

Funding to Edmonton Police Service

Edmonton Police Service's budget is supported from several sources, including policing grants from the provincial government, a transfer from the Traffic Safety and Automated Enforcement Reserve, *Traffic Safety Act* and other revenues within the Edmonton Police Service, and tax levy funding from the City of Edmonton.

In 2022, the Edmonton Police Service's total net operating budget (expenditures less revenue) was \$407.2 million, comprised of \$384.9 million in tax levy funding and \$22.3 million transferred from the Traffic Safety and Automated Enforcement Reserve. Budgeted revenue for the Edmonton Police Service revenue for 2022 includes \$34.5 million in fees for service (e.g. towing, police information checks, extra duty, or school resource offices), government grants of \$30 million (including \$26.1 million in policing support grant funding from the Government of Alberta and \$3.9 million in grants for victims services, heavy users of service and 911), \$22.6 million in reserve transfers (including \$22.3 million transferred from the City of Edmonton Traffic Safety and Automated Enforcement Reserve) and \$11.2 million in Traffic Safety Act revenue (fines).

Edmonton Police Service budgeted expenditures represent 15.4 per cent of total City budgeted expenditures, roughly the same percentage as on community services (15.6), and more than on public transit (13.1 per cent)¹

In recent years, the budget for Edmonton Police Service was determined, in part, by a funding formula. The formula provided funding to Edmonton police by adjusting base budgets for the change in population, inflation (as measured by the Police Price Index), less an efficiency factor. In 2021, Edmonton's population was estimated to have grown by 0.9 per cent year-over-year, while inflation experienced by EPS, based on its typical expenditure on goods and services, was estimated at 1.95 per cent.

The funding formula calculates the net operating requirement, which is the funding required for Edmonton Police Service expenditures less revenue. The \$22.3 million transferred from the Traffic Safety and Automated Enforcement Reserve (which holds the City's portion of photo enforcement

¹ Source: [2022 Budget Highlights](#)

revenues) is included as Edmonton Police Service revenue within the calculation. If the transfer from the reserve were reduced, the tax levy funding would need to increase. Mid-cycle the 2021 and 2022 operating budgets were revised, with a portion of the planned increases for the Edmonton Police Service being reallocated to community safety and well-being.

To illustrate, the original 2019-2022 operating budget included City tax-levy funding to EPS of \$356.3 million in 2019, growing to \$406.8 million in 2022, showing an increase of 14 per cent over four years. The budget now sets City tax-levy funding to EPS at \$356.3 million in 2019, growing to \$384.9 million in 2022, showing an increase of 8 per cent over four years.

Police Funding 2019 - 2022 (\$ millions)

Year	Net Operating Requirement (Annual Tax Levy Funding)	\$11M Reallocation (July 6, 2020)	\$10.9M Reallocation (November 30, 2021)	Revised Net Operating Requirement (Annual Tax Levy Funding)	Traffic Safety & Automated Enforcement Reserve Annual Funding	Total Annual Operating Funding
2019	\$356.3	-	-	\$356.3	\$22.3	\$378.6
2020	\$372.5	-	-	\$372.5	\$22.3	\$394.8
2021	\$389.3	(\$5.5)	-	\$383.8	\$22.3	\$406.1
2022	\$406.8	(\$11.0)	(\$10.9)	\$384.9	\$22.3	\$407.2



While there has been a reallocation of funds to support community safety and well-being initiatives, the police budget has continued to increase.

As mentioned above, the four-year budget allocated \$22.3 million annually to EPS from the Traffic Safety and Automated Enforcement Reserve (included as EPS revenue in the formula). With photo radar revenues declining, that funding is at risk. Council is considering strategies to maintain the funding levels, which may result in an increase in property taxes.

