



POLICY

03-03
Department of Municipal and Community Affairs
Municipal Infrastructure Funding

1. Statement of Policy

The Government of the Northwest Territories supports the physical development of communities by providing funding through the Community Government Funding Policy, for planning and delivering infrastructure required to support municipal programs and services.

2. Principles

- (1) Community Governments should be encouraged to plan for the development of their communities, to assess their needs, and set priorities for Municipal Infrastructure projects.
- (2) Community Governments should be encouraged to accept authority and responsibility for planning and delivering Municipal Infrastructure projects.
- (3) Community Governments should be encouraged to develop financial plans to finance their needs and priorities for Municipal Infrastructure projects.
- (4) Basic Municipal Infrastructure should be available on a comparable basis, across all communities, to ensure safe, healthy, self-directed environments for community residents.

3. Scope

The Ministerial Policy on Infrastructure Funding (the “Policy”) applies to the manner in which Hamlets, Charter Communities, Settlements, and Band Councils (where the Band Council is the designated community governing authority) finance and deliver Municipal Infrastructure projects in their respective communities.

Cities, Towns and Villages are responsible for planning and implementing their own municipal infrastructure. This Policy does not apply to Cities, Towns and Villages. However, Cities, Towns and Villages are eligible to apply for up to 50 percent of the costs to cover water and sewer

infrastructure. Funding for water and sewer infrastructure for Cities, Towns and Villages is provided under the Cost-Shared Water/Sewer Funding Policy.

4. Definitions

The following terms apply to this Policy:

Community Government – A municipal corporation, (with the exception of a City, Town, or Village) or, in the absence of a municipal corporation, a community governing authority recognized by the Minister of Municipal and Community Affairs.

Municipal Infrastructure – Includes the planning and implementation of all projects respecting:

- Development and upgrading community roads, community sites, and open spaces;
- Community land use planning studies, including residential, commercial, and light industrial subdivision planning;
- Extraordinary building maintenance (Hamlets and Charter Communities, only);
- Minor sport and recreation facilities, such as baseball diamonds, playgrounds, and outdoor skating rinks;
- Mobile equipment including light-duty pick-up trucks, dump trucks, garbage trucks, and equipment and attachments; and
- Fire fighting/protection equipment including hoses, nozzles, protective clothing, and breathing apparatus.

Municipal Infrastructure does not include graders, bull-dozers, front-end loaders, fire trucks, water delivery trucks, sewage disposal trucks, or mobile equipment retrofits.

Municipal Infrastructure Funding – Funds allocated to Community Governments under the Community Government Funding Policy that are identified and prioritized by the Community Government to be used to plan and implement Municipal Infrastructure projects.

5. Authority and Accountability

(1) General

This Policy is issued under the authority of the Minister of Municipal and Community Affairs (the “Minister”). The authority to make exceptions and approve revisions to this Policy rests with the Minister.

The Minister is accountable to the Financial Management Board for the implementation of the Policy.

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) The Minister may:

- (i) approve changes to this Policy; and
- (ii) delegate the authority to add or delete activities and/or assets that are considered Municipal Infrastructure projects.

(b) The Deputy Minister has the following authority and accountability, which he or she may delegate to a Director or a regional Superintendent:

- (i) make recommendations to the Minister respecting those activities and assets that are considered Municipal Infrastructure projects.

6. Provisions

(1) Eligibility and Criteria

All non-tax-based Community Governments that receive funding under the Community Government Funding Policy are allocated funds on an unconditional basis. Community Governments set their own priorities for funding municipal programs and services, including Municipal Infrastructure Funding for the planning and delivery of Municipal Infrastructure projects.

(2) Financial Considerations

Non-tax-based Community Governments are responsible for funding Municipal Infrastructure projects up to the following limits:

- Hamlets and Charter Communities \$100,000
- Band Councils \$ 75,000
- Settlements \$ 50,000

Financial resources under this Policy flow from the Community Government Funding Policy. Community Governments should budget and prioritize accordingly, for the delivery of their Municipal Infrastructure projects. Community Governments are responsible for the planning, including financial planning, and delivery of their Municipal Infrastructure projects.

The Department of Municipal and Community Affairs does not provide additional funding, specifically for Municipal Infrastructure projects, other than if a Municipal Infrastructure project is required on an emergency basis (i.e. public health or safety reasons). Community Governments should apply for funding under the Department of Municipal and Community Affairs' Extraordinary Funding Policy if Municipal Infrastructure projects are required on an emergency basis, and funding is not available from any other source.

If funding is not available under the Extraordinary Funding Policy or from any other Community Government sources, then Community Governments may enter into a Contribution Agreement with the Department of Municipal and Community Affairs to fund Municipal Infrastructure projects. However, the funds advanced to Community Governments under a Contribution Agreement for Municipal Infrastructure projects, may require to be reimbursed to the Department of Municipal and Community Affairs. For those Contribution Agreements requiring repayment, the Contribution Agreement must be accompanied by a funding re-payment schedule to be mutually agreed to by the Department of Municipal and Community Affairs and the Community Government. The Department of Municipal and Community Affairs will provide the funds advanced to Community Governments under a Contribution Agreement for Municipal Infrastructure projects, on an interest-free basis.

Community Governments may also access other funding sources to support the development of Municipal Infrastructure projects (i.e. Land Development Assistance Program, Community Initiatives Program, or programs offered through the Department of Indian Affairs and Northern Development).

(3) Operational Considerations

The Department of Municipal and Community Affairs publishes Standards and Guidelines. Community Governments are encouraged to use them when planning, designing, and implementing Municipal Infrastructure projects.

Hamlets and Charter Communities own their Municipal Infrastructure. Settlements and Band Councils may not own Municipal Infrastructure, but may provide care and custody of their Municipal Infrastructure.



POLICY

03-03 Department of Municipal and Community Affairs Municipal Infrastructure Funding

(4) Reporting Considerations

Community Governments are required to report on the Municipal Infrastructure projects they undertake. The reporting requirements are to be in accordance with the Minister's guidelines contained in the Financial and Audit Reporting Standards. Community Governments are required to disclose each and every Municipal Infrastructure project they fund and deliver, in each accounting cycle, on Schedule 9 of their Audited Financial Statements.

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.

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 make a special exception to the rules set out in this policy. Any exception will require substantiation in writing and must be recorded with the Department of Municipal and Community Affairs.

Vince R. Steen
Minister

Original signed September 2003

Date