



February 25, 2021

MR. JACKIE JACOBSON  
MLA, NUNAKPUT

**Oral Question 554-19(2): Funding for Bus Service in Reindeer Point**

This letter is in follow up to the Oral Question you raised on February 12, 2021, regarding additional funding for a busing service for the Hamlet of Tuktoyaktuk.

The Department of Municipal and Community Affairs (MACA) supports community government authority over community public infrastructure and community government programs and services. The Department provides stable, structured funding for this purpose. This funding includes annual contribution agreements from the Department to all communities for Operations and Maintenance funding, Environmental Funding, Community Public Infrastructure (CPI), and Gas Tax funding. Occasionally, other pots of funding may be available, such as the annual grant that returns property taxes collected within community boundaries back to the community government as revenue, or the two COVID revenue streams that were made available in 2020-2021. Community governments are provided with their own autonomy to determine priorities and make decisions about program and service delivery for their residents.

The purchase and operation/maintenance of a bus service for the Hamlet of Tuktoyaktuk are eligible expenditures under most of the above three mentioned ongoing funding sources, with the understanding that operating expenses are not eligible under capital funding pots such as CPI or Gas Tax funding. The Hamlet Council could choose to look at some element of cost recovery by striking a cost-share arrangement with other organizations and businesses in the community or considering a subsidized bus fare in order to help offset some of the operating costs of the bus. There may also be other application-based funds available that could be used to assist with financing such a project.

If the community leadership feels that providing a bus service remains a community priority, for service to their residents, they may identify these costs in their Capital Plan and annual Budget. MACA has staff who can work with community administration and Council to present options that might help the Hamlet achieve this priority. If the Council is interested in this kind of support, I would encourage the Hamlet to contact MACA's Inuvik Regional Office to request this kind of review and input.

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It is my understanding that the Deputy Minister of MACA will soon be meeting with the Senior Administrative Officer of Tuktoyaktuk while he is visiting Yellowknife for meetings. Following their discussions, I will be in a better position to meet with you to further consider how MACA can provide support to the Hamlet.

Sincerely,



Paulie Chinna  
Minister  
Municipal and Community Affairs

- c. Clerk of the Legislative Assembly  
Legislative Coordinator, Executive and Indigenous Affairs  
Deputy Minister, Municipal and Community Affairs