



# Parameters for the Regional Services Support Fund

April 17, 2023





## *Community Funding Act*

- Establishes three components of the community grant (\$75.6M):
  - An annual equalization grant;
  - A transitional grant (gradual reallocation of core grant);
  - Amount paid to the Regional Services Support Fund.
- Fund is set up as a special purpose account with carryover.
- Contribution to the Fund is the balance once transitional and equalization components of the grant are deducted.
- For 2023 – payments in lieu of the Fund (\$6.2M).
- For 2024 – application for up to 50% of the budget for activities related to an RSC's regional strategy (\$9.5M).

**Parameters  
for Fund**



# Regulation-making authority

Parameters of the Fund to be set in regulation:

*Those to be followed by Minister:*

- Selection of activities (eligibility and prioritization)
- Conditions on withdrawing and paying from Fund

*Those to be followed by RSC:*

- Conditions to maintain eligibility for payments
- Act also provides regulation-making authority for any other matter necessary for proper administration of the Fund.
- Not all authority is required in the proposed regulation.

Parameters  
for Fund



# Proposed parameters

## Selection of activities - Eligibility

Activities approved for funding must:

1. Support priority services and actions of the regional strategy.
2. Demonstrate a link to:
  - The regional goals which consider the RSC's mandate.
  - The plan to implement these goals.
  - Performance targets in achieving the goals.
  - The implementation plan for the regional strategy.

Activities that receive funding from other sources (e.g., federal, provincial, non-profit) will also be eligible for funding.

Parameters  
for Fund



# Proposed parameters (continued)

## Conditions to maintain eligibility

RSCs to report on the use of the funds:

- By reporting on the following information in their annual report:
  - description of the activities that received support (what was accomplished);
  - the impacts of the activity (benefits);
  - expenses incurred; and
  - assessment against performance benchmarks (where possible).
- By submitting audited financial statements, also included in the annual report.

Parameters  
for Fund



# Proposed parameters (continued)

## Funding Formula

### Adjusted per capita allocation

- Capacity index is calculated by dividing the tax base per capita of the region by the tax base per capita of the province.
- The index is then multiplied by the average provincial per capita amount to determine the per capita amount of each region.
- Regions with lesser fiscal capacity will get a little bit more per capita while those with a higher fiscal capacity will receive a bit less per capita.
- Payments shall be made quarterly

## Surplus

- RSC may use surplus in future through approved plan.

Parameters  
for Fund



## Ministerial authority

- Minister has authority to set certain requirements for the administration of the Fund.
- Example: Application requirements (form, prerequisites, documentation, etc.)
- This is separate from the regulation and will be communicated to RSCs.
- Framework document being developed to clarify parameters and requirements.

Parameters  
for Fund



## Next steps

- Approval of proposal (beginning of May)
- Drafting of regulations (mid May)
- Making of the regulation (Early June)
- Implementation by June 30<sup>th</sup>

Parameters  
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## Potential funding allocation - Conditional Funding to the RSC

### Estimated 2024 allocation (adjusted per capita)

				2024	
Allocation				\$9 500 000	
Average per capita amount				\$12,38	
	Tax base	Population	Capacity index*	Estimated Equalized Per capita	Estimated Allocation
RSC 1	3 892 270 000	45 040	0,871	\$13,97	629 175
RSC 2	1 816 570 750	25 254	0,725	\$15,78	398 433
RSC 3	2 771 140 600	34 519	0,809	\$14,74	508 651
RSC 4	3 189 620 850	46 568	0,691	\$16,21	754 673
RSC 5	2 886 482 250	37 119	0,784	\$15,05	558 629
RSC 6	2 823 030 600	35 527	0,801	\$14,84	527 130
RSC 7	21 691 836 400	192 660	1,135	\$10,70	2 062 105
RSC 8	1 895 544 550	20 753	0,921	\$13,36	277 169
RSC 9	13 472 699 950	127 486	1,066	\$11,57	1 474 467
RSC 10	3 149 065 200	28 472	1,115	\$10,95	311 810
RSC 11	15 673 810 968	138 368	1,142	\$10,62	1 469 172
RSC 12	2 869 010 150	35 818	0,808	\$14,76	528 585
<b>Total</b>	<b>76 131 082 268</b>	<b>767 583</b>	<b>1</b>	<b>\$12,38</b>	<b>9 500 000</b>

\* The adjustment is made based on the fiscal capacity of the region compared to provincial average.

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## Questions?