



**STAFF REPORT
ACTION REQUIRED**

Toronto Police Service – Downloaded Policing Costs by the Federal Government

Date:	April 14, 2010
To:	City Council
From:	City Manager
Wards:	All
Reference Number:	

SUMMARY

This report provides a high level estimate to City Council on costs incurred by the Toronto Police Service for duties performed attributed to federal activities, in response to Executive Committee’s request at its meeting of April 7, 2010. The costing model suggested by the Federation of Canadian Municipalities (FCM) in the attached report, *Towards Equity and Efficiency in Policing* states that at least 10% of a municipal police force’s annual budget should be reimbursed by the Government of Canada for federal policing activities. For the 2010 Recommended Operating Budget for the Toronto Police Service, this would amount to a federal reimbursement of approximately \$95 million.

Also included in this report is a 2006 report from the Chief of Police, *Examination into Cost Recovery Opportunities for the Toronto Police Service*, which outlines the responsibilities of the Toronto Police Service in providing policing services that incurred costs that could be attributed to federal activities. To provide a more accurate estimate on costs incurred for federal policing activities, it is recommended that the Toronto Police Services Board, with assistance from the Chief Financial Officer and Deputy City Manager, report back to the Executive Committee in August 2010, with an updated report on downloaded policing costs from the federal government, including responsibilities identified in the 2006 Board report along with applicable capital costs and indirect administrative costs.

RECOMMENDATIONS

The City Manager Recommends that:

1. City Council request the Toronto Police Services Board, with assistance from the Chief Financial Officer and Deputy City Manager, report back to the Executive Committee on August 16, 2010, with an updated report on downloaded policing costs by the federal government.

Financial Impact

The 2010 Recommended Operating Budget for the Toronto Police Service includes \$953.844 million in gross expenditures.

The costing model suggested by the FCM, states that at a minimum, 10% of a municipal police force's annual budget should be reimbursed by the Government of Canada for federal policing activities. Applying this model for 2010, this would amount to a federal reimbursement of approximately \$95 million.

A more accurate estimate of costs incurred by the Toronto Police Service for downloaded federal policing would require the Service to examine, more specifically, the portion of costs incurred in delivering intelligence, national security, emergency planning, coast guard responsibilities, consulate protection, drug money seizure and organized crime police services that are attributed to federal policing activities. A report from the Police Services Board on this issue would need to determine the portion of the Police Service's Budget for these services that support federal policing activities, while also examining costs incurred for divisional policing, indirect administrative costs and capital expenses.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

ISSUE BACKGROUND

The attached FCM report, *Towards Equity and Efficiency in Policing* released May 29, 2008, suggests a costing model to determine the amount of a municipal police force's annual budget that should be reimbursed by the Government of Canada for federal policing activities. The FCM model states that at least 10% should be reimbursed for federal policing activities. This is based on the existing federal formula used in apportioning costs for RCMP contract policing, of either 10 per cent or 30 per cent, as municipally contracted RCMP officers are assumed to spend a minimum of between 10 and 30 per cent of their time enforcing federal laws.

Key recommendations from the FCM towards more equity and efficiency in policing stated in the conclusion on page 20 of the FCM report, include:

- As an interim measure, pending a full review of the existing policing regime, the Government of Canada should provide an **equity and efficiency allocation** to compensate municipal governments for their role in enforcing federal policing mandates; and provide funding sufficient for municipalities to meet their growing responsibilities.
- The Government of Canada should appoint a special panel to review the existing distribution of policing functions. Specifically, the panel, which should include municipal government representation, should be mandated to look at policing roles and responsibilities; resource allocation and capacity; and RCMP contract policing.

Also attached to this report is a report from the Chief of Police, *Examination into Cost Recovery Opportunities for the Toronto Police Service* extracted from the minutes of the public meeting of the Toronto Police Services Board held on August 10, 2006 (Board Minute No. P252/06), which outlines the responsibilities of the Toronto Police Service in providing policing services in the areas of intelligence, national security, emergency planning, coast guard responsibilities, consulate protection, drug money seizure and organized crime, where possible, costs incurred could be attributed to federal issues.

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SIGNATURE

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ATTACHMENTS

1. Toronto Police Services Board Report, *Examination into Cost Recovery Opportunities for the Toronto Police Service*, Minute No. P252/06
2. FCM Report, *Towards Equity and Efficiency in Policing*, released May 29, 2008