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***Supplemental Report - Municipal Operations  
And Maintenance - Unconditional Funding***

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***Author: G.n.w.t. - Municipal & Community  
Affairs***

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**SUPPLEMENTAL REPORT- MUNICIPAL  
OPERATIONS AND MAINTENANCE -  
UNCONDITIONAL FUNDING**

Sector: Reference Material

9-5-246

Reference Material

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SUPPLEMENTARY REPORT  
MUNICIPAL OPERATIONS AND  
MAINTENANCE  
UNCONDITIONAL FUNDING

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SUPPLEMENTARY REPORT  
MUNICIPAL OPERATIONS AND  
MAINTENANCE  
UNCONDITIONAL FUNDING

**SUPPLEMENTARY REPORT**

as Requested by

Joint **MACA/NWTAM** Municipal O & M **Funding** Review Committee

on

Municipal Operations and Maintenance  
Unconditional Funding

TASK GROUP SUPPLEMENT **TO** ITS REPORT

Nov. 20/89

The Joint Committee reviewed the Task Group's report and **recommendations** in October, and requested further information. Discussion about funding Municipal Taxing Authorities (**M.T.A.s**) resulted in a request to produce more calculations and tables. Questions, such as which formula would be used to distribute **MTAs'** funds and from which funding pool would these funds be **drawn**, were raised. Also, further experimentations with the grouping of municipalities (e.g. 6 tax based, excluding **Yellowknife**) was requested. This supplemental report contains examples **which** were generated from the many scenarios and proposals developed over the course of the Task Group's work.

It is important to note that none of these examples are recommended for implementation by the Task Group, as they do not reflect any new consensus among the Task Group. As well, they may not be consistent with the Conceptual Framework to which the Group subscribed when undertaking the review..

In light of the discussions which took place at the Joint Committee meeting, the Task Group assessed its stated recommendations, and concluded that the Group would leave its recommendations as they were presented in its report to the Joint Committee. The Task Group agreed that it **would** provide the additional information requested by the Joint Committee in this Supplement to the Task Group report which is the compilation of that additional information requested.

In addition, the Group decided to obtain an independent assessment of its report from a recognized municipal historian/academic. The services of Dr. Andrew **Sancton**, Professor of Local Government Studies at the University of Western Ontario's School of Public Administration were acquired under contract with the Department.

As a result of the Group's review of Dr. **Sancton's** draft assessment of the Report to the Joint **Committee**, the Task Group has concluded:

1. That the credit units approach to funding hamlets, as proposed in the Task **Group Report** to the Joint Committee is a practical and **sensible** approach to funding hamlets and charter communities, and should be adopted. The Task Group recommendations in **this** regard are sound.

.../2

2. That the Task Group's proposed equalization formula for funding tax based municipalities may be flawed. The formula does not take community size into consideration in the resource rationing process. As Dr. **Sancton** pointed out, adopting this **proposed** approach represents a departure from all other jurisdictions in Canada. It is now the **view** of the Task Group that **the Task Group recommendations on Equalization payment funding to tax based municipalities contained in the Report to the Joint Committee should, therefore be hold in abeyance** while the Task Group undertakes further study as to the adequacy of the recommended formula in recognizing community size and consequent community operating costs.
3. Although the Task Group is of the view that its recommendations respecting hamlets which assume taxing authority are sound, there may be some further conclusions drawn from the reassessment of equalization funding to tax based municipalities. This review may warrant new recommendations being made.
4. Dr. **Sancton's** comments on the Quebec experience respecting the financing of public primary and secondary education services points to a need to do further research as to the specific impacts of proceeding with school tax reform.
5. It is still possible for these analyses to be done so that the full implementation of the funding schemes could take place for 1991. A recommended time frame could be as follows:

<b>Time</b>	<b>Hamlets</b>	<b>Tax Based</b>	"
December/89	Joint Committee	Joint Committee	
<b>Dec-June/90</b>		Reassessment	
February/90	Ministerial Review		
Mar-August/90	Consultation		
early July/90		<b>NWTAM</b> Review	
mid July/90		Ministerial Review	
August/90		consultation	
September/90	****included in 1991 MACA Estimates****		

Supplementary Information

Before examining the following three scenarios? it is helpful to review the two formulae to be used in their original context (from the Sept. 1, 1989 report). The calculations in the scenarios use either the Modified Equalization Formula - Model B by itself or coupled with the Per Capita Model. (See the following pages.)

