

**THE NORTHWEST TERRITORIES
TERRITORIAL POLICE SERVICE AGREEMENT**

April 1, 2012

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Memorandum of Agreement dated as of April 1, 2012

BETWEEN:

THE GOVERNMENT OF CANADA (herein called "Canada"),

AND

THE GOVERNMENT OF THE NORTHWEST TERRITORIES (herein called the "Territory").

Introduction

Whereas:

- A. Canadians place a high priority on living in a safe and secure society. They look to their governments, at all levels, to provide the leadership required to develop programs and policies that reduce the risk of crime. To meet these expectations, provincial, territorial, and federal governments work together to provide a society that is reflective of Canadian values – a society in which the incidents of crime are reduced and when they do occur are investigated effectively and efficiently. One of the components of a safe Canadian society is policing services that are professional and responsive to community needs;
- B. The Royal Canadian Mounted Police (RCMP), Canada's national police force, maintains a strong and vital federal presence in all provinces and territories. Additionally, the RCMP, through the police service agreements, provides police services to eight Provinces, three Territories and to a large number of Municipalities. The police service agreements provide a professional, cost effective policing model that: is responsive to the province, territory or municipality within which it operates; fosters seamless cooperation between all levels of policing; facilitates the sharing of intelligence; and promotes innovation. The police service agreements afford Canada the benefit of maintaining a federal policing presence across the country; a presence that is deployable and has the capacity to respond to national events that are beyond the policing capacity of provinces, territories, municipalities or Canada to address alone;

- C. The RCMP, built on a foundation of well-trained police officers and non-police personnel, using proven policing techniques, is well placed to aid in the administration of justice in the Provinces and Territories and in carrying into effect the laws in force therein;

Authorities

- D. The Parties recognize that:
- (i) the Territory has been granted legislative authority in respect of the administration of justice which includes the responsibility for policing;
 - (ii) the RCMP is a federal entity and matters relating to the control, management, and administration of the RCMP are within exclusive federal jurisdiction; and
 - (iii) the Commissioner of the Royal Canadian Mounted Police, under the direction of the Federal Minister, has the control and management of the RCMP and all matters connected therewith;
- E. Section 1 of the *Royal Canadian Mounted Police Agreement Act* R.S.N.W.T. 1988, c. R-8, as amended, provides that the Commissioner of the Northwest Territories may, on behalf of the Territory, enter into an agreement with Canada to provide for the use or employment of the Royal Canadian Mounted Police, or a portion of the Royal Canadian Mounted Police, in aiding the administration of justice in the Northwest Territories and in carrying into effect the laws in force in the Northwest Territories;
- F. Section 20 of the *Royal Canadian Mounted Police Act* provides that the Federal Minister may, with the approval of the Governor in Council, enter into an arrangement with the government of any province for the use or employment of the RCMP or any portion thereof, in aiding the administration of justice in the province and in carrying into effect the laws in force therein and subsection 35(1) of the *Interpretation Act* provides that in every enactment the term "province" includes the Northwest Territories;
- G. The RCMP acting under this Agreement as the Territorial Police Service aids the Territory in the administration of justice by implementing the territorial policing objectives, priorities and goals as determined by the Territorial Minister;
- H. Canada and the Territory recognize that through this Agreement a relationship with respect to territorial policing is established in the Northwest Territories, built on consultation between Canada and the Territory, characterized by respecting each other's responsibilities and by responding to each other's needs, all in a manner that recognizes the evolving nature of law enforcement;

Mutual Benefits

- I. Contract policing is recognized as an increasingly effective national policing model to address the cross-jurisdictional (i.e., municipal, provincial, territorial, national and international) and evolving nature of crime. Canada and the Territory receive benefits from the RCMP acting as the provincial police service by:
- (i) facilitating the flow of intelligence between all levels of policing;
 - (ii) having a direct connection, through the RCMP, between municipal, provincial, territorial, national and international policing that is important to modern policing and security of territorial infrastructure and communities;
 - (iii) promoting Canadian sovereignty through the RCMP presence across Canada including in isolated communities and at Canada's borders;
 - (iv) having RCMP members available for redeployment;
 - (v) sharing the costs and use of common police and administrative services; and
 - (vi) having a professional, efficient and effective police service that reflects reasonable expenses for operating and maintaining a police service;

Implementation

- J. Canada and the Territory are committed to working together towards the common goal of providing a professional, efficient and effective police service committed to aiding in the administration of justice in the Northwest Territories and carrying into effect the laws in force therein; and in furtherance of these goals, this Agreement will be implemented in a manner that:
- (i) ensures meaningful engagement among the Territory, the RCMP and Canada regarding substantive decisions affecting the quality and cost of the Territorial Police Service within the Northwest Territories;
 - (ii) respects the need to be responsive to changing policing requirements and can accommodate potential changes including those in relation to policing policies, strategies, methodologies, models, and police review and complaint mechanisms that may arise during the term of the Agreement;

- (iii) ensures the RCMP provides information, explanations and responds to the Territory in respect of the Territorial Police Service provided in the Northwest Territories and the costs of the Territorial Police Service; and
- (iv) promotes the principles of public trust, transparency and accountability;

Authorizing Order

K. By Order in Council P.C. 2011-1344 dated November 17, 2011, the Governor in Council authorized the Minister of Public Safety and Emergency Preparedness to enter into this Agreement on behalf of the Government of Canada;

NOW, THEREFORE, in consideration of their respective obligations set out below, the Parties hereto agree as follows:

ARTICLE 1.0 **INTERPRETATION**

- 1.1 In this Agreement each of the following terms will, unless the context otherwise requires, have the meaning set out beside it:
- a) “Accommodations Program Charge” in respect of the periods beginning April 1, 2012, April 1, 2017, April 1, 2022, and April 1, 2027, and ending on the fifth-following March 31 will be set by adding together the combined total projected financial commitment set out in each of the Projected Five-Year Budgets for Divisional Major Capital, Divisional Minor Capital, and Divisional Living Quarters for those Fiscal Years and dividing by five;
 - b) “Accounts” has the meaning given to it in subarticle 11.9;
 - c) “Applicable CRF Lending Rate” means the rate of interest approved by the Minister of Finance for Canada, in the month that an item of Equipment–Type A is purchased, for amortized loans from the Consolidated Revenue Fund for Canada equal to the period of amortization set for item of Equipment–Type A under paragraph 11.2(1);
 - d) “Attorney General” means, in accordance with the *Department of Justice Act* R.S.N.W.T. 1988, c. 97, as amended, the official legal advisor to the Commissioner of the Northwest Territories and the Territory;
 - e) “Building” means any building, structure, improvement and other fixture on, above or below the surface of the land, that is administered, acquired or constructed by or for Canada and used by Canada to provide and maintain a Territorial Police Service within the Northwest Territories

