

Police Cost Model Review

Engagement Webinar

September 6, 2019



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Introductions



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Introduction



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Agenda

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

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Process

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Timelines



- 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.

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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.

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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.

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Invited Stakeholders

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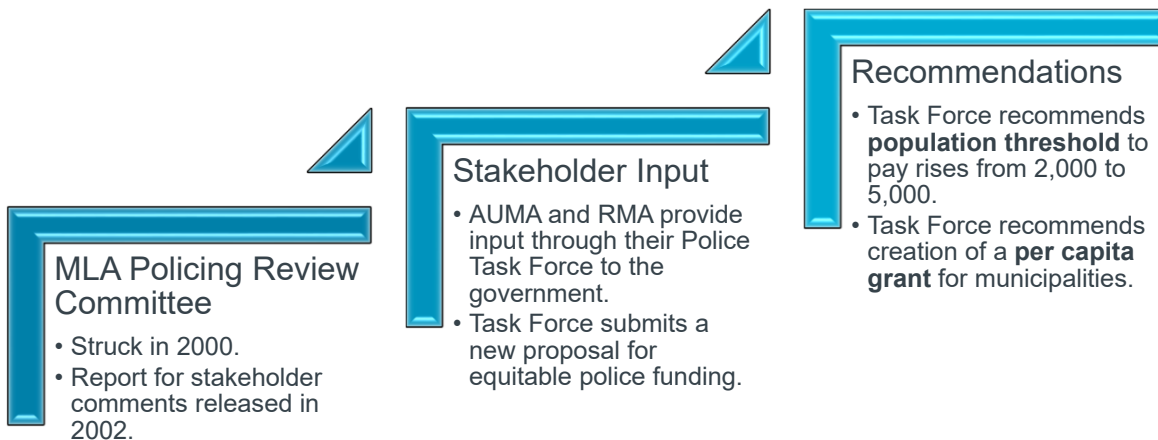


Background

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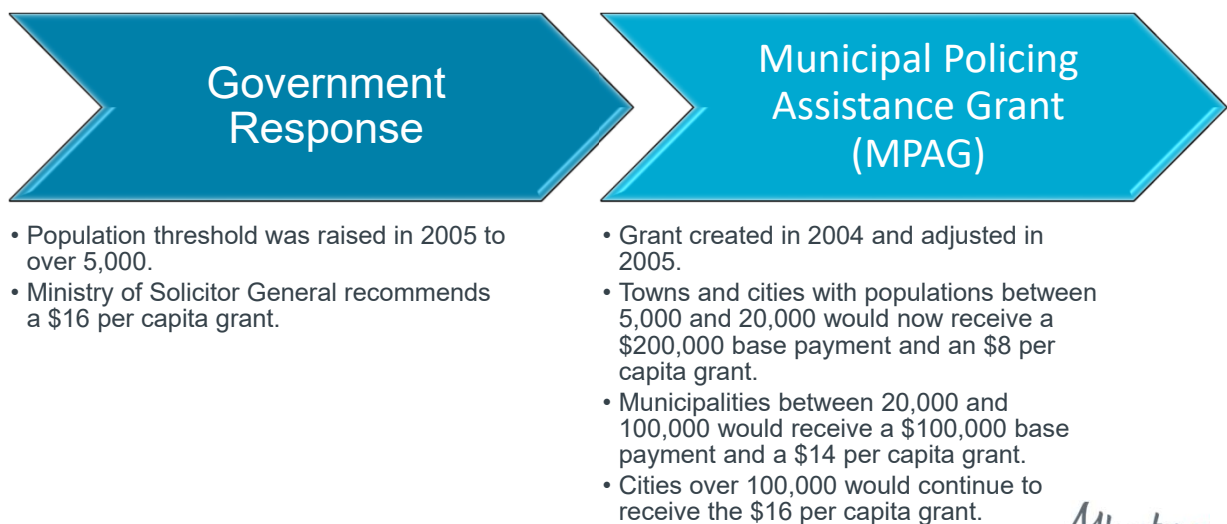
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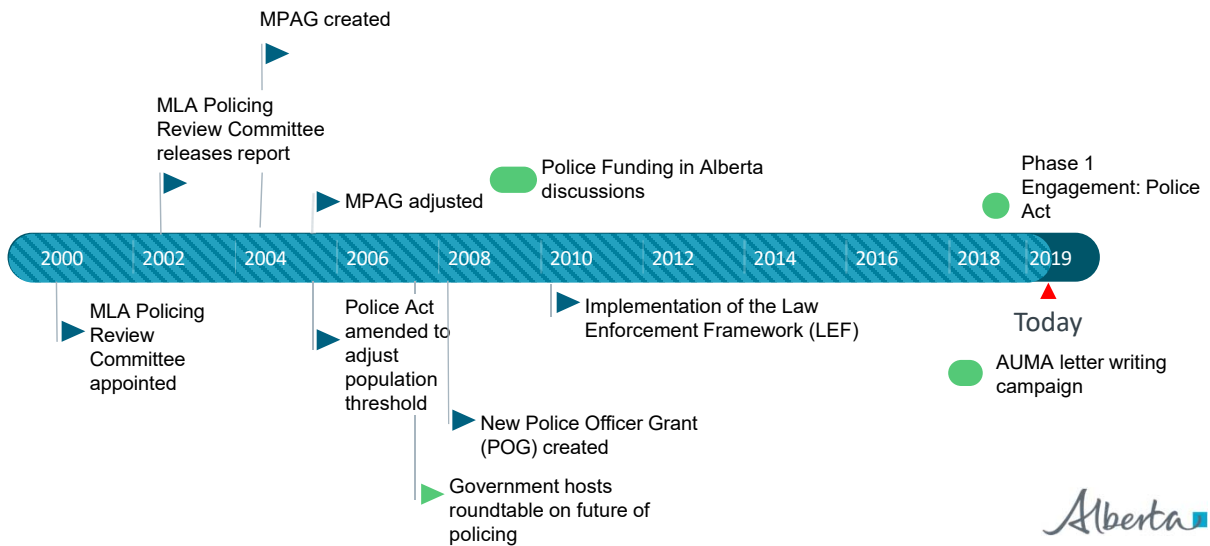
Background



