



City of
Peterborough

To: **Members of the General Committee**

From: **Richard Freymond**
Commissioner of Corporate and Legislative Services

Meeting Date: **March 2, 2020**

Subject: **Report CLSFS20-021**
Distribution of Ontario Cannabis Legalization
Implementation Funding

Purpose

A report to recommend that the funding received from the Province for the Ontario Cannabis Legalization Implementation be transferred to the Peterborough Police Services.

Recommendation

That Council approve the recommendation outlined in Report CLSFS20-021 dated March 2, 2020, of the Commissioner of Corporate and Legislative Services, as follows:

That funding received in the amount of \$253,639 for the Ontario Cannabis Legalization Implementation Funding, be transferred from Reserve to the Peterborough Police Service.

Budget and Financial Implications

There are no net budget or financial impacts to approving the recommendation. Funding was received from the Province in 3 installments and is currently being held in Reserve.

The Peterborough Police Service has and will continue to incur substantial costs in excess of the \$253,639 related to the legalization of recreational cannabis.

Both Peterborough Public Health and City Departments have incurred some costs to date, however, there is a general acknowledgement that Police Services will incur the majority of the costs.

Background

As a result of the decision of Council to not “opt out” of allowing cannabis retail stores in Peterborough (Report CLSOCS18-006 Legalization of Cannabis Update dated December 3, 2018), the City was the recipient of funding from the Ministry of Finance to help with the direct implementation costs of recreational cannabis legalization.

At its meeting of January 28, 2019 upon consideration of Report CLSFS19-011 Ontario Cannabis Legalization Implementation Fund, Council resolved that:

- a) That an Ontario Cannabis Legalization Implementation Reserve be created and that the \$185,590 Funding be placed in Reserve; and**
- b) That staff report back to Council in 2019 with a recommendation on the use of these funds.**

This report responds to recommendation b). Ultimately, funding was received in 3 installments and in total amounted to \$253,639.

Examples of the types of expenditures eligible for funding include:

- by-law/policy development (police, public health, workplace safety policy)
- increased enforcement
- increased response to public inquiries
- increased paramedic and fire services

The Peterborough Police Services has and will continue to incur significant costs as a result of the legalization of recreational cannabis. Details as to the type of activities and estimates of costs are provided in Appendix A - Report to the City of Peterborough and include the following:

- Standard field sobriety testing
- Drug recognition expert training
- Bill C-45, Bill C-46 and Provincial Regulation Training (Including Impaired Driver Training)
- Roadside screening equipment and supplies
- Criminal investigations into unlawful cannabis dispensaries
- Lawful dispensary
- RIDE (Reduce Impaired Driving Everywhere) costs

Peterborough Police Service is requesting transfer of the full allocation of monies received by the City as estimated costs for staff training, specialized equipment and staff backfill will far exceed the implementation monies the City has received.

Submitted by,

Richard Freymond
Commissioner of Corporate and Legislative Services

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Attachment:

Appendix A – Report to the City of Peterborough as prepared by the Peterborough Police Service

Report to the City of Peterborough

Reference: Request for Funds From The Cannabis Legalization Implementation Fund

Ontario Cannabis Legalization Implementation Fund — OCLIF Allocation Table

Municipality	OCLIF First Payment	OCLIF Second Payment	OCLIF Third Payment
Peterborough (City)	\$92,795	\$113,537	\$47,307

Since the Cannabis Act legislation came into effect and Bill C-45 and Bill C-46 were enacted, the Peterborough Police Service has experienced several costs as a result both for training our officers as well as the enforcement requirement. We have received no funding at this time from the federal, provincial or municipal governments.

The costs were not factored into our 2017 budget as it had already been completed by the time we were aware of the pending legislation. In early 2018 and 2019 we had to quickly train officers to prepare them for the changes as well as training more specialists in the areas of SFST (Standard Field Sobriety Testing) and DRE (Drug Recognition Experts). We had to readjust schedules during that period of time as well as pay call out for officers to supplement shifts while the specialty training was going on to maintain the appropriate shift complements to protect the public. There was further training for all officers around case law, academic training on new legislation, new equipment, drug impaired driving and new investigative methods.

Below please note some of the financial implications that the Cannabis Act has imposed on the Peterborough Police Service.

Standard Field Sobriety Testing (SFST Officers)

The Standard Field Sobriety Test (SFST) is a psycho-physical coordination test used by officers to reveal clues of the subject driver's level of impairment and forms a key part of the evidence necessary to lay a charge. Police officers are increasingly being trained in the use of SFSTs in an effort to curb impaired driving as a result of alcohol and/or drug use. The course is 5 days and we have to callout an officer, while the SFST officer is being trained, to backfill the shift to minimum shift complement.

