

## ADMINISTRATIVE REPORT

<b>TO:</b> Shane Bourke, City Manager	<b>DATE:</b> March 24, 2025
<b>FROM:</b> Danielle Whiteway, Chief Financial Officer	<b>MEETING:</b> City Council Meeting
<b>REPORT WRITER:</b> Chelsea Nestibo, Director, Financial Management	
<b>SUBJECT:</b> RCMP Retroactive Salary Payment - Release of Funds	

### RECOMMENDATIONS

Administration recommends that Council approve the release of the RCMP retro payment of \$3,937,332.95, previously approved to be funded through the Future Expenditures Reserve.

### PREVIOUS COUNCIL / COMMITTEE DIRECTIONS

At the City of Grande Prairie Council Meeting on June 12, 2023, the following motion was passed: *“Council approve the deferral of payment for the RCMP retroactive salary obligation until March 2025.”*

At the City of Grande Prairie Council Meeting on August 24, 2020, the following motion was passed:

*“Council allocate \$3M of unallocated funds in the Future Expenditures Reserve to be restricted for the eventual retroactive payment of RCMP salary increase from 2016-2022, and that release of this payment be approved at a future City Council meeting.”*

### BACKGROUND

The Government of Canada signed the first collective agreement regarding the Royal Canadian Mounted Police (RCMP) regular members and reservists with the National Police Federation on August 6, 2021. This agreement resulted in a retroactive salary cost increase for the period of January 1, 2017 through March 31, 2022. Over the past few years, the City of Grande Prairie has allocated funds for the anticipated obligation resulting from the settlement of union negotiations.

In 2023, the City was given the option to pay the full retroactive amount, pay a portion of the amount due, or defer the entire payment until March 2025. As there were no financial consequences to deferral, Council approved the deferral.

### ANALYSIS

In order to meet our current obligation and avoid interest or other charges, the outstanding balance of \$3,937,332.95 will need to be paid prior to March 31, 2025. Council motion from August 24,

2020, as noted above, requires release of the payment to be approved prior to settling the obligation.

**Relationship to City Council's Areas of Focus / Strategic Priorities**

Innovative & Economic Readiness

**Environmental Impact**

No environmental impacts identified.

**Economic Impact**

No economic impacts identified.

**Social Impact**

No social impacts identified.

**Relevant Statutes / Master Plans / City Documents**

None identified.

**Risk**

The City may incur interest or penalties on any outstanding balance after March 31, 2025.

**STAKEHOLDER ENGAGEMENT**

At the direction of Council, the City deferred payment and signed an agreement with the contract management secretariat to confirm extending the repayment term to March 31, 2025.

No other external stakeholder engagement related to this report.

**BUDGET / FINANCIAL IMPLICATIONS**

The City has planned appropriately to ensure sufficient funds are earmarked to settle the obligation related to retroactive RCMP salaries, via the Future Expenditures Reserve.

**SUMMARY / CONCLUSION**

Administration is seeking approval to release funds earmarked for payment of the RCMP retroactive salaries, due March 31, 2025.

**ATTACHMENTS**

N/A