

1. Statement of Policy

The Department of Municipal and Community Affairs (MACA) may provide funding to community governments to resolve extraordinary funding requirements for unforeseen events.

2. Principles

The Department of Municipal and Community Affairs will adhere to the following principles when implementing this Policy:

- (1) Unforeseen situations arise in the operation of community governments requiring funding that is additional to normal requirements; and
- (2) Extraordinary funding contributions should be allocated with the intent to resolve the unforeseen situation within one or two years.

3. Scope

The funding associated with this Policy is limited to the provision of municipal services as referenced in the Government of the Northwest Territories *Community Government Funding Policy*.

4. Definitions

The following terms apply to this Policy:

Extraordinary Funding – Funds to be used to enhance municipal services or repair municipal infrastructure for which funding under the Infrastructure Funding Policy or Formula Based Funding Policy is not available.

Formula Based Funding – A grant, as defined by the Financial Administration Manual Directive 401, which provides funding to community governments to assist with the costs of providing municipal services.

Infrastructure Funding – Funds allocated to community governments to maintain infrastructure required to provide municipal services.

Eligible Community Governments – Are community governments established under NWT legislation or the Band Councils that provide municipal services.

5. Authority and Accountability

(1) General

This Policy is issued in accordance with Financial Management Board (FMB) direction to delegate to Ministers authority to establish grants and contribution programs. Authority and accountability is further defined in Financial Administration Manual directives, 401, 401-1, 401-2, and 401-4 and as follows:

(a) Minister

The Minister of Municipal and Community Affairs (the Minister) is accountable to the Financial Management Board 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) Minister

The Minister may:

- (i) approve changes to this Policy;

- (ii) approve grants or contributions according to the terms and conditions outlined in this Policy; and
- (iii) delegate the authority to approve grants and contributions to the Deputy Minister.

(b) Deputy Minister

The Deputy Minister has the following authority and accountability, which he or she may delegate to a Director or to Regional Superintendents:

- (i) determines the need for assistance based on consultations with municipal governments and/or departmental officials; and
- (ii) makes recommendations to the Minister regarding approval of requests for Extraordinary Funding.

6. Provisions

(1) Eligibility

Community governments listed in Schedule A are eligible for funding under this Policy.

(2) Criteria

- (a) Extraordinary funding must be required to maintain an adequate level of municipal service functions, or to address an unanticipated infrastructure deficiency.
- (b) Extraordinary funding cannot be used for an enhancement to services over and above those normally provided by community governments.

- (c) Extraordinary funding cannot be used for an enhancement to Formula-based Funding.
- (d) Extraordinary funding is not intended to address on-going funding requirements or deficiencies. Communities will be required to demonstrate a sound strategy to ensure that there is a long-term resolution to any problem for which funding from the Extraordinary Funding Policy is provided.
- (e) Extraordinary funding will not be used to establish new capital projects unless there is an urgent need that can be demonstrated, there is no incremental on-going funding requirement, and there is no flexibility to reallocate within the existing community's infrastructure plan.

(3) Applications

Community government representatives will make a written request to the Deputy Minister detailing the need for funding, the cause of that need, the projected amount of funding required and the result of the funding. Where relevant, applications will also outline mitigation measures to address the issue which prompted the funding request.

(4) Financial Conditions

Extraordinary funding will be allocated through a Contribution Agreement.

7. Financial Resources

Financial resources required under this policy are conditional on approval of funds in the Main Estimates by the Legislative Assembly and there being a sufficient unencumbered balance in the appropriate activity for the fiscal year for which the funds would be required.



POLICY

03-02
Department of Municipal and Community Affairs
Extraordinary Funding

8. Prerogative of the Minister

Nothing in this Policy shall in any way be construed to limit the prerogative of the Minister to make decisions or take actions respecting grants or contributions. In this regard, the Minister may approve exception to this policy. Any exception will require the Minister's written approval.

Vince R. Steen
Minister

Original signed September 2003

Date



APPENDIX A

ELIGIBLE COMMUNITY GOVERNMENTS

Hamlet of Aklavik	Hamlet of Sachs Harbour
Hamlet of Fort Liard	Hamlet of Rae-Edzo
Hamlet of Fort McPherson	Hamlet of Tuktoyaktuk
Hamlet of Fort Providence	Hamlet of Tulita
Hamlet of Holman	Hamlet of Paulatuk
Charter Community of Deline	
Charter Community of K'asho Got'ine	(Ft. Good Hope)
Charter Community of Tsiigehtchic	
Charter Community of Wha Ti	
City of Yellowknife	
Town of Fort Smith	Town of Norman Wells
Town of Hay River	Town of Inuvik
Village of Fort Simpson	
Dechi Laot'i Band	(Wekweti)
Gameti First Nation	(Rae Lakes)
Jean Marie River First Nation	
Ka'a'gee Tu First Nation	(Kakisa)
K'atlodeeche First Nation	(Hay River Reserve)
Lutselk'e Dene Band	
Nahanni Butte Dene Band	
Pehdzeh Ki Dene Band	(Wrigley)
Sambaa K'e Dene Band	(Trout Lake)
Behdzi Ahda' First Nation	(Colville Lake)
Yellowknives Dene First Nation	(Dettah)
Deninoo	(Fort Resolution)
Enterprise	