- during the term of this Agreement, but does not include any Living Quarters or any divisional or regional headquarters buildings;
- f) "Commanding Officer" means the officer of the RCMP, resident in the Northwest Territories, appointed by the Commissioner to command the Division;
 - g) "Commissioner" means the Commissioner of the Royal Canadian Mounted Police or his or her delegate;
 - h) "Companion Document" means the Police Service Agreement Interpretation and Administrative Procedures Guide, the initial version of which is initialled for identification by the co-chairs of the Contract Management Committee;
 - i) "Criminal Operations Officer" means the officer of the RCMP appointed by the Commissioner to supervise criminal operations in the Service under the overall direction of the Commanding Officer;
 - j) "Department" means the department over which the Federal Minister presides;
 - k) "Detachment" means an organizational component of the Division that has prescribed territorial boundaries and includes satellite and community service offices;
 - l) "Detachment Commander" means the Member in charge of a Detachment who manages its physical, financial and human resources;
 - m) "Directed Review" means a documented evidence-based analysis of:
 - i) the relevance,
 - ii) the performance, including fiscal efficiency, effectiveness and accountability, or
 - iii) the compliance with applicable standards of:
 - A) the Territorial Police Service or policing services provided under this Agreement for the purposes of Article 19, or
 - B) an RCMP Program for the purposes of Article 21;
 - n) "Division" means the organizational component of the RCMP that is responsible for law enforcement and the prevention of crime in the Northwest Territories;

- o) “Earned Retirement Benefit” means an allowance that is earned and accumulated over time and then paid out in a lump sum to the member upon retirement;
- p) “Emergency” means an urgent and critical situation of a temporary nature that requires a deployment of additional police resources to maintain law and order, keep the peace or protect the safety of persons, property or communities;
- q) “Equipment” means, at a minimum, all property other than land and buildings whether purchased, leased, constructed, developed or otherwise acquired, and includes Equipment–Type A and Equipment–Type B;
- r) “Equipment–Type A” refers to Equipment acquired on a non-recurring or extraordinary basis such as specialized motor vehicles, ships and other watercraft, aircraft of any kind, whether manned or un-manned, identification systems, telecommunication and other communication systems including radio towers and related assets that may be affixed to real property;
- s) “Equipment–Type B” refers to Equipment acquired on an annual or recurring basis such as standard police cruisers, radio and computer equipment, security and investigational equipment such as identification devices, firearms, photographic devices and systems, and technology and other licensing fees;
- t) “External Review Committee” means the Committee that is defined in the *Royal Canadian Mounted Police Act*;
- u) “Fair Market Value” means an amount equal to the price at which an item of Equipment, a Building, a Living Quarters or land might be expected to bring if offered for sale in a fair market and which will normally be determined through a standard industry valuation protocol, such as an independent appraisal, obtained by Canada;
- v) “Federal Minister” means the federal Minister responsible for the Royal Canadian Mounted Police;
- w) “Fiscal Year” means the period beginning on April 1 in any year and ending on March 31 in the next year;
- x) “Five-Year Reconciliation” is the reconciliation established under paragraph 12.1 (q);

- y) "Full Time Equivalent Utilization" or "FTE Utilization" means, for the Service, the Division, the Region, or the RCMP, as the case may be, the number calculated as follows:
- i) the total number of days worked, including vacation time and statutory holidays, by all Members, or Support Staff, as the case may be;
 - ii) divided by the applicable work year, where:
 - A) the work year for a Member is a 260 day year based on an 8 hour work day; and
 - B) the work year for a Support Staff is a 260 day year based on 7.5 hour work day;

except leap years when the work year for both Members and Support Staff are increased by one work day;
- z) "Living Quarters" includes any dormitory, room in residence, apartment, house or other living space that is not part of a detachment building and that is owned by Canada or leased by the RCMP for Members;
- aa) "Major Event" means an event of national or international significance that is planned in advance, within Canada, that requires additional police resources, if the overall responsibility for security for that event rests with Canada;
- bb) "Member" means any member of the RCMP appointed pursuant to the *Royal Canadian Mounted Police Act* and any Regulations made pursuant thereto and, without limitation, includes any regular member, special constable, special constable member and civilian so appointed;
- cc) "Municipal Police Service" means the aggregate of resources and Members utilized by Canada to provide policing services in any Municipality under an agreement with that Municipality, but does not include those resources and Members utilized primarily in:
- i) policing services of a national or international nature, such as forensic laboratories, the Canadian Police Information Centre System, identification services, or the Canadian Police College;
 - ii) national security investigation services;
 - iii) protective security such as security at embassies and airports, and security for internationally protected persons;

- iv) services provided to or on behalf of federal government departments; and
- v) the Territorial Police Service provided under this Agreement.
- dd) "Municipal Police Service Agreement" means an agreement between Canada and a Municipality in the Northwest Territories for the provision by Canada of a Municipal Police Service;
- ee) "Municipality" means any city, town, village, hamlet or other organized area that is designated a municipality by any law of the Territory;
- ff) "Office of the Superintendent of Financial Institutions" means the Office of the Superintendent of Financial Institutions established by Section 4 of the *Office of the Superintendent of Financial Institutions Act*;
- gg) "Parties" means Canada and the Territory;
- hh) "Pension Contribution" means, with respect to any Member or federal public service employee, the aggregate of the employer's contributions made under the *Royal Canadian Mounted Police Superannuation Act*, the *Supplementary Retirement Benefits Act*, the *Public Service Superannuation Act*, the *Special Retirement Arrangements Act*, and the *Canada Pension Plan*;
- ii) "Projected Divisional Living Quarters Budget" means the projected budget for the combination of projects detailed in the Divisional Living Quarters Plan;
- jj) "Projected Divisional Living Quarters Plan" means the combination of projects in respect of Living Quarters, including projects such as the replacement or Renovation of Living Quarters and work to be undertaken so as to have the Living Quarters remain fit for use and meet their expected useful life, but does not include Operating and Maintenance work done as part of the normal upkeep of that Living Quarters. Assessment of the need for increases or decreases in the number of Living Quarters will be informed by several factors, such as operational requirements and the condition of the existing Living Quarters;
- kk) "Projected Divisional Major Capital Budget" means the projected budget for the combination of projects detailed in the Divisional Major Capital Plan;
- ll) "Projected Divisional Major Capital Plan" means the combination of projects to construct, Renovate or acquire buildings used as detachments

and may include such other Buildings as may reasonably be undertaken without affecting the sustainability of the program;

