



## **Municipal Affairs & Housing**

November 3, 2020

Chief Administrative Officer City of Rockridge

Dear CAO:

The Provincial Government understands the fiscal impacts that COVID-19 has placed on local service providers. To help address these challenges, this September, the Province of British Columbia announced nearly \$2 billion in joint Federal/Provincial spending, including: \$540 million for local governments, \$418 million for community infrastructure, and \$1 billion for transit, TransLink and ferries.

The \$540 million for local governments was further divided into three funding streams. Two of the streams ("Development Services" for \$15 million and "Strengthening Communities" for \$100 million) will be application-based funding. More information on these funding streams will be forthcoming.

The third stream will provide direct grants to local governments. This funding stream is called the "COVID-19 Safe Restart Grants for Local Governments" and will provide up to \$425 million for local operations impacted by COVID-19. This funding will support local governments as they deal with increased operating costs and lower revenue due to COVID-19. It will also ensure local governments can continue to deliver the services people depend on in their communities. Eligible costs will include:

- Addressing revenues shortfalls
- facility reopening and operating costs;
- emergency planning and response costs;
- bylaw enforcement and protective services like fire protection and police;
- computer and other electronic technology costs (to improve interconnectivity and virtual communications);
- services for vulnerable persons (e.g. persons living with disabilities, mental illness or addictions, persons experiencing homelessness or other vulnerabilities); and
- other related costs.

I am pleased to advise you that **Rockridge** is the recipient of a \$5,009,938 grant under the COVID-19 Safe Restart Grant for Local Governments. This amount will be directly transferred to your local government in the coming days.

Under section 36 of the Local Government Grants Regulation, the amount of the grant to each local government is set by Minister of Municipal Affairs and Housing. The determination of this amount was based on a formula that applies to all municipalities.

This formula is based on two components: a flat funding amount and an "adjusted per-capita" amount. The flat amount is \$169,000, and the "adjusted per-capita" amount is \$308.34 per adjusted population.

The adjusted population formula is designed to ensure that larger municipalities receive more money than smaller ones, but that smaller municipalities receive higher per capita funding than larger ones. This is because small municipalities often lack a diverse tax base and the economies-of-scale to easily restart their operations.

2018 population data was used because it is the last year in which we have complete financial and demographic data for each municipality.

To ensure full transparency regarding the use of funds, your local government will be required to annually report on how it spent this grant. This will be part of your annual financial reporting under section 167 of the *Community Charter*. Your local government will provide a schedule to the audited financial statements respecting the amount of funding received, the use of those funds, and the yearend balance of unused funds. Your local government must continue to annually report on the use of grant money until the funds are fully drawn down.

If you have a questions or comments regarding this letter, please feel free to contact Jennifer Richardson, Grants Analyst, Local Government Infrastructure and Finance Branch, by email at: Jennifer.Richardson@gov.bc.ca, or by phone at: 778-698-3243.

The Province welcomes this opportunity to support COVID-19 restart and recovery throughout British Columbia. We believe that that this funding will contribute the long-term recovery of BC local governments who are both critical service providers and crucial drivers in the BC economy.

Sincerely,

Kaye Krishna Deputy Minister

pc: Jennifer Richardson, Grants Analyst, Local Government Infrastructure and Finance Branch

## Attachment with Example Calculation for a Municipality with 43,000 People

## City of Rockridge

Population	43,000
Adjusted Per Capita Funding	\$308.34 per adjusted population
Flat Funding Amount	\$169,000

## Funding model

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		E = C (up tp				
Population Range		C=B-A	D	43,000)	$F = E \times D$	F
			Adjustmen	Rockridge	Adjusted Pop	Adjusted
From	to	Range	t Ratio	Pop	Calc	Pop
-	2,000	2,000	1	2,000	= 2,000 x 1	2,000
2,001	5,000	3,000	0.8	3,000	= 3,000 x 0.8	2,400
5,001	10,000	5,000	0.6	5,000	= 5,000 x 0.6	3,000
10,001	20,000	10,000	0.4	10,000	= 10,000 x 0.4	4,000
20,001	40,000	20,000	0.2	20,000	= 20,000 x 0.2	4,000
40,001	150,000	110,000	0.1	3,000	= 3,000 x 0.1	300
150,001	900,000	750,000	0.05	-	= 0 x 0.05	-

Sum 43,000 15,700 G= $\Sigma$ F

Per capita funding

Funding per Adjusted Pop 4,840,938 I=GxH

Flat Funding Amount 169,000 J
Total Funding Amount 5,009,938 K=I+J

Thus, a municipality with a population of 43,000 would have an adjusted population of 15,698. With per capita funding of \$308.34, the funding per adjusted population would \$4.84 million. Plus a flat funding amount of \$169,000, the total funding to this municipality would be \$5.009M.

The Population data was taken from the Ministry's Local Government Stats System for 2018 (Schedule 201).

https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics/statistics