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Background



Background

- The ***Police Act*** requires 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 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*.

Proposed Cost Model

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Currently

- 291 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.

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Base Cost Distribution

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Base Cost Distribution

Equalized Assessment



$$\frac{\text{Muni EA}}{\text{Total EA (291 munis)}} \times \text{Cost} \times 70\% = \text{Weighted EA}$$

Population



$$\frac{\text{Muni Pop}}{\text{Total Pop (291 munis)}} \times \text{Cost} \times 30\% = \text{Weighted Pop}$$

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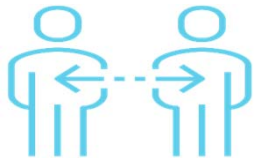
The Modifiers

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Shadow Population

- Subsidy received if recognized and reported to Municipal Affairs



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Calculation – 2 Steps

1. Shadow pop / muni pop = value up to max 5% subsidy
2. % subsidy x cost = Dollar Subsidy

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Crime Severity Index

- Subsidy received if above rural municipal average



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Calculation – 3 Steps

1. Muni CSI (3 yr. avg.) – Total CSI average (291 munis) = Muni CSI points above avg
2. Muni CSI points above avg x 0.05% (CSI subsidy per point) = % Subsidy
3. % subsidy x cost = Dollar Subsidy

Examples

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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	Municipal Costs
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

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15% Cost Recovery

- Large specialized municipality:
 - Population: 36,072
 - Equalized Assessment: \$42,670,899,320
 - Share of policing costs: \$4,049,067
 - 0.74% of municipal property tax
 - Would receive both subsidies:
 - 3 year average CSI is 465.21 which is 349.96 points above municipal average of 115.25
 - Subsidy is \$708,512
 - Shadow population is 36,678 – receives maximum 5% subsidy
 - Subsidy is \$202,453
 - The total cost recovery would be \$4,049,067 – \$708,512 – \$202,453 =
- \$3,138,101.**

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15% Cost Recovery

- Mid-sized Municipal District:
 - Population: 7,869
 - Equalized Assessment: \$2,044,554,084
 - Share of policing costs: \$277,966
 - 1.54% of municipal property tax
 - Is not eligible for any subsidies
 - The total cost recovery would be **\$277,966**.

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15% Cost Recovery

- Small Summer Village:
 - Population: 73
 - Equalized Assessment: \$16,108,372
 - Share of policing costs: \$2,340
 - 3.45% of municipal property tax
 - Would receive one subsidy:
 - 3 year average CSI is 174.55 which is 59.30 points above municipal average of 115.25
 - Subsidy is \$69
 - The total cost recovery would be $\$2,340 - \$69 = \mathbf{\$2,271}$.

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70% Cost Recovery

- Large specialized municipality:
 - Population: 36,072
 - Equalized Assessment: \$42,670,899,320
 - Share of policing costs: \$18,887,911
 - 3.45% of municipal property tax
 - Would receive both subsidies:
 - 3 year average CSI is 465.21 which is 349.96 points above municipal average of 115.25
 - Subsidy is \$3,305,036
 - Shadow population is 36,678 – receives maximum 5% subsidy
 - Subsidy is \$944,396
 - The total cost recovery would be \$18,887,911 – \$3,305,036 – \$944,396 = **\$14,638,479.**

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70% Cost Recovery

- Medium-sized Municipal District:
 - Population: 7,869
 - Equalized Assessment: \$2,044,554,084
 - Share of policing costs: \$1,296,642
 - 7.19% of municipal property tax
 - Is not eligible for any subsidies
 - The total cost recovery would be **\$1,296,642.**

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70% Cost Recovery

- Small Summer Village:
 - Population: 73
 - Equalized Assessment: \$16,108,372
 - Share of policing costs: \$10,918
 - 16.09% of municipal property tax
 - Would receive one subsidy:
 - 3 year average CSI is 174.55 which is 59.30 points above municipal average of 115.25
 - Subsidy is \$324
 - The total cost recovery would be $\$10,918 - \$324 = \mathbf{\$10,549}$.

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If money were reinvested, we have heard...

- Service delivery improvements
 - Local input into RCMP priorities
- Public safety platform priorities
- Address rural crime

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Provincial Comparisons

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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.

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Guiding Questions

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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?

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Questions?



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