We currently have 11 officers trained and will need to train 25 more over the next two years.

- The cost to train 1 officer is **\$750.00**
- The cost for callout to backfill each officer is **\$6,139.00** (x 25)

Drug Recognition Expert Training (DRE Officer)

If there is evidence of impairment based on the SFST, the driver must accompany the officer to the Peterborough Police Service for further evaluation of drug influence by an officer trained in the Drug Recognition Expert (DRE) Program. Using a detailed twelve step method, a DRE conducts a diagnostic examination of persons arrested or suspected of drug-impaired driving or similar offenses. Based on the results of the drug evaluation, the DRE forms an expert opinion on impairment, the type of impairment,

and the most likely source. If a DRE is not on duty, then one is brought in on call out to conduct the expert examination, which is an additional cost.

We currently have 4 officers trained and will need a minimum 5 more over the next two years.

- Cost of Training each officer is **\$5,429.55** (per officer)
- Cost of backfill for officers on training **\$18,416.00** (for three weeks)

Bill C-45, Bill C-46 and Provincial Regulation Training (Including Impaired Driver Training)

A training program is necessary for all officers on the implications of bills C-45, C-46 and associated provincial regulations, through a combination of instructor led training and e-learning. Civilian support staff is needed to develop e-learning for all officers for drug detection in drivers, legislative and case law updates, best practices, and annual ongoing updated training course design.

- The cost for this training is **\$7,000.00** (through Canadian Police Knowledge Network (CPKN) for all members to be trained.)
- Supervisor of the Drug Unit – Legislative Training at Infonex Conference - **\$2,363.93**

Roadside Screening Equipment and Supplies

An approved screening device has been identified by the government. The cost is approximately **\$6,000.00** per unit/device and the eventual goal would be to have 5 units for our Service in the near future. These units will have to be maintained, repaired, and replaced at regular intervals and life cycles as well.

Each of the roadside screening tests utilizes a **\$40.00** non-reusable detection cartridge comprised of perishable fluids that expire two years from the date of manufacture. For driver checks, a historical three-year average was developed from RIDE statistics that suggested for each suspension there were 6.4 tests administered. The estimate of future drug impaired driving is a key assumption and at the time of this report we cannot say how many detection cartridges will be needed. The National Highway Traffic Safety Administration's Roadside Studies that found, "...that the presence of THC among drivers has increased, and THC positive driving now exceeds alcohol positive driving." (Source York Regional Police)

- Total cost of equipment would be approximately **\$30,000.00** (5 units). This does not include the **\$40.00** test cartridges necessary for every individual test.

Criminal Investigations into Unlawful Cannabis Dispensaries

It should be noted that our Service is now dealing with illegal dispensaries since the discussion around legalizing cannabis began in the past few years. Provided below are examples of the costs of these investigations:

Our Drug Enforcement Unit is comprised of 4 Detective Constables who prioritize what investigations they will work on. Due to the toll opioids are exacting on our communities, the majority of their investigations have focused on trying to save lives by concentrating on fentanyl dealers. They also have to react to complaints about illegal cannabis dispensaries which also necessitates overtime to complete investigations.

- PB16021105 & PB16022364 (same location days apart reopened) George Street, Peterborough
 - **Cost \$25,550.00** – 3 Search Warrants were conducted, numerous hours of intelligence and surveillance gathering including an undercover operator required to make purchases at the store, follow up was required, the seizure of evidence as well as Health Canada seizure and disposition forms. This does not include court time for officers involved.
- PB19007812 (Peterborough Address) - basement illegal dispensary - received a number of complaints from neighbours as well as Councillors
 - **Cost \$23,750.00** - 1 Search Warrant, extensive time on surveillance, use of ERT team, use of K9 team and multiple arrests. This does not include court costs.

Lawful Dispensary

At the time of this report we do not have a confirmed lawful dispensary in Peterborough but we have been made aware this is only a matter of time. Our understanding is that the municipal police service that the dispensary resides in will be responsible for enforcement. Any complaints regarding the dispensary will come to the police including selling to underage persons, breaching policy/legislation (ie: purchasing supply from other than the Ontario Cannabis Store or other federally approved outlet.)

- **Cost is unknown at this time but there will be a cost.**

RIDE (Reduce Impaired Driving Everywhere) Costs

We currently receive a provincial grant for the RIDE Program (April 1, 2019 - March 31, 2020) in the amount of \$23,590.00, which is enough to cover the average number of RIDE details conducted each year. Since legalization of cannabis we will be completing more RIDE initiatives than normal.

