2012	2013	% CHANGE
Total Policing Cost ('000)	\$ 12,651,596	\$ 12,952,388	\$ 13,549,594	\$ 13,596,486	7.5%
Cost Per Capita	\$ 372	\$ 377	\$ 390	\$ 387	4.0%

Source: <http://www.statcan.gc.ca/pub/85-002-x/2014001/article/11914/tbl/tbl1-eng.htm>, Downloaded June 11, 2015

EXHIBIT 30: Per Capita Policing Costs in Canada and Port Alberni

PER CAPITA POLICING COSTS	2010	2011	2012	2013
Cost Per Capita Policing - Canada	\$ 372	\$ 377	\$ 390	\$ 387
Cost Per Capita Policing - Port Alberni	\$ 267	\$ 309	\$ 354	\$ 357
Difference	\$ 85	\$ 68	\$ 36	\$ 30

Sources: City of Port Alberni and Statistics Canada

APPENDIX 1 – SUPPLEMENTARY INFORMATION ON POLICING SERVICES IN B.C. AND PORT ALBERNI

In Port Alberni

2.3.183 As Exhibit 31 indicates, policing costs in Port Alberni increased faster than the combined growth in population and inflation.

2.3.184 The City’s total policing costs increased by over 18 % from 2010 to 2013. It increased at a faster pace than the policing cost increases in Canada (7.5 %) and in B.C. (4.9 %) over the same period.

EXHIBIT 31: Growth of Policing Costs in Port Alberni Relative to Population and Inflation

POLICING COST	2010	2011	2012	2013	% Change
Total Policing Cost [^]	\$ 5,073,378	\$ 5,548,861	\$ 6,167,280	\$ 6,167,280	18.8%
Population	17,693	17,934	17,427	16,897	(4.5%)
Total Policing Cost Per Capita	\$ 287	\$ 309	\$ 354	\$ 357	24.4%
Consumer Price Index Growth (BC)	114	117	118	118	3.4%

[^]Total policing costs include RCMP contract costs and municipal support services costs

AGLG CONTACT INFORMATION

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