- mm) “Projected Divisional Minor Capital Budget” means the projected budget established in accordance with Annex “I” for costs related to work to be undertaken in accordance with Divisional Minor Capital Plan so as to have Buildings and divisional or regional headquarters buildings remain fit for use and meet their expected useful life, but does not include Operating and Maintenance work done as part of the normal upkeep of that building;
- nn) “Projected Divisional Minor Capital Plan” means the combination of projects to be undertaken so as to have all Buildings and divisional or regional headquarters buildings remain fit for use and meet their expected useful life, such as the replacement of building components and/or sub-systems like electrical, heating, ventilation, air conditioning, and plumbing systems. Normal Operating and Maintenance work done as part of the regular upkeep of Buildings and divisional or regional headquarters buildings is not included;
- oo) “Projected Divisional Operating and Maintenance Plan” means the combination of projects required to operate, maintain and manage a Building, divisional or regional headquarters building, or Living Quarters and its grounds other than that which is included in the Divisional Minor Capital Plan. Typically, it consists of a six-year expenditure profile for the Building, divisional or regional headquarters building, or Living Quarters (prior year, current year, and the following four planning years), and includes all property management and maintenance expenses such as cleaning, service contracts, utilities, roads and grounds maintenance, building administration costs, materials, repairs, and payments made by the Minister of Public Works and Government Services for Canada to a taxing authority that has applied for such payment;
- pp) “Public Complaints Commission” means the Commission, or its successor, that is defined in the *Royal Canadian Mounted Police Act*;
- qq) “Region” means a grouping of Divisions or subdivisions, created by the Commissioner, for the purposes of administration;
- rr) “Renovate” means a renovation of a Building or Living Quarters and its sub-systems which substantially prolongs its useful life up to and including effectively resetting that useful life to be equal to that of a newly constructed Building or Living Quarters. The age of a Building or Living Quarters which has been fully Renovated is determined as if that Building or Living Quarters were constructed in the Fiscal Year that the Renovation was completed;

- ss) “Replacement Cost New” means the projected cost per square meter to replace a building used as a detachment with one which has an equivalent utility, function and size and is determined by the Commissioner in consultation with the Territorial Minister. The rate is based on both actual and projected market costs within the Division related to comparable projects undertaken as part of the accommodation program that are recently completed, underway, or scheduled to be commenced in the near future. The rate excludes costs related to the acquisition of land and applicable taxes;
- tt) “Royal Canadian Mounted Police” or “RCMP” means the police force for Canada continued under the *Royal Canadian Mounted Police Act*;
- uu) “Royal Canadian Mounted Police Program” or “RCMP Program” means an activity, or any portion thereof, undertaken by the RCMP in direct support of the provision and maintenance by Canada of more than one provincial or territorial police service of a jurisdiction with which Canada has an agreement similar to this Agreement, and if the costs incurred by Canada as a result of that activity are shared under this Agreement, such as training and recruitment, and accommodations;
- vv) “Salary” means monetary compensation, including annual salary, service pay, senior constable allowance, shift allowance, and other pay provided in recognition of additional duties or time worked;
- ww) “Staff Relations Representative Program” means the program established under the *Royal Canadian Mounted Police Regulations, 1988*;
- xx) “Support Staff” means all those persons, other than Members, who are utilized by Canada in the Northwest Territories to provide and maintain the Territorial Police Service;
- yy) “Special Event” means an event of a short duration that is organized in advance, for which the overall responsibility for policing rests with the territorial or municipal government, and for which additional police resources are required to maintain law and order, keep the peace or protect the safety of persons, property or communities; and
- zz) “Territorial Minister” means the territorial Minister responsible for policing services in the Northwest Territories;
- aaa) “Territorial Police Service” or “Service” means the aggregate of resources, Members and Support Staff utilized by Canada to provide policing services in the Northwest Territories, but does not include those resources, Members and Support Staff utilized primarily in:

- a) policing services of a national or international nature, such as forensic laboratories, the Canadian Police Information Centre System, identification services, or the Canadian Police College;
 - b) national security investigation services;
 - c) protective security such as security at embassies and airports, and security for internationally protected persons;
 - d) services provided to or on behalf of federal government departments; and
 - e) a Municipal Police Service provided under a separate agreement;
- bbb) "Unit" means a named component of the Division to which Members of the Territorial Police Service are assigned.

1.2 Each of the following is attached hereto and forms a part of this Agreement:

- a) Annex "A" – Schedule of Personnel Resources Assigned to the Territorial Police Service;
- b) Annex "B" – Request for Increase or Decrease of the Territorial Police Service;
- c) Annex "C" – Plans for Divisional Major Capital, Minor Capital, Living Quarters and Divisional Operating and Maintenance;
- d) Annex "D" – Projected Budgets for Divisional Major Capital, Minor Capital and Living Quarters;
- e) Annex "E" – Not Applicable;
- f) Annex "F" – Credit Against the Fair Market Value of Detachments;
- g) Annex "G" – Not Applicable;
- h) Annex "H" – PROS Costs; and
- i) Annex "I" – Establishing the Divisional Minor Capital Budget.

1.3 The singular number includes the plural and the plural number includes the singular where such is consistent with the context.

- 1.4 The headings in this Agreement have been inserted for convenience of reference only and do not constitute a part of this Agreement or affect its meaning.
- 1.5 This Agreement constitutes the entire and only agreement between the Parties for the provision and maintenance of the Territorial Police Service and supersedes all previous negotiations, communications and other agreements, whether written or oral, unless they are expressly incorporated by reference into this Agreement. There are no terms, covenants, representations, statements or conditions binding on the Parties other than those contained or referenced in this Agreement.