TABLE # 8

PER CA

FORMULA:

$$\text{GRANT} = \text{PER CAPITA FACTOR} \times \text{NCI} \times \text{POPULATION}$$

$$.1989 \text{ ACTUAL GRANT} - \text{YELLOWKNIFE}$$

$$- \text{POPULATION YELLOWKNIFE} - (1986)$$

	NCI	Population
FORT SIMPSON	1.13	987
FORT SMITH	1.00	2,460
HAY RIVER	1.00	2,404
INUVIK	1.18	3,389
IQALUIT	1.30	2,947
NORMAN WELLS	1.25	627
YELLOWKNIFE	1.00	11,753
<u>TOTAL</u>		<u>405,127</u>

PER CAPITA FACTOR = \$86.00 =  $\frac{\text{ACTUAL GRANT}}{\text{ACTUAL POPULATION}}$

## FORMULA:

$$\text{GRANT} = \text{PER CAPITA FACTOR} \times \text{NCI} \times \text{POPULATION}$$

$$- 1989 \text{ ACTUAL GRANT} - \text{YELLOWKNIFE}$$

$$- \text{POPULATION YELLOWKNIFE} - (1989)$$

	NCI	Population
FORT SIMPSON	1.13	987
FORT SMITH	1.00	2,460
HAY RIVER	1.00	2,964
INUVIK	1.18	3,389
IQALUIT	1.30	2,947
NORMAN WELLS	1.25	627
YELLOWKNIFE	1.00	13,568
TOTAL		26,942
PER CAPITA FACTOR = \$83.00		



TABLE # 9

MODIFIED EQUALIZATION FORMULA - MODEL B											
	1	2	3	4	5	6	7	8	9	10	11
	# OF DWELLINGS	TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)	1989 GRANT PAID	VARIANCE	GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
FORT SIMPSON	313	16,460,891	1.901	1.13	2.148	528,415	116,568	411,847	617,084	516,568	100,516
FORT SMITH	800	53,404,540	1.498	1.00	1.498	368,513	265,998	102,515	430,350	265,998	164,352
DAY RIVER	1174	84,067,765	1.396	1.00	1.396	343,420	260,294	83,126	401,047	260,294	140,753
UIVIK	1395	81,998,156	1.701	1.18	2.007	493,728	250,525	243,203	576,577	250,525	326,052
YALUIT	1025	91,702,251	1.118	1.30	1.453	357,443	397,340	(39,897)	417,422	397,340	20,082
ORMAN WELLS	260	97,137,094	0.268	1.25	0.335	82,411	80,220	2,191	96,239	80,220	16,019
ELLOWKNIFE	4739	555,512,883	0.853	1.00	0.853	209,841	1,012,826	(802,985)	245,052	1,012,826	(767,774)
TOTALS	9706	980,283,580			9.69	2,383,771	2,383,771	0	2,783,771	2,783,771	0

GRANT POOL 2,3 83,771

NOTE: GRANT POOL = \$2,783,771  
 [INCLUDES \$400,00  
 EXTRA-ORDINARY FUNDING  
 FOR FORT SIMPSON)

• 1988 Assessment for 1989 Taxation

**SCENARIO I**

**Yellowknife** is not included in the calculations. The assumption is that the city would receive an amount as agreed to by Municipal and Community Affairs.

**TABLE 1**  
**Distribution by Equalization**

Fort Simpson  
Fort Smith  
Hay River  
Norman Wells  
Inuvik  
**Iqaluit**

This table shows two results; the first does not include the \$400,000 additional funds for the Fort Simpson while, the second Inuvik result does include it. The **Iqaluit** pool of funds is the same as it is currently minus **Yellowknife's** grant. The funds are distributed using the Modified Equalization Formula-Model B.

**TABLE 2**  
**Distribution by Equalization**

6 Tax-Based  
**Tuktoyaktuk**  
Rankin Inlet

Tuktoyaktuk and Rankin Inlet bring their current funding to this pool for distribution using Modified Equalization Formula - Model B.

