
Update on Changes to Alberta's Police Funding Model

From PSES Minister <PSES.Minister@gov.ab.ca>

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Dear colleagues,

I am writing to update you on changes to Alberta's Police Funding Model (PFM) that will affect your municipality beginning on April 1, 2026. The changes resulted from recommendations arising from the independent review of the PFM conducted by MNP LLP during spring and summer 2025, which included comprehensive stakeholder engagement. The changes to the PFM are designed to create a more equitable, transparent, and sustainable approach to funding front-line policing services for communities policed under the Provincial Police Service Agreement (PPSA).

Background

Since 2020, the Police Funding Regulation has enabled communities policed under the PPSA to contribute toward front-line policing costs. This has supported 285 additional Royal Canadian Mounted Police (RCMP) officers and 244 civilian staff to RCMP units across Alberta. However, the original model tied contributions to 2018 policing costs (\$252.3 million) rather than current expenditures. The costs of the PPSA have risen over time to well over \$380.5 million for 2025-26. This increase is due to RCMP contracted salary adjustments and inflation, as well as the additional positions enabled by the PFM.

As Minister, I held the costs to municipalities at approximately 19% of front-line policing costs (which is below the intended 30%), and the province contributed a higher shared of the cost in order to allow for the review of the PFM to occur.

With the review complete, and the Police Funding Regulation expiring in March 2026, Alberta is now updating the model to ensure it reflects the real cost of policing today while maintaining predictability for municipal budgeting.

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Key Changes to the Funding Model

Phased Cost Sharing Implementation

Beginning on April 1, 2026, municipal contributions will increase to 22% of current front-line policing costs, gradually reaching 30% over the next five years. This phased approach ensures predictable increases that support local fiscal planning. Importantly, contributions will now be based on actual front-line policing costs from the most recently completed fiscal year, rather than historical fixed costs.

To provide flexibility and to address unique circumstances, the Minister will have regulatory discretion to cap costs, remove significant one-time expenditures from municipal obligations, and provide targeted discounts to municipalities facing exceptional or substantial cost increases.

Modernized Funding Formula

The formula for calculating municipal contributions is being updated to better reflect actual demand for policing services. The base formula updates will be phased-in, with changes to weighted occurrences beginning on April 1, 2028, and reaching full implementation by April 1, 2030. Once complete, the formula will be calculated based on:

- 50% population;
- 30% equalized assessment (reduced from 50%); and
- 20% weighted occurrences (calls for service).

This phased timeline allows the province to work with the RCMP and municipalities to refine the underlying data and ensure it reliably informs the model. The introduction of weighted occurrences reflects actual policing workload and demand which reduces reliance on property values alone.

Revised Modifiers and Subsidies

Several adjustments are being made to improve equity and better reflect service delivery realities:

- **Removing inequitable subsidies:** The Crime Severity Index and detachment subsidies are being eliminated, as they were widely viewed as unbalanced and not aligned with actual service levels.
- **Updating shadow population:** The shadow population approach has been revised to subtract eligible shadow population directly from total population in calculations, rather than applying it as a separate subsidy (previously up to 5%).
- **New vacancy subsidy:** A vacancy modifier will provide discounts to municipalities experiencing RCMP staffing vacancies higher than the provincial average, acknowledging potential reduced service levels.
- **New population density subsidy:** This subsidy will reduce contributions for rural and remote municipalities with significantly lower than average density, recognizing these unique policing challenges and higher associated costs in these communities.

Enhanced Transparency and Accountability

A new annual public reporting process will be introduced, providing clear visibility into:

- Amounts collected from municipalities under the model;
- How funds collected under the model are allocated; and
- How reinvestments support front-line policing capacity across Alberta.

The province will continue to look for opportunities to enhance transparency, including through collaboration with the Provincial Police Advisory Board. All funds collected through the PFM will continue to be invested in front-line policing provided under the PPSA to support ongoing costs and future growth where possible.

Next Steps

Further details regarding implementation timelines and specific impacts to your municipality will be provided in the coming weeks. We are committed to working collaboratively with municipalities throughout this transition to ensure an effective implementation process.

Should you have questions or require additional information, please contact my ministry at abpfm@gov.ab.ca.

Thank you for your continued partnership in maintaining safe and well-served communities across Alberta.

Sincerely,

Honourable Mike Ellis
Deputy Premier of Alberta
Minister of Public Safety and Emergency Services

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