ARTICLE 2.0 **PURPOSE AND SCOPE**

- 2.1 a) Canada will, subject to and in accordance with the terms and conditions of this Agreement, provide and maintain a Territorial Police Service within the Northwest Territories during the term of this Agreement.
- b) Canada is hereby authorized by the Territory to carry out the powers and duties of the territorial police service for the purpose of providing the Territorial Police Service in accordance with this Agreement.
- c) The number of personnel listed in Annex "A", are:
- i) all the Members, and Support Staff in the Territorial Police Service as adjusted from time to time in accordance with the provisions of subarticles 5.1 and 5.2; and
- ii) the number of staff assigned to divisional or regional administration required to support the Service as determined in accordance with subarticle 5.4.
- 2.2 Those Members who form part of the Territorial Police Service will:
- a) perform the duties of peace officers; and
- b) render such services as are necessary to:
- i) preserve the peace, protect life and property, prevent crime and offences against the laws of Canada and the laws in force in the Northwest Territories, apprehend criminals, offenders and others who may be lawfully taken into custody; and
- ii) execute all warrants and perform all duties and services in relation thereto that may, under the laws of Canada or the laws in force in the Northwest Territories, be executed and performed by peace officers.

- 2.3 a) The Territorial Police Service will not be required to perform any duties or provide any services that are not appropriate to the effective and efficient delivery of police services in the Northwest Territories.
- b) If, at the date of this Agreement, the Territorial Police Service is performing any duties or providing any services referred to in paragraph (a), the Service will continue to perform such duties and provide such services until such time as these duties and services are performed or provided by some other persons.
- c) During the term of this Agreement, and at such times as they may mutually agree, the Commissioner and the Territorial Minister will identify, discuss and, if it is mutually agreed to be feasible, the Territory will use its best efforts to implement alternative means by which the Territorial Police Service would cease to perform any of the duties or provide any of the services referred to in paragraph (a).
- 2.4 The Territorial Minister, in consultation with the Commanding Officer, may require the Territorial Police Service from time to time to temporarily provide assistance or special expertise to other police agencies in the Northwest Territories.

ARTICLE 3.0 TERM OF AGREEMENT

- 3.1 Notwithstanding the date on which this Agreement is executed and subject to subarticle 3.3, this Agreement will take effect from and cover the period beginning April 1, 2012, and ending March 31, 2032.
- 3.2 This Agreement may be extended or renewed for an additional period upon terms that are agreed to by the Parties.
- 3.3 a) This Agreement may be terminated on March 31 in any year by either Party giving the other Party notice of such termination not less than 24 months prior to the date of the intended termination.
- b) In the event of termination of this Agreement, the Parties agree, during the period following that notice and the date of the intended termination, to cooperate and assist each other to effect an orderly transition of service from the RCMP as the Territorial Police Service to such other police service that is authorized by the Territory to carry out those powers and duties.

ARTICLE 4.0 **EXCLUSIONS AND INCLUSIONS**

- 4.1 Subject to subarticle 4.3, the Territorial Minister may, by giving notice in writing to the Federal Minister, include or exclude any geographic area, or function within a geographic area, from the responsibility of the Territorial Police Service, so long as any such inclusion or exclusion does not unreasonably affect the continued provision by Canada of the Territorial Police Service during the term of this Agreement.
- 4.2 a) Any inclusion pursuant to subarticle 4.1 will not take effect unless agreed to by the Territorial Minister and the Federal Minister.
- b) Any exclusion pursuant to subarticle 4.1 will take effect as soon as practicable, but no later than 12 months after receipt of the notice provided for by subarticle 4.1.
- 4.3 Subject to the other terms and conditions of this Agreement, neither Canada nor the Territory will add to or delete from the duties or functions of the Territorial Police Service as they were on March 31, 2012, without prior consultation and agreement between the Federal Minister and the Territorial Minister.

ARTICLE 5.0 **INCREASE OR REDUCTION IN THE TERRITORIAL
POLICE SERVICE & REGIONAL OR DIVISIONAL
ADMINISTRATION STAFF**

- 5.1 Canada will increase the number of Members and Support Staff as soon as practicable within one year from the receipt of a written request and confirmation of the corresponding financial commitment from the Territorial Minister.
- 5.2 Canada will decrease the number of Members and Support Staff as soon as practicable within one year from the receipt of a written request from the Territorial Minister unless the Federal Minister gives written reasons to the Territorial Minister stating that the requested reduction would lower the level of resources below the level needed to deliver effective and efficient policing or to maintain public or officer safety.
- 5.3 Every written request and financial confirmation made in accordance with subarticle 5.1 and every written request made in accordance with subarticle 5.2 will be made in the form substantially as set out in Annex "B".
- 5.4 With respect to staff assigned to divisional or regional administration,

- a) The Commanding Officer of the Division or the Deputy Commissioner of the Region will prepare and deliver to the Territorial Minister, on or before June 1, a multi-year report addressing any anticipated increase or decrease to staff assigned to divisional or regional administration.
 - b) Each report will cover a period of at least three Fiscal Years that will begin on the first day of the next Fiscal Year and will address any budgetary considerations affecting such staff and any significant deviation from the report for the previous Fiscal Year.
 - c) The Commanding Officer of the Division or the Deputy Commissioner of the Region will seek the support of the Territorial Minister in respect of any such report provided.
 - d) If the Territorial Minister has not indicated his or her support he or she will, within a reasonable time, provide a written record to the Commanding Officer or the Deputy Commissioner setting out the part, or parts, of the report that was, or were, not supported, and an explanation of why it was, or they were, not supported.
 - e) The support of the Territorial Minister is required prior to any increase in the staff assigned to divisional or regional administration, unless the Federal Minister gives written reasons to the Territorial Minister stating that the failure to approve the requested increase would result in a lower level of resources than needed to support the Service.
- 5.5 Whatever change is made in accordance with subarticles 5.1, 5.2 or 5.4 will be recorded in Annex "A".

