

December 6, 2019

Government of Alberta Releases Police Costing Model

The Government of Alberta released details of a new police costing model for municipalities that currently receive policing from the RCMP under the Provincial Police Services Agreement (PPSA). Details of the model are as follows:

- The model will contribute to a portion of the combined provincial and federal costs of front-line policing under the PPSA, which was \$232.5 million in 2018 - 2019. This amount will be the baseline for determining the municipal portion of costs for the next five years.
- At this point, the model will be implemented on April 1, 2020. However, RMA is currently urging the Government of Alberta to delay implementation of the model back one year to allow municipalities to properly budget for the added cost. RMA will share updates on this issue with members as they become available. See the section below for more information on timing and implementation.
- The overall amount collected under the model will be 10% in year one, 15% in year two, 20% in year three, and 30% in years four and five. At this point, the increase will occur on April 1 of each year to align with the Government of Alberta's fiscal calendar.
- Each municipality's cost requirement is based on a formula that weighs equalized assessment at 50% and population at 50%, and includes modifiers related to shadow populations, crime severity, proximity to detachment, and existing enhanced policing positions.
- A provincial police advisory board will be formed, which will include one RMA and one AUMA representative from each of the four RCMP districts in Alberta. RMA hopes that the board will be used to help facilitate more local input into policing, but no details as to the function or scope of the board are available yet.

An Excel spreadsheet that the Government of Alberta provided to RMA indicating annual policing costs for all impacted municipalities is [available here](#).

A PDF backgrounder document from the Government of Alberta providing some additional information on the model is [available here](#).

Timing and Implementation of the Model

The Government of Alberta's plan to implement the model in the 2020 fiscal year is problematic. Most municipalities have completed or nearly completed their 2020 budgets, and it will be difficult or impossible for many to amend 2020 budgeting processes to account for a significant new

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cost. RMA and AUMA are both urging the Government of Alberta to delay implementation of the new model until 2021 to provide municipalities time to better plan for the new cost requirements, and to align proportional increases in the model with the January 1 municipal fiscal year, rather than the April 1 provincial fiscal year which is currently planned.

Discussions on this issue are ongoing between RMA and Alberta Justice and Solicitor General. RMA will keep members informed as new information regarding timing and implementation of the model becomes available.

RMA Concerns with Model

RMA and members have expressed significant concerns with the proposed model and the intent of requiring rural and small urban municipalities to contribute to frontline policing. While consultations with the Government of Alberta in recent months have led to some improvements in comparison to the original costing model proposed in September, RMA continues to have outstanding concerns with the model, including the following:

- Requiring municipalities to contribute to policing in 2020 will have major budgetary impacts for municipalities, most of whom have completed their 2020 budgets at this point. RMA has urged the government of Alberta to reconsider the implementation date, and no final decision has been made at this time.
- The use of equalized assessment as a major factor in the allocation of costs is highly problematic. Policing is a “people service,” and costs should be aligned with service levels provided to the population served. The use of equalized assessment in the formula will result in rural municipalities with lower populations taking on more of these province-wide costs and have the unintended impact of forcing municipalities to increase both residential and non-residential tax rates to meet the new cost demands. Equalized assessment is either not used or used to a much lesser extent to determine municipal policing costs in other provinces.
- Increased policing costs are one of several significant and concurrent government policy changes with major impacts on municipalities. When combined with unpaid non-residential taxes, the ongoing assessment model review, and reductions in grant funding, the cumulative impacts of such changes are significant. RMA has repeatedly informed the Government of Alberta that these changes will have major fiscal, taxation, and service delivery impacts on municipalities and cannot be considered in isolation.
- While the formation of the provincial police advisory board is positive, there is no indication that the model will include a mechanism for improved local input into policing at the detachment level.

Changes from Original Proposed Model

Although RMA remains concerned about the impacts of the final model, it is important to acknowledge that the Government of

Alberta did amend some aspects of the original model based on the input of RMA and rural municipalities, including the following:

- A reduction in the weighting of equalized assessment in the formula from 70% to 50%. While this is a positive, RMA stands by its position that equalized assessment is not a relevant factor in police costing.
- Phased-in costing requirements starting at 10% and increasing to 30%. The 10% starting point is less than the original minimum proposal of 15%.
- A commitment by the Government of Alberta to use the funds collected for frontline policing resources, including the hiring of an additional 300 RCMP officers and 200 civilian support staff. While this is positive, it remains to be seen how current RCMP staffing challenges will be addressed, how additional police officers will be deployed to best address rural crime, and to what extent (if any) the amount paid by a municipality under the model will correspond to the level of service the municipality receives.
- The original model included no references to local input into policing. The final model includes a commitment to form a provincial police advisory board with input from RMA and AUMA members, but no indication as to if or how the provincial board will lead to increased local input into policing that is reflective of the new financial commitments required from municipalities.

As more information on the model becomes available, RMA will pass this along to members.

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