**TABLE 3**  
**Distribution by Equalization and Per Capita**

6 Tax-Based

The total grant is calculated by adding Columns 6 and 9. Funds are distributed using the Modified Equalization Formula - Model B and a straight per capita model.

**TABLE 4**  
**Distribution by Equalization and Per Capita**

6 Tax-Based  
Tuktoyaktuk  
Rankin Inlet

Tuktoyaktuk and Rankin Inlet bring to this pool for distribution using the Modified Equalization Formula - Model B and a straight per capita model.

TABLE # 1 - S

## MODIFIED EQUALIZATION FORMULA MODEL B LESS YELLOWKNIFE

	1	2	3	4	5	6
	# OF DWELLINGS	TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)
FORT SIMPSON	313	16,460,891	1.901	1.13	2.149	333,289
FORT SMITH	800	53,404,540	1.498	1.00	1.498	232,361
HAY RIVER	1174	84,067,765	1.396	1.00	1.396	216,616
INUVIK	1395	81,998,156	1.701	1.18	2.007	311,389
IGALUIT	1025	91,702,251	1.118	1.30	1.453	225,392
NORMAN WELLS	260	97,137,094	0.268	1.25	0.335	51,898
TOTALS	4,967	424,770,697			0.884	1,370,945

GRANT PO

NOTE: YELLOWKNIFE'S GRANT WOULD BE APPROXIMATELY \$1,012,826  
 " 1988 Assessment for 1989 Taxation

TABLE # 2- SCENARIO 1  
 MODIFIED EQUALIZATION FORMULA MODEL B INCLUDING TUKTOYAKTUK AND RANKIN INLET WITH AND WITHOUT FORT SIMPSON'S \$400,000

	1	2	3	A	5	6	7	8	9	10	11
	# OF DWELLINGS	TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)	1989 GRANT PAID	VARIANCE	GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
FORT SIMPSON	313	16,460,891	1.901	1.13	2.148	496,869	116,568	380,301	564,063	516,568	47,495
FORT SMITH	800	53,404,540	1.498	1.00	1.498	346,492	265,998	80,494	393,350	265,998	127,352
JAY RIVER	1,174	84,067,765	1.396	1.00	1.396	322,899	260,294	62,605	366,566	260,294	106,272
NUVIK	1,395	81,998,156	1.701	1.18	2.007	464,267	250,525	213,742	527,052	250,525	276,527
SALUIT	1,025	91,702,251	1.118	1.30	1.453	336,176	397,340	(61,164)	381,639	397,340	(15,701)
NORMAN WELLS	260	97,137,094	0.268	1.25	0.335	77,487	80,220	(2,733)	87,965	80,220	7,745
TUKTOYAKTUK	575	26,332,597	2.184	1.00	2.184	505,166	863,694	(358,528)	573,482	863,694	(290,212)
RANKIN INLET	374	21,179,664	1.766	1.00	1.766	408,482	723,200	(314,718)	463,722	723,200	(259,478)
TOTALS	5,916	472,282,958			13	2,957,839	2,957,839	0	3,357,839	3,357,839	(0)
						GRANT POOL	2,957,839		GRANT POOL	3,357,839	

\* NOTE: YELLOWKNIFE'S GRANT WOULD BE APPROXIMATELY \$1,012,826  
 " 1988 Assessment for 1989 Taxation

(INCLUDES \$400,000  
 EXTRA-ORDINARY FUNDING  
 FOR FORT SIMPSON)

TABLE # 3 - SCENARIO I

	1	2	3	4	5	6	7	8	9	10	11
	# OF DWELLINGS	" TOTAL EQUALIZED ASSESSMENT	(B)	(c)	(A)	[G]	1989 GRANT PAID	VARIANCE	PER-CAPITA GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
PORT SIMPSON	313	16,460,891	1.901	1.13	<b>2.149</b>	168,582	<b>58,284</b>	110,298	50,452	58,284	<b>(7,832)</b>
DAY RIVER	1,174	84,067,765	1.396	1.00	1.396	109,567	130,147	(20,580)	134,080	130,147	3,933
PORT SMITH	800	53,404,540	1.396	1.00	1.396	109,528	132,999	(23,471)	111,281	132,999	(21,718)
QALUIT	1,025	91,702,251	1.118	1.30	1.453	114,032	198,670	(84,638)	173,304	198,670	(25,366)
JORMAN WELLS	260	97,137,094	0.268	1.25	0.335	26,284	<b>40,110</b>	(13,826)	35,454	40,110	(4,656)
NUVIK	<b>1,395</b>	81,998,156	1.701	1.18	2.007	157,481	125,263	32,218	180,901	125,263	55,638
TOTALS	4,967	424,770,697			8.737	685,473	685,473	0	685,473	685,473	0
						GRANT POOL	685,473		GRANT POOL	685,473	

