Police Cost Model Review

Engagement Meeting

September 5, 2019

Alberta

Introductions

2

Alberta

Introduction

3

Agenda

1. Opening Remarks
2. Discuss engagement process
3. Review background to engagement
4. Share police costing model
   a) Base Cost Distribution
   b) Modifiers
   c) Examples
5. Provincial Comparisons
6. Next Steps
   a) Webinar
   b) Written feedback
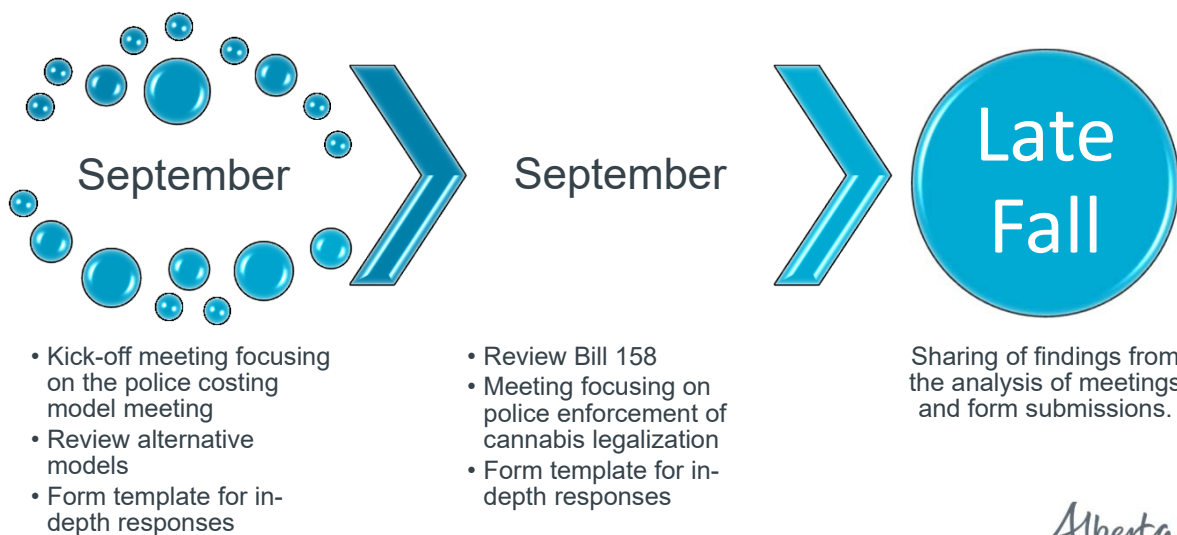
4

2019-09-04

Process

5

Alberta

Timelines

September

September

Late Fall

- Kick-off meeting focusing on the police costing model meeting
- Review alternative models
- Form template for in-depth responses

- Review Bill 158
- Meeting focusing on police enforcement of cannabis legalization
- Form template for in-depth responses

Sharing of findings from the analysis of meetings and form submissions.

6

Alberta

Outcome of Engagement

Part 1: Police Costing

- Development of a future police costing model which will consider the input gathered from the most relevant stakeholders.
- For the government to develop proposed legislative amendments for the *Police Act* that will reflect the considerations of municipalities in a new police funding model.

Part 2: Cannabis Enforcement

- Compilation of information that can direct the future of the MCTP or alternative funding support for the enforcement of cannabis legalization.

