



POLICY

21.19

Community Government Funding

1. Statement of Policy

The Government of the Northwest Territories will provide funding to support community governments with the provision of community government services and the infrastructure that supports those services.

2. Principles

The Government of the Northwest Territories will be guided by the following principles when applying this Policy:

- (1) Funding should be allocated fairly and equitably to the eligible community government in each community;
- (2) Funding arrangements should maximize the authority and responsibility of community governments;
- (3) Funding arrangements should maximize the certainty about funding levels for community governments;
- (4) Funding allocations should be reported publicly;
- (5) Community governments should maximize their revenues, within the capacity of their residents;
- (6) Formulas and criteria used to determine funding allocations should be clear and transparent and the Government of the Northwest Territories should be accountable for the application of such formula and criteria;
- (7) Funding programs should recognize that there will be hard to control increases in community governments costs in providing community government programs and services; and
- (8) All contracts for the supply of services or materials for community government projects or services should be awarded in a way that is transparent, competitive and consistent with value for money principles.



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3. Scope

This policy guides the administration of funding to assist community governments with the provision of programs and services to their residents, including funding for infrastructure that supports those services.

4. Definitions

The following terms apply to this Policy:

Community Government Programs and Services – those programs and services which are provided by community governments, including but not limited to: the provision of water, the collection, treatment and disposal of sewage and garbage, fire protection, road maintenance, recreations, by-law enforcement, land use planning, emergency management and administration.

Community Public Infrastructure Funding – a contribution, as defined by the Financial Administration Manual, which provides funding to community governments to assist with the capital costs of community public infrastructure.

Contribution Agreement – an agreement, written as specified in Financial Administration Manual, under which the Department of Municipal Community Affairs will provide community government funding in accordance with this Policy.

Designated First Nations Council – is a First Nations Council designated by Municipal and Community Affairs as the community government with prime public authority for the provision of municipal services, where a municipal corporation is not established in the area. These are listed in Schedule A.

Eligible Community Government – is a corporation established under or continued by the *Charter Communities Act*, the *Cities, Towns and Villages Act*, the *Hamlets Act*, *Tłı̄chq Community Government Act*, or any Designated First Nations Council.

Operations and Maintenance Funding – a contribution, as defined by the Financial Administration Manual, which provides funding to community governments to assist with



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the costs of providing community government programs and services.

Water and Waste Services Funding – a contribution, as defined by the Financial Administration Manual, which provides funding to community governments to assist with the costs of providing water and waste services.

5. Authority and Accountability

(1) General

This policy is issued under the authority of the Executive Council. The authority to make exceptions and approve revisions to this Policy rests with the Executive Council.

Authority and accountability are further defined as follows:

(a) Minister of Municipal and Community Affairs

The Minister of Municipal and Community Affairs (the Minister) is accountable to the Executive Council for the implementation of this policy.

(b) Deputy Minister

The Deputy Minister of Municipal and Community Affairs (the Deputy Minister) is accountable to the Minister and responsible to the Minister for the administration of this policy.

(2) Specific

(a) Executive Council

The Executive Council may, on the recommendation of the Minister, add or remove community governments from the list of eligible communities.

(b) Financial Management

The Financial Management Board may approve the Department's Business Plans and Main Estimates for referral to the Legislative Assembly.



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(c) Minister

The Minister:

- (i) may make recommendations to the Executive Council or Financial Management Board regarding amendments to or the implementation of this Policy;
- (ii) will establish and publish ministerial policies on the types of funding available to community governments, including, but not limited to:
 - operations and maintenance funding;
 - community public infrastructure funding;
 - water and waste services funding; and
- (iii) may amend the ministerial policies referred to under Section 5(2)(c)(ii) of this Policy;
- (iv) will advise the Executive Council of his or her intention to establish or amend any ministerial policies referred to under Section 5(2)(c)(ii) of this Policy; and
- (v) will establish standards and guidelines as necessary for the implementation of this Policy.

(d) Deputy Minister

The Deputy Minister or delegate:

- (i) may recommend to the Minister standards and guidelines necessary to the implementation of this Policy;
- (ii) may enter into Contribution Agreements with community governments in accordance with Section 6(4) of this Policy;
- (iii) will prepare and distribute an annual report detailing the community government funding that has been provided.



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6. Provisions

(1) Community Government Funding

- (a) For all funding streams, eligible community governments may receive annual funding to assist with the provision of community government programs and services, community public infrastructure and water, sewer and waste services.
- (b) Funding will be allocated to eligible community governments in accordance with ministerial policy established pursuant to this Policy.

(2) Contribution Agreements

- (a) Funding provided under this Policy is conditional on there being a Contribution Agreement in place between the Deputy Minister and the recipient community government.
- (b) Contribution Agreements will be developed in accordance with Financial Management Board directives on the transfer of appropriated funds to community governments.

(3) Review

The Department will review the suitability of the ministerial funding policies established pursuant to this Policy at least every five years and may make recommendations to the Minister.

7. Financial Resources

Funding resources required under this Policy are conditional and based on approval of funds in the Main Estimates by the Legislative Assembly. There must also be sufficient unencumbered free balance in the appropriate activity for the fiscal year for which the funds are required.



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8. Prerogative of the Executive Council

Nothing in this policy shall in any way be construed to limit the prerogative of the Executive Council to make decisions or take action respecting the establishment or revision of community government funding outside the provisions of this Policy.

A handwritten signature in black ink, consisting of stylized, overlapping loops and a long horizontal stroke extending to the right.

Premier and Chair of the
Executive Council