•• NOTE: YELLOWKNIFE'S GRANT WOULD BE APPROXIMATELY \$1,012,826  
 •1988 Assessment for 1989 Taxation

TABLE #4 - SCENARIO I  
 MODIFIED EQUALIZATION FORMULA MODEL B AND PER CAPITA MODEL WITH TUKTOYAKTUK AND RANKIN INLET, BUT LESS YELLOWKNIFE

	1	2	3	4	5	6	7	8	9	10	11
	# OF DWELLINGS	* TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)	1989 GRANT PAID	VARIANCE	PER CAPITA GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
FORT SIMPSON	313	16,460,891	1.901	1.13	2.149	250,475	58,284	192,191	94,491	58,284	36,207
HAY RIVER	1,174	84,067,765	1.396	1.00	1.396	162,792	130,147	32,645	251,116	130,147	120,969
FORT SMITH	800	53,404,540	1.396	1.00	1.396	162,735	132,999	29,736	208,416	132,999	75,417
IGALUIT	1,025	91,702,251	1.118	1.30	1.453	169,426	198,670	(29,244)	324,578	198,670	125,908
NORMAN WELLS	260	97,137,094	0.268	1.25	0.335	39,052	40,110	(1,058)	66,401	40,110	26,291
INUVIK	1,395	81,998,156	1.701	1.18	2.007	233,981	125,263	108,719	338,804	125,263	213,542
TUKTOYAKTUK	575	26,332,597	2.184	1.00	2.184	254,593	431,847	(177,254)	78,707	431,847	(353,140)
RANKIN INLET	374	21,179,664	1.766	1.00	1.766	205,866	361,600	(155,734)	116,408	361,600	(245,192)
TOTALS	5,916	472,282,958			13	1,478,920	1,478,920	(0)	1,478,920	1,478,920	(0)
						GRANT POOL	GRANT POOL	GRANT POOL	GRANT POOL	GRANT POOL	GRANT POOL
						1,478,920	1,478,920	1,478,920	1,478,920	1,478,920	1,478,920

\*\* NOTE: YELLOWKNIFE'S GRANT WOULD BE APPROXIMATELY \$1,012,826  
 \* 1988 Assessment for 1989 Taxation

TABLE # 1 SCENARIO II

	1	2	3	4	5	6	7	8	9	10	11
	# OF DWELLINGS	TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)	1989 GRANT PAID	VARIANCE	GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
FORT SIMPSON	313	16,460,891	1.901	1.13	2.148	528,415	116,688	411,847	617,084	516,568	100,516
FORT SMITH	800	53,404,540	1.498	1.00	1.498	368,513	265,998	102,515	430,350	265,998	164,352
HAY RIVER	1174	84,067,765	1.396	1.00	1.396	343,420	260,294	83,126	401,047	260,294	140,753
INUVIK	1395	81,998,156	1.701	1.18	2.007	493,728	2,052,525	2,432,033	576,577	250,525	326,052
IQALUIT	1025	91,702,251	1.118	1.30	1.453	357,443	397,340	(39,897)	417,422	397,340	20,082
NORMAN WELLS	260	97,137,094	0.268	1.25	0.335	82,411	80,220	2,191	96,239	80,220	16,019
YELLOWKNIFE	4739	555,512,883	0.853	1.00	0.853	209,841	1,012,826	(802,985)	245,052	1,012,826	(767,774)
<b>TOTALS</b>					9.69	2,383,771	2,383,771	0	2,783,771	2,783,771	0

GRANT POOL 2,383,771

NOTE: GRANT P'30Lg~;-83,771  
 [INCLUDES \$400,00  
 EXTRA-ORDINARY FUNDING  
 FOR FORT SIMPSON]

\* 1988 Assesment for 1989 Taxation

SCENARIO II

This scenario includes all existing Tax Based. Municipalities using the Modified Equalization Formula - Model B or a combination of equalization and per capita. It also presents the same options for the Hamlets which are in their own separate transition zone before becoming full TBM's. These Hamlets will be taxing authorities, but will be subject to some restrictions.