7

Alberta

Principles of Engagement

- **Transparency** - Intent and processes will be clear and transparent. Stakeholders will understand the consultation process and how their input will affect policy decisions and drafting of legislation.
- **Communication** - Accurate, consistent and timely communication and information sharing with stakeholders in order to avoid confusion or raise false expectations.
- **Follow up** – Reporting back and sharing the results of consultation and how the input was used to inform the legislation.
- **Evaluation** – Consultation sessions with stakeholders will be evaluated against these principles for the purposes of continuous improvement.
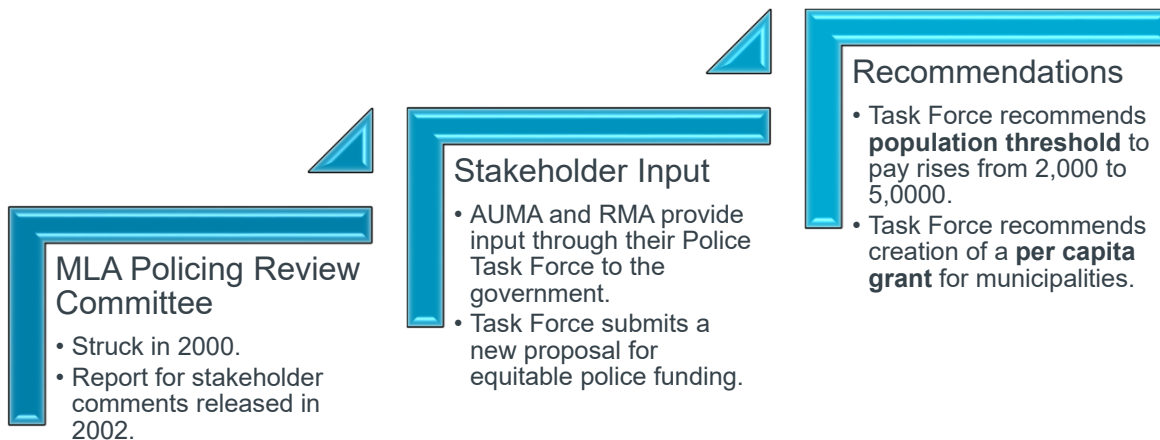
8

