

Subject: OPP Transition Update

Department: Administration

Division: CAO

Report #: CAO-2021-003

Meeting Date: 2021-02-08

Recommendations

That report CAO-2021-003, dated February 8, 2021, titled OPP transition update be received.

Background

On December 10, 2019 Council voted to transition to the Ontario Provincial Police (OPP) and disband the Orangeville Police Services (OPS).

On January 13, 2020 Council received report CAO-2020-001, OPP Transition Plan which outlined the tentative timelines and the official transition date of October 1, 2020.

The Ontario Civilian Police Commission (OCPC) Brief Submission was submitted on March 5, 2020 and approval was received on May 22, 2020 for approval for the Town of Orangeville to transition to the OPP.

On October 1, 2020 the Town of Orangeville officially transitioned to the OPP.

Analysis

Staff Transition and Recruitment

Uniform and civilian members totalling 28 members that have transitioned to the OPP. Training was completed at headquarters in Orillia until October 30, 2020 and the officers have now returned to the Orangeville Detachment.

Six civilian members have been hired full-time by the OPP and two have accepted positions with the Town of Orangeville.

The terms of the police services contract between the Town and the Ministry of Solicitor General includes a 52.58 full-time employees (FTEs) staffing compliment. As of December 31, 2020, the level was 40.58 FTEs (31.58 uniform and 9 civilian). The 12 vacant positions are being filled and recruited by the OPP, who anticipate the majority of these positions filled by the end of spring of 2021.

OPS Severance

The final cost of severance for Orangeville Police Services (OPS) transition is little over \$5.25 Million. This final cost does not include eligible training allowance which only applies to those not offered employment with the OPP, Town or Province in the amount of \$3,750 per association member payable upon provision of receipts as per the collective agreements. Training allowances is estimated to be a maximum of \$108K. Other additional costs will include top up pay and pension costs as per the arbitration award. OMERS and the Public Services Pension Plan (PSPP) continue to review pensionable service and contributions based on the members OPP position and will advise the Town accordingly within the next several months.

Financing of Severance

The abovementioned total cost of OPS severance has been financed through the Town's Revolving Line of Credit (LOC) based on the following negotiated terms:

- The LOC terms have been negotiated to be interest only payments for the first 3 years (2021-2023). Combined interest and principal payments will resume as of January 1st, 2024. It is worthwhile to note, as mentioned above, that there are additional transitional costs such as top-up pay, education allowance, and pension plan bridge that the Town will be required to pay out in the future. As of writing this report, these numbers are not fully developed. It is not uncommon for a transition process of this magnitude to roll out over an extended period.

Given that this is a revolving line of credit, in other words an open line of credit, the Town will have the ability to pay it off at a desirable pace suitable and subject to its annual cash flow. The maximum room for amortization is 25 years, therefore, minimum principal repayment will apply effective January 1st, 2024. There is no penalty in paying it off earlier.

Asset Transition

The Town continues in the process of repurposing assets, particularly major assets such as vehicles and weapons. Of the twelve OPS vehicles, 7 had significantly high mileage and 5 are potentially scrap. One unmarked SUV with low mileage will be transferred to the Town for by-law enforcement and the remaining 11 vehicles are being sold to the highest bid of \$46,400 plus applicable taxes.

The OPP has acquired the below list of firearms determined at a fair market value as listed. The additional firearms and ammunition are in custody of the OPP as there is no market for these items. OPP will be assisting in the destruction of these, at no cost to the Town.

Description	Quantity	Offer
Conducted Energy Weapons (CEW)	21	\$10,627
Colt C8s	6	\$ 9,150
Canadian Forces C8s	4	\$ 2,260
TOTAL:	31	\$22,037

Records Transfer

The Town entered into an agreement with the Orangeville Police Service Board effective September 15, 2020 to provide archival services. The Town is working with the Board to verify and classify all inactive records received in accordance with the Board's Records Retention Policy. Active policing records were transferred to the OPP.

Police Facility Renovations

The Town contracted Formworks, Inc. Architects for the facility design plans, Baker Engineering and Risk Consultants Inc. as the engineering firm for safety and security upgrades according to OPP guidelines and W. S. Morgan for the construction project.

OPP assumed control of the facility on October 1, 2020 and the detachment became accessible to the public on November 3, 2020. Due to the Covid-19 pandemic the General Contractor experienced a small number of material delays that resulted in adjustments to the construction schedule. The construction project team in consultation with OPP has re-scheduled a number of minor renovations including the installation of specialized doors within the facility and the replacement of the main entrance door over the coming weeks so as not to conflict with OPP operations.

Overall the police facility renovation project remains within the approved budget of \$1.1M with a marginal surplus for the completion of the minor task still to be completed. No additional charges are anticipated at this time.

Annual Billing Statement

The annual billing statement for the period of October 1 through to December 31, 2020 based on the FTEs in place during that period of 39.58, and one additional FTE effective December 14, 2020 was \$1,571,424, excluding initial costs and credit for the weapons purchased by OPP.

The annual billing statement estimate costs for 2021, at the contracted full staffing compliment of 52.58 FTE's is forecasted at \$715,495 monthly. The actual monthly billing statements are pro-rated for the FTE levels based upon the effective start dates and therefore the January 2021 monthly billing statement was \$545,535 as the Town is only being billed for the 40.58 FTE's currently in place.

The Town is not billed for vacant positions. The OPP will provide a revised annual estimate as vacant positions are filled.

Strategic Alignment

Orangeville Forward – Strategic Plan

Priority Area: Strong Governance and Community Stewardship

Objective: Enhanced Communication, Safe and protected services

Sustainable Neighbourhood Action Plan

Theme: Corporate and Fiscal

Strategy: Create and integrate sustainable principles into Town policies, processes and practices.

Notice Provisions

N/A

Financial Impact

The OPP transition continues to trend within its estimated transition costs. Further financial updates will be presented as they become available.

Respectfully submitted

Ed Brennan
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Attachment(s): 1. Not Applicable