



# DESIGNING FUNDING PROGRAMS TO HAVE IMPACT ON NWT COMMUNITIES

Associations like the NWT Association of Communities often get calls from various funding agencies asking why they are not getting interest or applications from Northern communities. Most funds like to have a cross section of representation from across the country so the perceived lack of interest from the North is of concern. However, to categorize the issue as “lack of interest” is not accurate, it is rather that many funding programs are not accessible to northern communities.

## ■ ENTIRE TERRITORY HAS A POPULATION THE EQUIVALENT OF THE SMALL TOWN

Even those of us who live here sometimes have to step back and remind ourselves that although we have 33 communities, we only have a total population of a small town. With this small population, we maintain 33 fire departments, recreation centres, town offices, water systems, landfills, sewage systems and the list goes on.

## ■ PHYSICAL CONSTRAINTS

The NWT has 33 communities in 11% of Canada's land mass as well as some of the harshest conditions to be found in Canada.

In addition to the severe weather that seriously limits construction seasons, many communities have transportation systems that are seasonal. Parts of the NWT are serviced by winter ice roads and by air only the rest of the year. Others are serviced by sealift during the summer and only air the rest of the year and some by air only. Even the communities that are on all season roads have times when the roads are not open as river crossings make the transition from ferries to ice bridges and back again. This can occur for up to a month at a time.

These constraints mean that the lead time required for materials for northern construction projects can be very much longer than one might experience in the south.

## ■ COMPLEX APPLICATION & REPORTING

Even larger municipalities find some of the funding programs application processes daunting so you can only imagine what a challenge they might be for a small community with little or no technical support. When all technical support is provided by consultants, the cost of having them prepare a grant application that may or may not be successful, is prohibitive. This is also the case for many programs reporting requirements.

## ■ EVERYTHING IS MORE EXPENSIVE

With indices for construction available to Edmonton the additional costs are obvious. How about the less obvious cost of attending a 1/2 day meeting in Yellowknife? If you are coming from Sachs Harbour that trip takes a week and the flights cost \$5,000. Although technology is being used to avoid making this trip, the lack of communication infrastructure can make this a challenge, too.

# 8 WAYS TO IMPROVE YOUR FUNDING PROGRAM

1. Distribute Funds as Base Plus
2. Allocation over Application
3. Increase % Contribution Levels
4. Allow for Stacking
5. Simplified Application & Reporting
6. Reduced Audit Requirements
7. Broader Interpretation of Projects
8. Flexibility of Timing



## **AUDIT REQUIREMENTS**

While we all appreciate where the requirement for audits on larger funding programs has evolved from, it is a burden and complication that is not necessary for many programs that are delivered in the North. We are aware of funding that was used to purchase a single item and rather just supplying receipts and a photo, a \$5,000 audit had to be done. This is particularly complicated by the fact that most communities do not have a resident auditor and they often only travel in once a year at great expense.

## **NEEDED EXPERTISE MAY NOT EVEN EXIST IN THE COMMUNITY OR THE TERRITORY**

Often the expertise that you need may not exist in your community or the whole NWT. Something as simple as an appliance repair or some electrical or plumbing work may only occur during a once a year visit if at all. You can only imagine the challenges if you need a less common expertise.

## **NORTHERN MUNICIPALITIES ARE IN A DIFFERENT PHASE OF THEIR CORPORATE DEVELOPMENT**

Most communities in the NWT are significantly less than 100 years old and therefore are not in the same phase of their corporate development as communities in the south.

It was only in 2007 that communities (other than the taxed based ones) were given the authority to set their own capital budgets and decide what works were a priority in their community. All projects were selected and managed by the Government of Northwest Territories before this. Communities have gained considerable knowledge in budgeting, project management and associated operating costs but this experience does not come over night.

Since they have only had responsibility for capital for a short time, many have not had the opportunity to build up adequate capital reserves either. Even the taxed based communities have a very small taxbase that they cannot burden too much.

## **SOME PROGRAMS DON'T WORK IN THE NORTH**

There are subtle differences to everything in the North and often there is such inflexibility to programs that NWT communities will never be able to take advantage of them. One example is fireworks for Canada Day.

## **LITTLE OR NO OPPORTUNITY TO RAISE MATCHING FUNDS**

Because 27 of the 33 communities in the NWT are not taxed based they have little or no opportunity to raise the matching funds that are required for most funding programs. Communities receive a bulk of their funding from the GNWT which provides the bare essentials to provide core services.





## LAST BUT CERTAINLY NOT LEAST...

Our association is willing to provide advice in an informal confidential basis during the design phase of programs. Let us help you have your program make a difference in the North!



**NWT Association of Communities**

#200, 5105 - 50th Street, Yellowknife, NT

**Phone: 1-876-873-8359**

**Fax: 1-867-873-3042**

**sara@nwtac.com | [www.nwtac.com](http://www.nwtac.com)**

