

AY Comments, May 9, 2018

The Province has committed up to \$11 million to the new municipality if a majority of Duncan and North Cowichan voters opt for amalgamating their municipalities on June 23, 2018.

The City of Duncan currently pays very little for policing (\$282,746 in 2016, or \$57.19 per capita). Municipalities, like Duncan, with populations under 5,000 pay only a token Police Tax, as per Section 63.3 of the *Police Act*. As such, Duncan's costs for policing have historically been very low. However, they have been accumulating a Police Bridging Fund in anticipation of the next census that pushes them over 5,000 population. They are very close.

The Province currently subsidizes policing in Duncan and, if the two municipalities merge, the new municipality will have to either sign on with the RCMP or create a municipal police service¹. They will likely remain with the RCMP, and their new contract will push policing costs up to the 90% of actual rate. This change will result in a savings to the Province, who will no longer subsidize Duncan's policing. Hence, the Province has committed up to \$1.6 - \$1.7 million per year for 5 years.

The balance of the funding committed by the Province will go towards the cost of merging the two municipalities and for the referendum. The combined population of Duncan and North Cowichan (2016 Census) is 34,620. Overall, the per capita commitment(s) made by the Province equals \$317.74 ($\$11 \text{ million} \div 34,620 \text{ population}$).

Duncan	4,944
<u>North Cowichan</u>	<u>29,676</u>
Combined Pop.	34,620

It is unlikely that Victoria and Saanich would receive the same per capita funding from the Province, as the merger of these two large municipalities will not save the Province money as in the case of Duncan policing.

However, if for example, Victoria and Saanich were to receive the same \$317.74 per capita transitional funding as Duncan - North Cowichan, they would receive \$63,528,018 or thereabouts, based on the existing combined 199,940 population of Saanich and Victoria. That amount of funding is purely speculative, but Saanich and Victoria should be entitled to a significant contribution from the Province for transition.

Saanich	114,148
<u>Victoria</u>	<u>85,792</u>
Combined Pop.	199,940

- i There are currently only 11 municipal police services in British Columbia.
 - Abbotsford
 - Central Saanich
 - Delta
 - Nelson
 - New Westminster
 - Oak Bay
 - Port Moody
 - Saanich
 - Vancouver
 - Victoria/Esquimalt
 - West Vancouver