In 2020, City Council directed Administration to revisit the funding formula Policy, [C604](#), and reframe it as an Edmonton Community Safety and Well-being Funding Policy. Administration recently presented options for Council's consideration for a funding process or mechanism to determine and allocate funding to EPS, with a recommendation that once the base level of funding has been determined, a revised funding formula be designed and implemented. In response, City Council passed the following

motions on June 7, 2022:

- That the Edmonton Police Service receives operating funding of \$407,000,000 (net operating requirement) starting in 2023 on an ongoing basis;
- That Administration, in consultation with the Edmonton Police Service and the Edmonton Police Commission, develop a revised funding formula and related policy, and return to City Council for approval as part of the 2023-2026 Operating Budget deliberations; and
- That Administration conduct a jurisdictional scan of all current sources of police funding for comparable municipalities within Canada with over 500,000 population including but not limited to municipal tax supported funding, provincial funding, grants, and traffic fines and enforcement funding broken down per capita using publicly available data and report back to Council in Q3 2022.

Additional changes are also affecting the resources available for police services.

- The City's proportionate share of funding continued to increase, as costs increased and the city grew. Prior to 2021 there were two provincial grants that provided police funding:
 - Municipal Policing Assistance Grants of \$16 per capita meant that police funding grew with population but was not adjusted for inflation, and
 - From 2008 to 2011 the Government of Alberta added 300 police officers to municipalities across the province to promote safe and secure communities and help reduce crime. Edmonton received 105 officers and was provided the Police Officer Grant at \$100,000 per officer. Funding has not been adjusted for inflation.
- In 2021 the Government of Alberta provided funding through a Policing Support Grant Funding Agreement which combined the funds of the prior Municipal Policing Assistance Grant program and the Police Officer Grant program into a single agreement with a fixed amount. This compounded the gap in funding (relative to cost pressures) that EPS has received through the Municipal Policing Assistance Grant since at least the 2017-18 fiscal year .²
- City and police revenues from automated enforcement are declining as a result of lower traffic volumes, provincial restrictions on enforcement activity, and a reduction in the proportion of fine revenues allocated to local policing. In 2020, the provincial share increased to 40 per cent of fine revenue (from 36.1 per cent), and the victim services surcharge increased from 15 percent to 20 per cent.
- Police services are facing new costs previously covered by the provincial government (for example, DNA testing costs)

Separately, the Alberta government is providing funding directly to police services to treat mental health and addictions as health care issues while keeping communities safe. Beginning in July, the Edmonton Police Service will be the first police service in Alberta to start using Health IM, which provides:

²Source: <https://open.alberta.ca/dataset?tags=Municipal+Policing+Assistance+Grant>

- A pre-response safety briefing that includes de-escalation techniques and access to any previously-known police information about the person in crisis
- A mental health risk screening tool that helps officers determine whether facility-based or community-based services are more appropriate
- Information sharing with health and community-based services, which expedites transfers
- Reporting and analytics that help with decision-making and evaluation.

The Government of Alberta provided \$789,000 in funding to the Edmonton Police Service, and has [announced](#) \$1.6 million in funding for other jurisdictions this year. Data from other jurisdictions shows that HealthIM contributes to significant reductions in involuntary arrests while providing people in crisis with appropriate recovery supports.

The province has also partnered with EPS to support individuals experiencing addiction and mental health challenges by [providing \\$600,000 in funding](#) to the Human-centred Engagement and Liaison Partnership (HELP) teams. The HELP teams, which pair police constables and social navigators, work closely with local community organizations. They focus their efforts on helping people struggling with mental health and addictions to access recovery-oriented health and social supports.

Funding for Houseless Response

The Government of Alberta is responsible for and is the primary funder of houseless-serving infrastructure like shelter spaces, and programs such as Housing First which funds community-based organizations. The City has worked collaboratively with the province to provide emergency spaces throughout the pandemic and respond to shelter capacity concerns, particularly throughout the winter season.