ARTICLE 6.0 **MANAGEMENT OF THE TERRITORIAL POLICE SERVICE**

- 6.1 The Territorial Minister will set the objectives, priorities and goals of the Territorial Police Service.
- 6.2 The internal management of the Territorial Police Service, including its administration and the determination and application of professional police standards and procedures, will remain under the control of Canada.
- 6.3 The Territorial Minister will determine, in consultation with the Commissioner, the level of policing service provided by the Territorial Police Service.
- 6.4 Nothing in this Agreement will be interpreted as limiting in any way the jurisdiction of the Territory in respect of the administration of justice in the Northwest Territories.

- 6.5 a) The Parties recognize Canada's interest in pursuing harmonized professional police standards and procedures across Canada on the basis of established policing best practices. Therefore, the Parties commit to identify opportunities to harmonize those standards and procedures and the Territory will assist Canada in that effort if it is feasible and appropriate.
- b) The Territory will consult with the Commissioner prior to establishing professional police standards or procedures which are to be considered by the Commissioner under paragraph (c).
- c) In determining the professional police standards or procedures in respect of the Territorial Police Service, the Commissioner will harmonize those standards or procedures to be substantially similar to or exceed the comparable applicable best practices in Canada, as determined by the Territorial Minister or as set by territorial law, unless the Commissioner is of the opinion that to do so would be contradictory to a requirement imposed by law, or would negatively affect the RCMP's ability to deliver effective or efficient police services, or negatively affect public or officer safety.
- d) If the Commissioner forms the opinion referred to in paragraph (c), the Commissioner will consult with the Territorial Minister.
- e) If following the consultation referred to in paragraph (d), the Commissioner is still of the opinion referred to in paragraph (c) then, upon the request of the Territorial Minister, the Commissioner will provide the Territorial Minister with written reasons explaining the basis for the opinion.
- f) The Parties acknowledge and agree that any Dispute arising out of the application of this subarticle will be subject to the dispute resolution process set out in Article 23.

ARTICLE 7.0 **THE COMMANDING OFFICER AND THE OPERATION OF THE DIVISION**

- 7.1 For the purposes of this Agreement, the Commanding Officer will act under the direction of the Territorial Minister in aiding the administration of justice in the Northwest Territories and in carrying into effect the laws in force therein.
- 7.2 The Commanding Officer will:
- a) implement the objectives, priorities and goals as determined by the Territorial Minister under subarticle 6.1, including, to the extent

- practicable, the deployment of the Territorial Police Service personnel and Equipment to reflect territorial priorities;
- b) consult with the Territorial Minister on a regular basis to provide information pertaining to the operational and administrative status of the Territorial Police Service; such consultation will occur as and when required but in no case on less than a quarterly basis and with respect to the financial planning and reporting according to Article 18;
 - c) provide the Territorial Minister with an annual report in a mutually agreed upon format, by July 1 of each year, on the status of the implementation of the Territory's objectives, priorities and goals for the Service during the previous Fiscal Year;
 - d) in a reasonable and timely manner, provide the Territorial Minister or the Attorney General with any information that comes into the possession of any Member utilized in the Northwest Territories and which affects the administration of justice in the Northwest Territories and such other information as requested by the Territorial Minister or the Attorney General, all of which is subject to applicable laws; the information will be provided in a manner and in a form to be agreed upon by the Commanding Officer and the Territorial Minister or Attorney General; and
 - e) provide the Territorial Minister each month with the particulars of any new or outstanding complaints made against the Service by any member of the public to the RCMP, all of which is subject to applicable laws; the form and substance of the particulars will be agreed upon by the Commanding Officer and the Territorial Minister.
- 7.3 Before appointing a Commanding Officer, a Criminal Operations Officer, or a Deputy Criminal Operations Officer responsible for policing under this Agreement in the Division, the Commissioner will consult with the Territorial Minister and allow a designate of the Minister to participate in the selection process for such appointments.
- 7.4 The Commanding Officer, Criminal Operations Officer, or the Deputy Criminal Operations Officer responsible for policing under this Agreement in the Division will be replaced as soon as practicable after receipt by the Commissioner of a written request from the Territorial Minister that satisfies the Commissioner that sufficient cause exists that the officer concerned no longer commands the confidence of the Territorial Minister.
- 7.5 a) At the request of the Territorial Minister, prior to the appointment of a Detachment Commander in the Division the Commanding Officer will consult with the Territorial Minister; and

- b) the Territorial Minister may also request that the Commanding Officer consult with the community, in which case such consultation is to be undertaken in accordance with the RCMP's policies on community participation.
- 7.6 A Detachment Commander in the Division will be replaced as soon as practicable after receipt by the Commanding Officer or, if required, the Commissioner, of a written request from the Territorial Minister that satisfies the Commanding Officer or, if required, the Commissioner that sufficient cause exists that the Detachment Commander no longer commands the confidence of the Territorial Minister.

ARTICLE 8.0 RESOURCES AND ORGANIZATION

- 8.1 a) Subject to paragraph (b) the number and location of Detachments and Units and any changes to the organizational structure of the Service will be determined by agreement between the Territorial Minister and the Commanding Officer or, if required, the Commissioner.
- b) Prior to approving the location of the divisional or regional headquarters, the Federal Minister will consult with the Territorial Minister and receive any recommendations that the Territorial Minister may wish to provide in respect of the location.
- 8.2 a) Subject to Article 12 and the associated Annexes, during the planning phase of major renovation projects or construction projects for the Service, including district offices and detachments, and prior to commencing renovations, demolition or construction, the Commissioner will consult with the Territorial Minister on the size and location of the buildings and improvements to ensure that the proposed buildings and improvements are appropriate and proportionate to the anticipated demands on, and uses of, the buildings and improvements.
- b) If a divisional or regional headquarters building is to be Renovated or constructed, then during the planning phase of the project, and prior to commencing Renovations, demolition, or construction, Canada will consult with the Territorial Minister and obtain approval on all financial terms and conditions of the project including the size of the building and improvements to ensure that the proposed building and improvements are appropriate and proportionate to the anticipated demands on, and uses of, the Territorial Police Service's portion of the divisional or regional headquarters building.
- 8.3 In each Fiscal Year, the Commanding Officer will give to the Territorial Minister quarterly statements, and such additional statements as may be reasonably

requested from time to time by the Territorial Minister, of the composition of the Territorial Police Service that show or include:

- a) a current organization chart of the Division;
- b) the location and function of all Members and Support Staff who are not casual employees;
- c) the location and function of all casual employees and temporary employees;
- d) the number of Members, as shown in Annex 'A', by rank and function, as utilized as part of the Service and shown by Detachment, Unit and at divisional headquarters;
- e) the number of vacancies which represent positions with no-one assigned to the positions;
- f) the number of vacancies in which the assigned individual is on special leave and, where possible, including an indication of whether or not an additional individual has been assigned to backfill the position;
- g) the number of Members being deployed in surplus to the established strength;

and in each case an explanation of changes since the previous statement.