TABLE 1  
Distribution by Equalization

Yellowknife  
Fort Simpson  
Fort Smith  
Hay River  
Inuvik  
Norman Wells  
Iqaluit

This table shows two results; the first does not include the \$400,000 additional funds for Fort Simpson, while the second does include it. The funds are distributed using the Modified Equalization Formula - Model B.

TABLE 2  
Distribution by Equalization and Per Capita

7 - Tax Based

The total grant is calculated by adding columns 6 and 9. Funds are distributed using the Modified Equalization Formula - Model B and a straight per capita model.

TABLE 3  
Distribution by Equalization

Tuktoyaktuk  
Rankin Inlet

This table shows Tuktoyaktuk and Rankin Inlet in a transition pool for new taxing authorities where funds are distributed using the Modified Equalization Formula - Model B.

TABLE 4  
Distribution by Equalization and Per Capita

Tuktoyaktuk  
Rankin Inlet

This table shows Tuktoyaktuk and Rankin Inlet in a transition pool for new taxing authorities where funds are distributed using the Modified Equalization Formula - Model B and a straight per capita model.



SCENARIO II (continued)

TABLE 5  
Distribution by Equalization

7 - Tax Based  
Rankin Inlet  
Tuktoyaktuk

This table shows two results; the first does not include the \$400,000 additional funds for Fort Simpson, while the second does include it. The funds are distributed using the Modified Equalization Formula - Model B.

TABLE 6  
Distribution by Equalization and Per Capita

7 - Tax Based  
Rankin Inlet  
Tuktoyaktuk

The total grant is calculated by adding columns 6 and 9. Funds are distributed using the Modified Equalization Formula - Model B and a straight per capita model.

TABLE # 2 - SCENARIO II  
 MODIFIED EQUALIZATION FORMULA MODEL B AND PER CAPITA MODEL COMBINED

	1	2	3	4	5	6	7	8	9	10	11
	# OF DWELLINGS	TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)	1989 GRANT PAID	VARIANCE	PER CAPITA GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
FORT SIMPSON	313	16,460,891	1.901	1.13	2.149	267,053	58,284	208,769	46,284	58,284	(12,000)
YELLOWKNIFE	4739	555,512,883	0.853	1.00	0.853	106,017	506,413	(400,396)	563,051	506,413	56,638
HAY RIVER	1174	84,067,765	1.396	1.00	1.396	173,567	130,147	43,420	123,002	130,147	(7,145)
FORT SMITH	800	53,404,540	1.396	1.00	1.396	173,505	132,999	40,506	102,086	132,999	(30,913)
GALUIT	1025	91,702,251	1.118	1.30	1.453	180,640	198,670	(18,030)	158,985	198,670	(39,685)
NORMAN WELLS	260	97,137,094	0.268	1.25	0.335	41,636	40,110	1,526	32,524	40,110	(7,586)
NUVIK	1395	81,998,156	1.701	1.18	2.007	249,468	125,263	124,205	165,953	125,263	40,691
TOTALS	9,706	980,283,580			10	1,191,886	1,191,886	0	1,191,886	1,191,886	(0)

GRANT POOL 1,191,886

GRANT POOL 1,191,886  
 (DOESN'T INCLUDES \$400,000  
 EXTRA-ORDINARY FUNDING  
 FOR FORT SIMPSON)

• 1988 Assesment for 1989 Taxation

TABLE # 3- SCENARIO II  
 MODIFIED EQUALIZATION FORMULA MODEL B TRANSITION ZONE

	1	2	3	4	5	6	7	8
	# OF DWELLINGS	TOTAL EQUALIZED ASSESSMENT	(B)	(c)	(A)	(G)	1989 GRANT PAID	VARIANCE
RANKIN INLET	374	21,179,664	1.766	1.00	1.766	711,342	863,694	(152,352)
TUKTOYAKTUK	575	26,332,597	2.184	1.00	2.184	879,552	727,200	152,352
TOTALS	949	47,512,261			3.950	1,590,894	1,590,894	0
							GRANT POOL	1,590,894

