

# Memo



**Date:** September 28, 2010  
**File:** 1290-73  
**To:** City Manager  
**From:** Keith Grayston, Director, Financial Services  
**Subject:** Special Events Policing Charges

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**Recommendation:**

That Council receive the report on Special Events Policing Charges from the Director, Financial Services dated September 28, 2010.

**Purpose:**

To provide Council with information on the policy for charging on the cost of policing for special events.

**Background:**

Under the 'Bylaw to Regulate Outdoor Events Within the City of Kelowna' the Outdoor Events Committee can establish the conditions under which an Outdoor Event Permit may be issued. One of the conditions has been the payment of all policing and security costs by the permit holder (Sec. 5.1.1(iii)). Prior to any of the larger events a Policing Agreement is completed and signed by the event organizer and the City of Kelowna. The Policing Agreement includes the cost estimate of providing police services for the event. That estimate has been calculated for 2010 using a figure of \$121.15 per hour for RCMP members and \$47.85 per hour for Auxiliaries. These rates are based on double time for the RCMP member and using a 40% surcharge on the hourly rate to cover the indirect and other operational support charges (similar to the fringe benefit load rate that is used for municipal employees). Under the RCMP contract the actual cost of direct & indirect costs is 65% above the salary cost. This covers vehicles, travel & training, computers, equipment maintenance, pension cost, division administration and various other costs. Many of these costs are not impacted by an increase in overtime expenditures and so to keep the cost of Special Events more reasonable a new rate has been calculated utilizing a 20% surcharge on the double time rate for a Senior Corporal position. That rate is \$96.70 per hour. The RCMP Auxiliary rate has also been reduced to \$28.00 per hour.

These rate changes have been made retroactive to the 2010 summer events and revised invoices were prepared for three events. The difference in the rates meant that the policing charge for the Center of Gravity event was reduced from \$51,991.80 to \$36,060.65.

For future events these rates will be used with adjustments to the member's salary on an annual basis. However, the RCMP would like to provide estimates for future events based on using RCMP

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members only and then reduce the actual invoice once the event has occurred if Auxiliaries were used to supplement the RCMP members. This is because there may not be Auxiliaries available for all events and estimating them on the original agreement may create problems if they are not able to be used.

**Internal Circulation:**

Director, Recreation and Cultural Services  
Outdoor Events Coordinator

**Financial/Budgetary Considerations:**

The previous surcharge allowed for additional or extraordinary costs that may have occurred during some events such as guarding of prisoners arrested at the event or clean-up of vehicles. The new rates will not provide that flexibility and may result in a small amount of unrecovered costs at certain events but overall should provide sufficient recovery. Direct costs will still be recovered using these new rates.

**Considerations not applicable to this report:**

**Legal/Statutory Authority:**

**Legal/Statutory Procedural Requirements:**

**Existing Policy:**

**Personnel Implications:**

**External Agency/Public Comments:**

**Community & Media Relations Comments:**

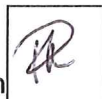
**Alternate Recommendation:**

Submitted by:



K. Grayston, Director, Financial Services

Approved for inclusion



P. Macklem, General Manager Corporate Sustainability

CC: Director, Recreation and Cultural Services  
Outdoor Events Coordinator  
Financial Planning Manager  
Inspector Flewelling - RCMP  
Accounting Technician - Police Services