- 8.4 For the purposes of human resource planning for the next Fiscal Year, the Commanding Officer will consult with and obtain approval, or approval in principle, from the Territorial Minister on or prior to September 1 of each year for the number of Members and Support Staff required to maintain the level of policing service provided by the Territorial Police Service as determined by the Territorial Minister pursuant to subarticle 6.3.
- 8.5 The Commanding Officer, upon receiving reasonable notice, will provide the Territorial Minister with any additional information, to the extent possible, relating to human resource and organizational planning of the Service.
- 8.6 The RCMP will use its best efforts to ensure that the percentage of recruits that are engaged from the Northwest Territories attains the annual average of the following two percentages:
 - a) the percentage that the number of Members in the Division is of the number of Members in the RCMP; and

- b) the percentage that the population of the Northwest Territories is of the population of Canada.

ARTICLE 9.0 EMERGENCIES & EVENTS

- 9.1 If, in the opinion of the Territorial Minister, an Emergency in an area of territorial responsibility exists or is likely to exist in the Northwest Territories:
- a) the Territorial Police Service will, at the written request of the Territorial Minister made to the Commanding Officer, be redeployed to such extent as is reasonably necessary to maintain law and order, keep the peace and protect the safety of persons, property or communities; and
 - b) the Territory will pay the costs of the redeployment including Salary, transportation and maintenance as follows:
 - i) the Territory will pay 70 per cent of such costs to Canada; and
 - ii) after 30 days from the redeployment the Territory will pay 100 per cent of such costs to Canada where the Emergency arises as a result of a municipal police strike or dispute, or the disbandment of a municipal police force for an area which is not normally policed by the RCMP.
- 9.2
- a) In the circumstances described in paragraph 9.1(a) the Territorial Minister may, in writing, request the Commanding Officer or, if required, the Commissioner to temporarily increase the strength of the Territorial Police Service.
 - b) If, in response to a request made under paragraph (a) such a temporary increase in strength is agreed and made, the Territory will pay to Canada 100 per cent of all of the costs of the increase including Salary, transportation and maintenance.
 - c) Without limiting the discretion of the Commanding Officer or the Commissioner, as the case may be, under paragraph (b), and after consultation with the Territorial Minister, no such temporary increase in the size of the Territorial Police Service will be made if the Commissioner, having regard to the other responsibilities and duties of the RCMP, is of the opinion that such increase should not take place.
- 9.3 If, in the opinion of the Commissioner, an Emergency in an area of provincial or territorial responsibility exists or is likely to exist outside the Northwest Territories:

- a) the Commissioner may, after consultation with the Territorial Minister and with the approval of the Federal Minister, temporarily withdraw up to 10 per cent of the Members of the Territorial Police Service (including any necessary Equipment) to deal with such an Emergency; and
 - b) during the period of any withdrawal the Territory will not bear the Salary and incremental costs of the Members and Equipment withdrawn from the Territorial Police Service.
- 9.4 If, in the opinion of the Commissioner, there is a need to use part of the Territorial Police Service with respect to an Emergency in an area of federal responsibility that exists or is likely to exist anywhere in Canada:
- a) the Commissioner may, after consultation with the Territorial Minister, temporarily withdraw up to 10 per cent of the Members of the Territorial Police Service (including any necessary Equipment) to perform any duties or functions to deal with such Emergency;
 - b) if the Emergency exists inside the Northwest Territories, Canada will pay all costs of the withdrawal and redeployment including Salary, transportation and maintenance as follows:
 - i) Canada will pay all such costs for the first 30 days at the cost-sharing ratio set out in subarticle 11.1; and
 - ii) after 30 days, Canada will pay 100 per cent of all such costs;
 - c) if the Emergency exists outside the Northwest Territories, the Territory will not bear the Salary and incremental costs of the Members and Equipment withdrawn.
- 9.5 If, in the opinion of the Commissioner, there is a need to use part of the Territorial Police Service with respect to a Major Event that exists or is likely to exist anywhere in Canada:
- a) the Commissioner may, in consultation with the Territorial Minister, temporarily withdraw up to 10 per cent of the Members of the Territorial Police Service (including any necessary Equipment) to perform any duties or functions with respect to such Major Event; and
 - b) Canada shall pay 100 per cent of all costs of the withdrawal and redeployment including Salary, transportation and maintenance, for the duration of the entire Major Event.
- 9.6 Withdrawal or redeployment of Members from the Territorial Police Service in accordance with this article will not extend for a period of more than 30

consecutive days without further consultation between the Federal Minister and the Territorial Minister.

- 9.7 a) For the purpose of a Special Event, the Territorial Police Service will be redeployed to provide additional police resources as is reasonably necessary to maintain law and order, keep the peace and protect the safety of persons, property or communities.
- b) For the purposes of paragraph (a), the redeployment of additional police resources will be based on the Territorial Police Service's operational assessment of the type of gathering, potential crowd behaviour and other situational factors. The duties to be performed by the additional police resources are to be in accordance with subarticle 2.2 and paragraph 2.3(a).
- c) The Territory will pay all of the costs of the redeployment including Salary, transportation and maintenance at the cost-sharing ratio set out in subarticle 11.1.

ARTICLE 10.0 MUNICIPALITIES

- 10.1 For the purposes of this Agreement, no area shall be deemed to be a Municipality and the entire territory shall remain within the jurisdiction of the Territorial Police Service, unless the Territorial Minister requests otherwise.