- **Cost \$70.00** per hour (8 hours duration) x 4 officers = **\$2,240.00**

There are several other costs that are not available at the time of this report:

- Drug Impaired Traffic Stops, Seizures and Violations
- Motor Vehicle Collisions (Colorado reported a 7.2 % increase and 11% increase in traffic deaths 1 year after legalization.)
- Injured Persons (Colorado experienced a 29% increase in cannabis related emergency room visits in the year after.)

Please find attached:

- Appendix A: Shows the various Police Services that have confirmed receipt of full or partial funds provided by their municipality. At the time of this report these are the Services that have replied formally.
- Appendix B: York Regional Police Service forecasted budget increase as a result of the Cannabis Act

- Appendix C: Indicates Belleville Police Service's increase in budget revenue as a result of the Cannabis Act.

It should also be noted that with some of these funds we would establish a dedicated beat patrol program on an extra duty basis to help deal with legal and illegal cannabis dispensaries, by-law enforcement, underage cannabis use, second hand smoke (cannabis), public concerns and complaints, and increased visibility in the downtown, particularly in the area of the legal retail outlet that has been proposed in the community.

Appendix A

Provincial Cannabis Funding			
	Police Service	Municipality	Funding
Timmins Police Service	✓		\$100,000
Guelph Police Service	✓		TBC
St. Thomas Police Service	✓		\$50,000
South Simcoe Police		✓	
Strathroy Caradoc Police Service		✓	
Cornwall Police Service	✓		\$40,000
Sarnia Police Service	✓		\$116,746
Brockville Police Service	✓		\$55,182
Shelburne Police Service		✓	
Kawartha Lakes Police Service	✓		\$84,000
Dryden Police Service	✓		25362
Belleville Police Service	✓		\$131,500
West Grey Police Service	✓		\$21,592
Orangeville Police Service	✓		\$13,881
Barrie Police Service	✓		\$243,240



Financial Implications of the Cannabis Act

November 15, 2017

Jeff Channell, Manager Financial Services

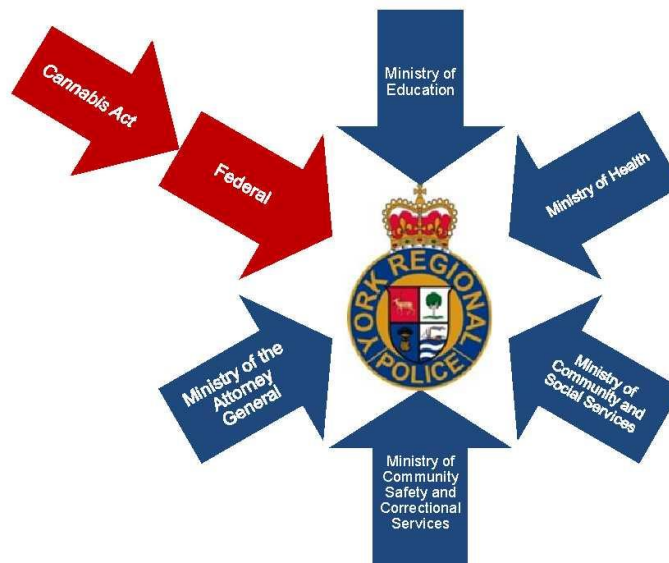


Presentation Overview

- Service Delivery and Funding Challenges
- Experiences of Other Jurisdictions
- Preliminary Findings Overview
 - Known/Mandatory Costs
 - Anticipated/Expected Costs
 - Best Practices Costs
 - Unknown Costs
- Board Resolution on Cannabis Funding



Service Delivery & Funding Challenges



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Experiences of Other Jurisdictions

Research

- The Legalization of Marijuana in Colorado, Rocky Mountain High Intensity Drug Trafficking Area
- Washington State Marijuana Impact Report, Northwest High Intensity Drug Trafficking Area
- Impact of the Legalization and Decriminalization of Marijuana On the DWI System, National Highway Traffic Safety Administration
- Written Brief to the Standing Committee on Health, Canadian Association of Chief's of Police

Findings

- Increased cannabis consumption and a corresponding increase in demands on police resources for cannabis related enforcement and calls for service
- Increase in the number of Criminal Code and Highway Traffic Act offences associated with cannabis consumption and driving
- Will not eliminate the prevalence of organized crime in the production, distribution and sale of cannabis

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Preliminary Findings Overview