The majority of the City's funding for Affordable Housing and Houselessness response is from the federal government with \$61 million provided throughout 2021 and 2022 for the Rapid Housing Initiative (RHI). This funding was critical in supporting hotel conversions and for five permanent supportive housing sites. The Province of Alberta has provided the City with \$26 million in Municipal Stimulus Program (MSP) funding for rehabilitation of city-owned buildings and the construction of affordable / permanent supportive housing units.

In addition, the City of Edmonton leverages the Family and Community Support Services (FCSS) partnership with the Government of Alberta to allocate funding to programs and services that are upstream and preventive in nature as outlined in the *FCSS Act* and regulation. A recent analysis conducted by Administration indicates that approximately \$5 million of FCSS funding goes directly to the

prevention of poverty and houselessness, which does not include the significant impact the other programs and services have on preventing and/or reducing houselessness indirectly. Examples of this work include the Community Bridge Program at Bissell Centre (to support people in remaining housed) and support to Operation Friendship (to provide critical housing supports to seniors).

The City of Edmonton has prioritized the root causes of houselessness by investing in an Affordable Housing Strategy. The City of Edmonton has invested almost \$115 million from 2019 to 2022 in operating and capital funds to increase the building of affordable housing and permanent supportive housing. Affordable, accessible and adequate spaces are critical to transition Edmontonians from living in houselessness to a permanent home.

According to the Edmonton By Names List, as of May 30, 2022, there are 2,752 individuals experiencing houselessness in the city. While responding to houselessness falls under federal and provincial jurisdiction, the City of Edmonton partners with Homeward Trust Edmonton, who has been designated to lead the implementation of Edmonton’s Plan to End Homelessness.

In 2021, the City of Edmonton provided \$1.2 million in funding to Homeward Trust (in addition to \$32 million from the provincial government and \$10 million from the federal government) as an ongoing commitment to address and invest in local priorities related to houselessness. On April 19, 2022, Council also committed an additional \$880,000 in funding for local women’s shelters to enable them to prioritize one-on-one support, safety planning, risk assessment and to reduce isolation created by the global pandemic (Council Report [CS00947](#)).

Responding to houselessness is complex and is supported by a number of civic programs including: Edmonton Police Service, Fire Rescue Services, Community Standards Peace Officers and Transit Peace Officers, Affordable Housing Strategy and construction of supportive and affordable housing, the Affordable Housing & Homelessness Team, Parks and Roads operations, and Edmonton Transit Service. As outlined in the [Homelessness Response Audit](#), the 2021 Homelessness Response investment was broken down as follows:

2021 Response Activity	Cost to the City (in \$000s)
Affordable Housing & Homelessness Business Area	\$ 20,312
Encampment Park Rangers	\$ 1,200
Encampment Clean Up	\$ 778
Encampment Outreach - Service Provider	\$ 792
Homeward Trust Funding	\$ 1,238

Community Outreach Transit Team	\$ 470
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This total of \$24.79 million represents a significant investment and commitment from the City of Edmonton as a partner in responding to the immediate needs of Edmontonians experiencing houselessness and the impact houselessness has on the community.

Funding for Addictions Response

The City of Edmonton acts as a convener and coordinator when addressing mental health and addictions. Both of these social challenges are outside of the municipal jurisdiction, but the City of Edmonton funds collaborative partnerships. For example, on May 24, 2022 the City renewed its commitment to the [Community Mental Health Action Plan](#) and [Living Hope: Edmonton's Suicide Prevention Plan](#) and invested \$1.3 million to continue this work.

The City of Edmonton is part of a Community Liaison Committee: Partners in Drug Poisoning Prevention collaborative. This collaborative of City representatives, Alberta Health Services, and multiple community partners recently submitted a grant application to the Health Canada Substance Use and Addictions Program (SUAP) and its proposed drug poisoning awareness and outreach program was approved for \$1.13 million (with funding flowing through the Royal Alex Hospital). The City of Edmonton will receive \$25,000 of this directly to continue the awareness campaign, with the remainder of the funds allocated among the committee partners. On May 24, 2022, City Council approved an additional \$25,000 in one-time funding for the work of this collaborative.