ARTICLE 11.0 BASIS OF CALCULATION OF PAYMENT

- 11.1 Subject to any other terms of this Agreement, in respect of each Fiscal Year the Territory will pay to Canada 70 per cent of the cost of providing and maintaining the Territorial Police Service as determined in accordance with this article.
- 11.2 The cost referred to in subarticle 11.1 will include expenditures made by Canada in each Fiscal Year to provide and maintain the Territorial Police Service in the Northwest Territories, including:
- a) all operating and maintenance costs such as Salaries and wages, transportation and travel, information, professional services, rentals, repairs, utilities and supplies, and miscellaneous operational expenses as established by the RCMP's Chart of Accounts;
- b) all costs of Equipment purchases, except if the cost for an Equipment purchase is equal to or exceeds \$150,000 and if the Territorial Minister has requested that such cost for that purchase be amortized in accordance with paragraph (1);

- c) the cost to Canada for the employer's Pension Contribution with respect to Members under the *Royal Canadian Mounted Police Superannuation Act*, the *Special Retirement Arrangements Act* and the *Supplementary Retirement Benefits Act* determined by the report referred to in subarticle 11.9;
- d) the cost to Canada for the employer's Pension Contribution with respect to federal public service employees, which Pension Contribution shall be determined annually by reference to the Actuarial Report of the Office of Superintendent of Financial Institutions;
- e) the cost to Canada for the employer's contributions made under the *Canada Pension Plan* for all employees, including:
 - i) Members, and
 - ii) Support Staff, including Support Staff performing guard duties for lock-ups maintained by the Service;
- f) the cost to Canada of the employer's contributions for employment insurance for all employees, including:
 - i) Members, and
 - ii) Support Staff, including Support Staff performing guard duties for lock-ups maintained by the Service;
- g) the per Member costs for each category described in clauses (A) through (E), which are shared by all activities in the Division, will be calculated by:
 - i) dividing the total costs of each category (A) through (E), by
 - ii) the annual Full Time Equivalent Utilization of all Members for all activities in the Division for each Fiscal Year, excluding those Members who are assigned to divisional/regional headquarters administration, and
 - iii) multiplying the result by the Full Time Equivalent Utilization of Members of the Service.
 - A) Divisional and regional headquarters administration services, such as:
 - 1) Management;

- 2) Financial Management;
 - 3) Human Resources;
 - 4) Information Technology; and
 - 5) Asset Management;
- B) Special Leave, such as:
- 1) Medical;
 - 2) Maternity;
 - 3) Paternity;
 - 4) Parental;
 - 5) Graduated Return to Work; and
 - 6) Pregnant Member Working;
- C) Pay in lieu of leave;
- D) Health Services, such as:
- 1) Health Services for regular members;
 - 2) Health Services for civilian members;
 - 3) Health Services for non-members, including Applicants and Public Service Employees; and
 - 4) Health Services Offices/Administration Unit;
- E) Earned Retirement Benefit, provided always that if it becomes technically possible to allocate these costs in a manner that reflects the jurisdiction in which the Earned Retirement Benefits were accrued then the allocation method may be changed;
- h) for the Fiscal Years beginning April 1, 2012, and ending March 31, 2015, all the costs of recruiting, the Cadet Training Program at Depot and the Police Dog Service Training Centre incurred by Canada and listed in the provisions of paragraph (i) will be deemed to be equal to the product

obtained by multiplying \$3,500 by the total FTE Utilization of Members in the Territorial Police Service for the Fiscal Year;

- i) beginning April 1, 2015, all the costs of recruiting, Cadet Training Program at Depot, and the Police Dog Service Training Centre to be determined as follows:

Recruiting

- i) The average of all the expenditures made by Canada in respect of recruiting for the RCMP for the previous three Fiscal Years, divided by the average FTE Utilization of Members in the RCMP for the previous three Fiscal Years and multiplying the result by the total FTE Utilization of Members in the Territorial Police Service for the Fiscal Year.
- A) The expenditures made by Canada for recruiting, such as:
- 1) Divisional, Regional and National Recruitment, including things such as: the salary and travel of recruiters, office supplies and equipment, and, advertising and marketing.
 - 2) Processing of Applicants, including things such as: the travel of applicants, recruitment steps like career presentations, written examinations, physical, medical and psychological testing, interviews to assess suitability of applicants, reliability examinations using a polygraph interview, field investigations and the issuing of security clearances.
- B) The expenditures made by Canada for major capital investments to construct, Renovate or acquire buildings for recruiting are excluded.

Cadet Training Program at Depot

- ii) The average of all the expenditures made by Canada in respect of the Cadet Training Program at Depot for the previous three Fiscal Years, less the average of any revenues received by Canada in respect of the provision of training services to third parties for the previous three Fiscal Years, divided by the average FTE Utilization of Members in the RCMP for the previous three Fiscal Years and multiplying the result by the total FTE Utilization of Members in the Territorial Police Service for the Fiscal Year.

- A) The expenditures made by Canada for the Cadet Training Program at Depot, such as:
- 1) Cadet Training, including things such as: cadet allowance; clothing and operational equipment; travel to Depot and relocation of the cadet to their first posting;
 - 2) Training Support and Depot Administration, including things such as: salaries; relocation of trainers to Depot; office supplies and equipment;
 - 3) Facilities operating and maintenance, including things such as: maintenance equipment and vehicles; professional and contractual services; utilities and minor capital;
- B) The expenditures made by Canada for the Cadet Training Program at Depot exclude expenditures made in respect of major capital to construct, Renovate or acquire buildings, and exclude the operating and maintenance for buildings at Depot that are not used to support the Cadet Training Program (such as the RCMP Heritage Centre).

Police Dog Service Training Centre

iii) The average of all the expenditures made by Canada in respect of the Police Dog Service Training Centre ("PDSTC") for the previous three Fiscal Years, less the average of any revenues received by Canada in respect of the sale of dogs or the provision of training services to third parties for the previous three Fiscal Years, divided by the average FTE Utilization of police dog teams in the RCMP for the previous three Fiscal Years, and multiplying the result by the total FTE Utilization of police dog teams in the Service for the Fiscal Year.

- A) The expenditures made by Canada for PDSTC, such as:
- 1) Dog Breeding, including such things as: kennel operations, equipment, professional services (e.g., veterinary).
 - 2) Dog Team Training Program (police dog and handler) and Validation (re-certification) including things such as: training operations, and the salary and travel of instructors.