Alberta

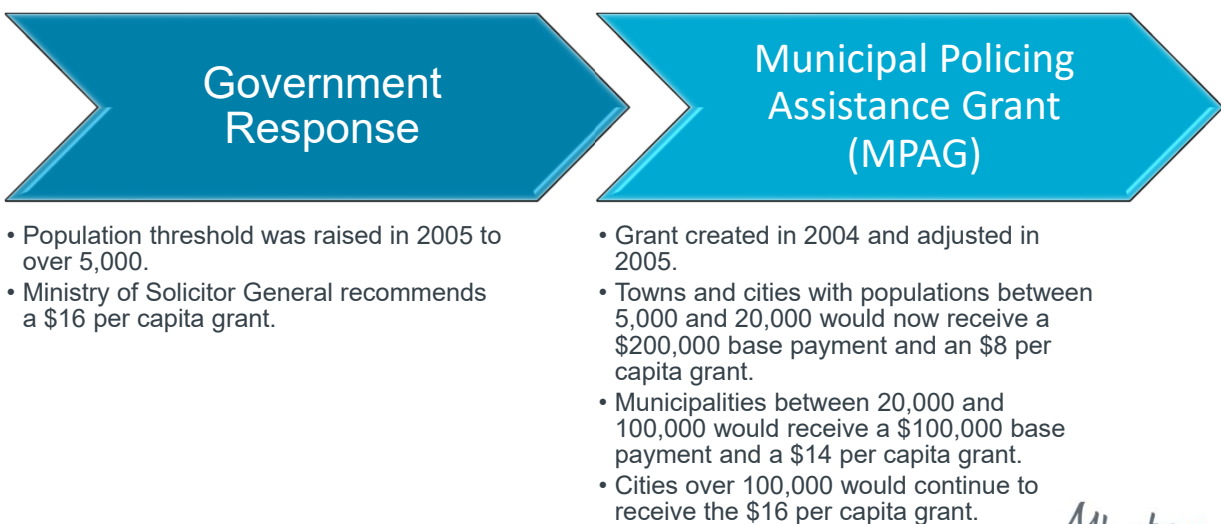Invited Stakeholders

9

Background

10

Strategic Background
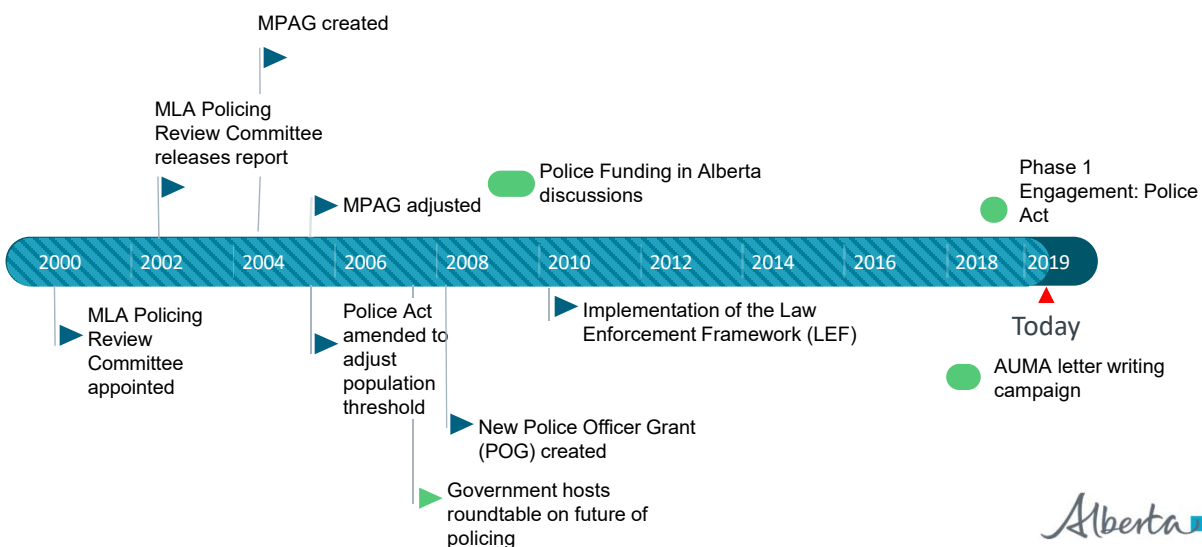
MLA Policing Review Committee

- Struck in 2000.
- Report for stakeholder comments released in 2002.

Stakeholder Input

- AUMA and RMA provide input through their Police Task Force to the government.
- Task Force submits a new proposal for equitable police funding.

Recommendations

- Task Force recommends **population threshold** to pay rises from 2,000 to 5,0000.
- Task Force recommends creation of a **per capita grant** for municipalities.

11

Alberta

Strategic Background

Government Response

Municipal Policing Assistance Grant (MPAG)

- Population threshold was raised in 2005 to over 5,000.
- Ministry of Solicitor General recommends a $16 per capita grant.

- Grant created in 2004 and adjusted in 2005.
- Towns and cities with populations between 5,000 and 20,000 would now receive a $200,000 base payment and an $8 per capita grant.
- Municipalities between 20,000 and 100,000 would receive a $100,000 base payment and a $14 per capita grant.
- Cities over 100,000 would continue to receive the $16 per capita grant.

12

Alberta

Strategic Background

MPAG created

MLA Policing
Review Committee
releases report

Police Funding in Alberta
discussions

Phase 1
Engagement: Police
Act

MPAG adjusted

2000   2002   2004   2006   2008   2010   2012   2014   2016   2018   2019

MLA Policing
Review
Committee
appointed

Police Act
amended to
adjust
population
threshold

Implementation of the Law
Enforcement Framework (LEF)

Today

AUMA letter writing
campaign

New Police Officer Grant
(POG) created

Government hosts
roundtable on future of
policing

13

Strategic Background

- The ***Police Act*** requires urban municipalities with populations over 5,000 to provide police services in their communities.