TABLE #4 . SCENARIO II  
 MODIFIED EQUALIZATION FORMULA MODEL B AND PER CAPITA GRANT FOR 11 IE TRANSITION ZONE MUNICIPALITIES

	1	2	3	4	5	6	7	8	9	10	11
	# OF DWELLINGS	" TOTAL EQUALIZED ASSESSMENT	(B)	( C )	(A)	(G)	1989 GRANT PAID	VARIANCE	PER CAPITA GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
WANKIN INLET	37A	21,179,664	1.766	1.00	1.766	355,671	431,847	(76,176)	474,574	431,847	42,727
UKTOYAKTUK	575	26,332,597	2.184	1.00	2.184	439,776	363,600	76,176	320,873	363,600	(42,727)
TOTALS	949	47,512,261			3.950	795,447	795,447	0	795,447	795,447	0
						GRANT POOL	795,447		GRANT POOL	795,447	

TABLE # 5 - SCENARIO II  
 DISTRIBUTION FORMULA MODEL B INCLUDING TUKTOYAKTUK AND RANKIN INLET

	3	4	5	6	7	8	9	10	11
	(B)	(C)	(A)	(G)	1989 GRANT PAID	VARIANCE	GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
TOTAL VALUED ASSESSMENT	1,901	1.13	2,148	625,298	116,568	508,730	688,289	516,568	171,721
460,891	1.498	1.00	1,498	436,052	265,998	170,054	479,979	265,998	213,981
404,540	1.396	1.00	1,396	406,361	260,294	146,067	447,297	260,294	187,003
1,067,765	1.701	1.18	2,007	584,269	250,525	333,744	643,127	250,525	392,602
998,156	1.118	1.30	1,453	423,069	397,340	25,729	465,689	397,340	68,349
702,251	0.268	1.25	0.335	97,515	80,220	17,295	107,338	80,220	27,118
137,094	0.853	1.00	0.853	248,299	1,012,826	764,527	273,313	1,012,826	739,513
512,883	2.184	1.00	2.184	635,739	863,694	227,955	699,783	863,694	163,911
332,597	1.766	1.00	1.766	514,064	723,200	209,136	565,850	723,200	157,350
179,664				3,970,665	3,970,665	0	4,370,665	4,370,665	0
795,841			14	GRANT POO	3,970,665	GRANT POO	GRANT PC/OI	4,370,665	

Assesment for 1989 Taxation

(INCLUDES \$400,000  
 EXTRA-ORDINARY FUNDING  
 FOR FORT SIMPSON)

TABLE #6 - SCENARIO II  
 MODIFIED EQUALIZATION FORMULA MODEL B AND PER CAPITA MODEL COMBINED

	1	2	3	4	5	6	7	8	9	10	11
	# OF DWELLINGS	TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)	1989 GRANT PAID	VARIANCE	PER CAPITA GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
FORT SIMPSON	313	16,460,891	1.901	1.13	2.149	315,059	58,284	256,775	71,372	58,284	13,088
YELLOWKNIFE	4,739	555,512,883	0.853	1.00	0.853	125,075	506,413	(381,338)	868,258	506,413	361,845
HAY RIVER	1,174	84,067,765	1.396	1.00	1.396	204,768	130,147	74,621	189,675	130,147	59,528
FORT SMITH	800	53,404,540	1.396	1.00	1.396	204,696	132,999	71,697	157,423	132,999	24,424
IGALUIT	1,025	91,702,251	1.118	1.30	1.453	213,112	198,670	14,442	245,164	198,670	46,494
NORMAN WELLS	260	97,137,094	0.268	1.25	0.335	49,121	40,110	9,011	50,155	40,110	10,045
INUVIK	1,395	81,998,156	1.701	1.18	2.007	294,313	125,263	169,050	255,910	125,263	130,647
TUKTOYAKTUK	575	26,332,597	2.184	1.00	2.184	320,240	431,847	(111,607)	59,450	431,847	(372,397)
RANKIN INLET	374	21,179,664	1.766	1.00	1.766	258,949	361,600	(102,651)	87,926	361,600	(273,674)
TOTALS	10,655	1,027,795,841			1.4	1,985,333	1,985,333	(0)	1,985,333	1,985,333	(0)

