

February 28, 2022

Mr. Tim Timmons  
County Manager  
Lacombe County  
RR 3  
Lacombe AB T4L 2N3

Dear Mr. Timmons:

This letter is an annual notification of the Government of Alberta's legislation for collecting a municipality's policing cost share under the Police Funding Model (PFM) Regulation. Through a system of shared responsibility between the government and municipalities, a portion of the costs of frontline policing is allotted back to each municipality based on a number of factors: population, equalized assessment, crime severity, shadow population, and detachment location.

As per the Police Funding Model (PFM) Regulation, each municipality will contribute a portion of frontline policing costs based on a 15 per cent cost recovery for the fiscal year 2021/22. Total revenue generated is estimated to be \$33,446,600, and will be reinvested in Alberta policing initiatives.

Please remit payment within 45-days of the invoice made payable to the Government of Alberta and forward to the address provided on the invoice.

Any questions related to the financial details of this invoice may be directed to the attention of Gordon Crawford at [gordon.crawford@gov.ab.ca](mailto:gordon.crawford@gov.ab.ca). Other background and contextual inquiries regarding the policy of PFM may be directed to Lisa Gagnier at [lisa.gagnier@gov.ab.ca](mailto:lisa.gagnier@gov.ab.ca).

Sincerely,



M. A. (Marlin) Degrand, M.O.M.  
Assistant Deputy Minister

## Cost Breakdown

The provincial payment generating \$33,486,600 in revenue after modifiers is calculated on an annual basis using 50 per cent population, 50 per cent equalized assessment, and modifiers/subsidies for crime severity, shadow populations, and detachment location.

### *Provincial Data*

Revenue Generated 2021-22 after modifiers	Total Municipal Population (2019)	Total Equalized Assessment (2020)	Total Revenue Base Estimate
\$33,486,600	756,036	298,714,060,954	\$34,900,000

### *Municipal Data*

Lacombe County	Data/Cost Breakdown
2019 Population	10,343
2020 Equalized Assessment	\$6,716,245,677
Equalized Assessment per capita	\$649,352
Population % of total for PFM	1.36806%
Equalized Assessment % of total for PFM	2.24839%
Amount based on 50% Population (A)	\$238,726
Amount based on 50% Equalized Assessment (B)	\$392,344
Total share policing cost C = (A + B)	\$631,071
<b><i>Less modifiers:</i></b>	
Subsidy from Crime Severity Index (CSI) Value (variable %) (Note 1)	\$ 0
Subsidy from Shadow Population (variable %) (Note 2)	\$ 0
5% for No Detachment Subsidy (Note 3)	\$ 0
Total share with modifiers	\$631,071

### Notes

Population published Dec 2019

Equalized Assessment – an annual calculation that measures the relative wealth of a municipality creating a common assessment base. It determines the ability of a community to pay a portion of policing costs in this context.

Municipality Population / PFM Population

Municipality Equalized Assessment / PFM Equalized Assessment

Population % of provincial x 50% population x Total Base Estimate

Equalized Assessment % x 50% x Total Base Estimate

**Note 1:** CSI Subsidy received if above rural municipal average. Accounts for volume and seriousness of crime based on incarceration rates. A three-year average is used to calculate your average CSI.

**Note 2:** Shadow Population – temporary residents of a municipality employed by an industrial or commercial establishment for a minimum of 30 days within a municipal census year. Shadow populations use the municipality's services but do not contribute to its tax base. Subsidy is up to 5% of total share.

**Note 3:** No detachment subsidy provided if town/municipality does not have access to a detachment.