- Under the **Provincial Police Service Agreement (PPSA),** policing is provided at no direct cost to all rural municipalities (municipal districts regardless of population, and to towns, villages and summer villages with populations of 5,000 or less) as per the *Police Act.*

14

Proposed Cost Model

15

Currently

- 291 rural municipalities do not directly pay for policing through their municipal taxes.
- This is approximately 20% of the Alberta population.

Proposal

- These communities would begin paying a percentage of their frontline policing costs.
- In 2018/19, the cost of frontline policing was $232.5 million

Frontline policing is considered to include: general duty, traffic, and general investigative section and accounts for 62% of all police positions.

16

Base Cost Distribution

17

Alberta

Base Cost Distribution
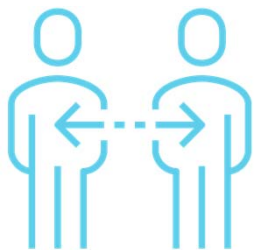
Equalized Assessment

Population

18

Alberta

The Modifiers

19

Shadow Population

- Subsidy received if recognized and reported to Municipal Affairs

Crime Severity Index

- Subsidy received if above rural municipal average

20

Examples

21

Range of Cost Recovery Options

Police Costing Model (PCM) Options						
Weighting	30%	70%		0.05% per Municipal CSI point above average	5%	
Cost Recovery Options - Frontline Policing Costs	Population affected	Total Equalized Assessment	Total Share Policing Cost	CSI Subsidy given	Shadow Population Subsidy given	Revenue Generated
15%	765,780	$293,162,459,917	$34,900,000	$1,015,167	$203,263	$33,681,570
30%	765,780	$293,162,459,917	$69,800,000	$2,030,334	$406,526	$67,363,141
40%	765,780	$293,162,459,917	$93,000,000	$2,705,172	$541,646	$89,753,182
50%	765,780	$293,162,459,917	$116,300,000	$3,382,920	$677,349	$112,239,731
60%	765,780	$293,162,459,917	$139,500,000	$4,057,758	$812,469	$134,629,772
70%	765,780	$293,162,459,917	$162,800,000	$4,735,506	$948,172	$157,116,322

22

15% Cost Recovery

- Example for two municipalities:
  - Municipality A: responsible for $4,049,067 of policing costs or 0.74 per cent of municipal property tax.
    - Subsidies for CSI (minus $708,512) and shadow population (minus $202,453).
    - The **total cost recovery would be $3,138,101**.
  - Municipality B: responsible for $277,966 of policing costs or 1.54 per cent of municipal property tax.
    - Does not qualify for any subsidies.
    - The **total cost recovery would be $277,966**.

23

Alberta

70% Cost Recovery

- Example for two municipalities:
  - Municipality A: responsible for $18,887,911 of policing costs or 3.45 per cent of municipal property tax.
    - Subsidies for CSI (minus $3,305,036) and shadow population (minus $944,396).
    - The **total cost recovery would be $14,638,479**.
  - Municipality B: responsible for $1,296,642 of policing costs or 7.19 per cent of municipal property tax.
    - Does not qualify for any subsidies.
    - The **total cost recovery would be $1,296,642**.

24

Alberta

Provincial Comparisons

25

Alberta

Provincial Comparisons

BC

- Municipalities with populations over 5,000 pay for policing through their municipal tax.
- Municipalities with under 5,000 persons have tax rates set to recover a portion of the costs.

SK

- Costs of policing distributed by formula in legislation among all municipalities. This includes rural municipalities with under 5,000 population.

26

Alberta

Guiding Questions

27

Guiding Questions

Pros and Cons

1. What are the benefits of the model presented?
2. What are the pitfalls to the model presented?

Cost Recovery

1. What are your thoughts on the province recovering a percentage of frontline policing costs from those currently not paying?

Impacts

1. What do you anticipate as challenges for implementing the model?
2. What impact to addressing rural crime would you anticipate this costing model having?

28