GRANT POOL 1,985,333

GRANT POOL 1,985,333  
 (DOESN'T INCLUDES \$400,000  
 EXTRA-ORDINARY FUNDING  
 FOR FORT SIMPSON)

\* 1988 Assesment for 1989 Taxation

SCENARIO III

Fort Simpson is not included in all the calculations. The assumption is that they would receive an amount as agreed to by Municipal and Community Affairs or Fort Simpson will be placed in a transitions pool for emerging TBM's.

TABLE 1  
Distribution by Equalization

Yellowknife  
Fort Smith  
Hay River  
Inuvik  
Norman Wells  
Iqaluit

In this table, the pool of funds is reduced by Fort Simpson's present grant and is distributed using the Modified Equalization Formula - Model B.

TABLE 2  
Distribution by Equalization and Per Capita

6 - Tax Based

In this table, the pool of funds is reduced by Fort Simpson's present grant and is distributed using the Modified Equalization Formula - Model B and a straight per capita model.

TABLE 3  
Distribution by Equalization

Fort Simpson  
Tuktoyaktuk  
Rankin Inlet

This table shows Tuktoyaktuk and Rankin Inlet and Fort Simpson in a transition pool for emerging TBM's. Funds are distributed using the Modified Equalization Formula - Model B.

TABLE 4  
Distribution by Equalization and Per Capita

Fort Simpson  
Tuktoyaktuk  
Rankin Inlet

This table shows Tuktoyaktuk, Rankin Inlet and Fort Simpson in a transition pool for emerging TBM's. Funds are distributed using the Modified Equalization Formula -Model B and a straight per capita model.

MODIFIED EQUALIZATION FORMULA - MODEL B LESS FORT SIMPSON

	1	2					
	# OF DWELLINGS	" TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)	GR
FORT SMITH	800	53,404,540	1.498	1.00	1.498	450,314	
HAY RIVER	1174	84,067,765	1.396	1.00	1.396	419,652	
INUVIK	1395	81,998,156	1.701	1.18	2.007	603,325	
IQALUIT	1025	91,702,251	1.118	1.30	1.453	436,787	
NORMAN WELLS	260	97,137,094	0.268	1.25	0.335	100,704	
YELLOWKNIFE	1739	555,512,883	0.853	1.00	0.853	256,421	
<b>TOTALS</b>	<b>9,393</b>	<b>963,822,689</b>			<b>7.54</b>	<b>2,267,203</b>	<b>2,</b>

GRANT POOL =

" 1988 Assessment for 1989 Taxation



TABLE #2 - SCENARIO III

MODIFIED EQUALIZATION FORMULA MODEL B AND PER CAPITA MODEL COMBINED - LESS FORT SMITH

	1	2	3	4	5	6	7	8	9	10	11
	# OF DWELLINGS	" TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	( G )	1989 GRANT PAID	VARIANCE	PER CAPITA GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
YELLOWKNIFE	4739	555,512,883	0.853	1.00	0.853	129,949	506,413	(376,464)	557,153	506,413	50,740
HAY RIVER	1174	84,067,765	1.396	1.00	1.396	212,747	130,147	82,600	121,713	130,147	(8,434)
FORT SMITH	800	53,404,540	1.396	1.00	1.396	212,672	132,999	79,673	101,017	132,999	(31,982)
IGALUIT	1025	91,702,251	1.118	1.30	1.453	221,417	198,670	22,747	157,319	198,670	(41,351)
NORMAN WELLS	260	97,137,094	0.268	1.25	0.335	51,035	40,110	10,925	32,184	40,110	(7,926)
INUVIK	1395	81,998,156	1.701	1.18	2.007	305,781	125,263	180,519	164,215	125,263	38,952
TOTALS	9,393	963,822,689			7	1,133,602	1,133,602	0	1,133,602	1,133,602	0
						GRANT POOL	1,133,602		GRANT POOL	1,133,602	