2% of the Annual Operating Budget

- \$6.9 million per year average or \$20.7 million over three years (2018-2020)
- \$6.2 million in one-time costs (2018-2020)
- \$14.5 million in ongoing costs (2018-2020)
- \$7.8 million in annual ongoing costs per year after 2020
- Time to sufficiently train Officers will not meet the July 1, 2018 legalization date
- Preliminary estimates with ongoing information changes

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Known and Mandatory Costs

(In 000's)	2018	2019	2020
Standard Field Sobriety Test Training	\$1,595	\$1,913	\$293
Drug Recognition Expert Training	\$110	\$243	\$51
Bill C-45/C-46 and Provincial Regulation Training	\$843	\$43	\$44
Coordinator, Impaired Driving Training and Equipment	\$129	\$124	\$124
Roadside Screening Equipment and Supplies	\$978	\$366	\$366
Total Known & Mandatory Costs	\$3,654	\$2,689	\$878

- \$7.2 million (2018-2020) or 34.9% of overall Cannabis Act costs.

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Anticipated and Expected Costs

(In 000's)	2018	2019	2020
Drug Impaired Traffic Stops, Seizures and Violations	\$371	\$756	\$771
Motor Vehicle Collisions	\$181	\$362	\$362
Injured Persons	\$7	\$14	\$14
Thefts, Suicide, Break and Enter, Complaints, Robberies and Mischief	\$76	\$154	\$158
Criminal Investigations	\$76	\$154	\$157
Ride Spot-Checks	\$57	\$58	\$59
IT and Information Management Support	\$52	\$0	\$0
Provision for Drug Recognition Expert Premium	\$3	\$9	\$10
Total Anticipated and Expected Costs	\$822	\$1,508	\$1,532

- \$3.9 million (2018-2020) or 18.7% of overall Cannabis Act costs.

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Best Practices Costs

(In 000's)	2018	2019	2020
Front-line Sector Model Policing	\$0	\$0	\$2,534
Illicit-market Disruption Team	\$986	\$1,006	\$1,026
Road Safety Enforcement	\$0	\$1,032	\$1,053
Patrol Supervision	\$0	\$0	\$386
Fleet and Equipment	\$16	\$0	\$1,056
Analytic Support	\$121	\$124	\$126
Business Intelligence Dashboard	\$42	\$0	\$0
Youth Education and Prevention in Schools	\$36	\$17	\$17
Blood Draw Processing	\$5	\$10	\$10
Total Best Practices Costs	\$1,207	\$2,188	\$6,207

- \$9.6 million (2018-2020) or 46.4% of overall Cannabis Act costs.

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Unknown Costs

- Return of property
- Overtime costs of additional training
- Court operations and administration

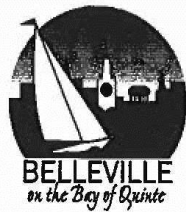
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Amended Board Resolution

1. The Board calls on the Government of Canada and the Government of Ontario to provide funding to the Board, in the amount of \$5.7 million for 2018, \$6.4 million for 2019 and \$8.6 million for 2020 to offset the additional expenses that York Regional Police will incur as a result of the enactment of the Cannabis Act, the Criminal Code amendments and the Ontario Cannabis Act, 2017.
2. The Board calls on the Government of Canada and the Government of Ontario to establish a stable funding program for cannabis related law enforcement and to provide sufficient funding to the Board, on an ongoing basis and a rate of approximately two per cent of the York Regional Police operating budget, per annum.
3. The Board calls on the Regional Municipality of York to adopt and endorse this resolution and for the Regional Municipality of York to call upon the Government of Canada and the Government of Ontario to provide the Board with stable and sufficient funding for cannabis related law enforcement as aforesaid.

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City of Belleville
MEMORANDUM

TO: Jack Miller, Chair
Police Services Board

FROM: Matt MacDonald
Director of Corporate Services/City Clerk

DATE: April 11, 2019

RE: **Belleville Police Services Board – Total Budget
Budget Issues Summary
8.a.14, Belleville City Council Meeting, April 2, 2019**

This is to advise you that at the Council Meeting of April 2, 2019, the following resolution was approved.

"THAT Council approve an increase to the Belleville Police Services revenue from the Ontario Cannabis Legalization Implementation Fund (OCLIF) by \$131,500."

The total budget as approved by Council for 2019 (Capital and Operating) is \$18, 423,400. Capital Budget was approved at \$682, 100; Operating Budget was approved at \$17, 741, 300.

I trust this is sufficient.



Matt MacDonald
Director of Corporate Services/ City Clerk

MMacD/nh