• 1988 Assessment for 1989 Taxation

TABLE # 3- SCENARIO III  
 MODIFIED EQUALIZATION FORMULA MODEL B TRANSITION ZONE (WITH AND WITHOUT \$400,000 TO FORT SIMPSON)

	1	2	3	A	5	6	7	8	9	10	11
	# OF DWELLINGS	" TOTAL EQUALIZED ASSESSMENT	(B)	(c)	(A)	(G)	1989 GRANT PAID	VARIANCE	GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
FORT SIMPSON	313	16,460,891	1.901	1.13	2.149	601,623	116,568	485,055	742,562	516,568	225,994
RANKIN INLET	374	21,179,664	1.766	1.00	1.766	494,433	863,693	(369,260)	610,262	863,693	[253,431
TUKTOYAKTUK	575	26,332,597	2.184	1.00	2.184	611,405	727,199	(115,794)	754,636	727,199	27,437
TOTALS	1,262	63,973,152			6.098	1,707,460	1,707,460	0	2,107,460	2,107,460	0

GRANT POOL 1,707,460

GRANT POOL = 2,107,460

(INCLUDES \$400,000  
 EXTRA-ORDINARY FUNDING  
 FOR FORT SIMPSON]

" 1988 Assesment for 1989 Taxation

TABLE # 4- SCENARIO III

MODIFIED EQUALIZATION FORMULA - MODEL B

	1	2	3	4	5	6	7	8	9	10	11
	# OF DWELLINGS	TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)	1989 GRANT PAID	VARIANCE	PER CAPITA GRANT AMOUNT	ACTUAL 1989 GRANT PAID	VARIANCE
FORT SIMPSON	313	16,460,891	1.901	1.13	2.149	300,811	58,284	242,527	231,194	58,284	172,910
RANKIN INLET	374	21,179,664	1.766	1.00	1.766	247,216	431,847	(184,630)	370,264	431,847	(61,582)
TUKTOYAKTUK	575	26,332,597	2.184	1.00	2.184	305,702	363,600	(57,897)	252,272	363,600	(111,328)
TOTALS	1,262	63,973,152			6.098	853,730	853,730	0	853,730	853,730	0

GRANT POOL 853,730

GRANT POOL 853,730

\* 1988 Assesment for 1989 Taxation

TABLE # 1 - SCENARIO IV  
 MODIFIED EQUALIZATION FORMULA MODEL B AND PER CAPITA MODEL COMBINED

	1	2	3	4	5				7	8
	# OF DWELLINGS	TOTAL EQUALIZED ASSESSMENT	(B)	(C)	(A)	(G)	PER CAPITA ADJUSTMENT	EQUALIZATION AND PER CAPITA	1989 GRANT PAID	VARIANCE
FORT SIMPSON	313	16,460,891	1.901	1.13	2.149	630,119	621,927,102	227,473	116,568	110,905
YELLOWKNIFE	4,739	555,512,883	0.853	1.00	0.853	250,151	3,394,046,236	1,241,391	1,012,826	228,565
HAY RIVER	1,174	84,067,765	1.396	1.00	1.396	409,535	1,213,863,025	443,977	260,294	183,683
FORT SMITH	800	53,404,540	1.396	1.00	1.396	409,391	1,007,101,896	368,353	265,998	102,355
IGALUIT	1,025	91,702,251	1.118	1.30	1.453	426,224	1,256,082,543	459,419	397,340	62,079
NORMAN WELLS	260	97,137,094	0.268	1.25	0.335	98,242	61,597,805	22,530	80,220	(57,690)
INUVIK	1,395	81,998,156	1.701	1.18	2.007	588,626	1,994,852,448	729,628	250,525	479,103
TUKTOYAKTUK	575	26,332,597	2.184	1.00	2.184	640,480	595,005,851	217,627	863,694	(646,067)
RANKIN INLET	374	21,179,664	1.766	1.00	1.766	517,897	711,590,793	260,268	723,200	(462,932)
TOTALS	10,655	1,027,795,841			14	3,970,665	10,856,067,698	3,970,665	3,970,665	0

GRANT POOL =

3,970,665

" 1988 Assesment for 1989 Taxation

Community Planning

This amount represents costs associated with up-dating and maintaining plans.

Recreation

The per capita amounts 20-10-5-3 decrease with population. The outcomes of these calculations represent program and supplies costs.