- 3) PDSTC Administration, including things such as: salaries, operating and maintenance, relocation to PDSTC, and office supplies and equipment; and
 - 4) Facilities operating and maintenance, including things such as: maintenance equipment and vehicles, utilities, minor capital, and contractual services.
- B) The expenditures made by Canada for major capital to construct, Renovate or acquire buildings in support of the PDSTC are excluded.
- j) the cost of maintaining and providing the Police Reporting and Occurrence System (“PROS”) to be calculated by:
- i) dividing the costs to Canada of maintaining and providing the PROS for the previous Fiscal Year, as determined in accordance with Annex “H”, by the result of the calculation described in subparagraph (ii) (“the denominator”) and multiplying that result by the FTE Utilization of Members in the Service for the previous Fiscal Year;
 - ii) the denominator is determined by the following calculation:
 - A) determining the FTE Utilizations of Members for the RCMP for the previous Fiscal Year less the FTE Utilization of Members in Divisional and Regional administration positions during that same Fiscal Year; and
 - B) subtracting the FTE Utilization of Members in “E” Division and Halifax District Detachment for the previous Fiscal Year;
 - C) adding the actual count of Members in “E” Division with access to or use of the PROS for the previous Fiscal Year; and
 - D) adding the actual count of the actual strength of sworn police officers of police partner agencies, other than the RCMP, for the previous Fiscal Year as reported on an annual basis by Statistics Canada.
- k) the cost incurred by Canada in providing security at points of entry in

respect of the Territorial Police Service, including at divisional or regional headquarters, determined on a proportional basis relative to the total occupancy of the building;

- l) if any item of Equipment–Type A costs at least \$150,000 and if requested by the Territorial Minister, an amount equivalent to the straight line amortization of the capital cost over the estimated life of that item of equipment, together with interest at a rate equal to the Applicable CRF Lending Rate on the unpaid balance of the capital cost. The estimated life of that item of equipment will be no longer than the period determined by Canada to depreciate such equipment and the amortization period will not exceed the estimated life of that item of equipment. The Territorial Minister may also specify an amortization period that is shorter than the estimated life of the item of equipment;
- m) the cost of maintaining and providing the Public Complaints Commission to be calculated in each Fiscal Year by dividing the cost to Canada of maintaining and providing the Public Complaints Commission for that Fiscal Year by the total FTE Utilization of Members in the RCMP in that same Fiscal Year and multiplying the result by the total FTE Utilization of Members in the Territorial Police Service in that same Fiscal Year;
- n) the cost for legal advisory services received by the RCMP in direct support of providing and maintaining the Territorial Police Service within the Northwest Territories, and those costs are to be calculated by:
 - i) dividing the applicable base amount determined in accordance with subparagraphs (ii) and (iii) by the total FTE Utilization of Members in the police services of each province, territory, and municipality with which Canada has a similar agreement or an agreement for a municipal police service and multiplying the result by the total FTE Utilization of Members in the Territorial Police Service for the Fiscal Year;
 - ii) for the Fiscal Year beginning April 1, 2012, and ending March 31, 2013, the applicable base amount is to be \$2,000,000; and
 - iii) each base amount established under this Agreement will be adjusted in the next Fiscal Year to establish a new base amount to be applicable to that next Fiscal Year, such adjustment is to be calculated on the basis of any change during the immediately preceding Fiscal Year in the National Consumer Price Index determined by Statistics Canada, such adjustment to be made immediately following when that change becomes known.
 - iv) The initial value of the Consumer Price Index will be 118.8, for

the month of November 2011 as set out in Table 6 of the Consumer Price Index published by Statistics Canada.

- v) For greater certainty, the costs for legal advisory services are not to include those costs related to a matter where Canada and the Territory are adverse in interest or if the costs are excluded by operation of paragraph 11.3(c) or subarticle 11.8.
- o) where costs are incurred by the RCMP to provide and maintain the enhanced reporting and accountability capacity to provide improved administration of this Agreement, the Territory's share of those costs are to be calculated by:
- i) dividing the costs determined in accordance with subparagraph (ii) by the total FTE Utilization of Members in the police services of each province, territory, and municipality with which Canada has a similar agreement or an agreement for a municipal police service and multiplying the result by the total FTE Utilization of Members in the Territorial Police Service for the Fiscal Year;
 - ii) subject to subparagraph (iv), the costs are deemed to be \$1,500,000.
 - iii) The RCMP will provide annual statements on the number, location and position of all staff assigned to provide and maintain the enhanced reporting and accountability capacity and the activities generated by those staff.
 - iv) By March 31, 2015, the Contract Management Committee will undertake a review of reports being produced to assess whether they are meeting the interests of the Committee, whether adjustments are necessary and to assess associated cost implications of any adjustments if made.
 - v) The Parties acknowledge that the enhanced reporting and accountability capacity will, to the extent reasonably possible, generate such reporting as may be required under the terms of this Agreement.
 - vi) The Parties agree that the resources dedicated to such capacity may only be increased by agreement between Canada and all of the provinces and territories with which Canada has an agreement similar to this Agreement, and if an increase is agreed to, that the base amount will be revised by agreement in writing.

- vii) The Parties commit to work together to avoid a duplication of existing capacity within the Service and to explore ways in which they can better utilize that capacity to provide improved administration of this Agreement.

11.3 The cost of the Territorial Police Service in the Northwest Territories will not include:

- a) the cost of interdivisional transfers of personnel or equipment other than those provided for in subclause 11.2(i)(ii)(A)(2);
- b) the cost of Equipment–Type A if such cost is at least \$150,000 per item and if the Territorial Minister has requested that such cost be amortized under paragraph 11.2(1);
- c) the cost of any civil action, compensation claim, *ex gratia* payment or claim for associated legal fees; and
- d) the cost incurred by Canada in respect of providing point of entry security for federal buildings other than divisional or regional headquarters.

11.4 For purposes of determining costs pursuant to this article, any Member who is on:

- a) sick leave or suspended for more than 30 consecutive days,
- b) parental leave, or
- c) pension retirement leave

will be deemed not to be in the Territorial Police Service and the costs relating thereto will be allocated to divisional headquarters administration.

11.5 There will be deducted from the cost payable by the Territory in respect of the Territorial Police Service:

- a) 70 per cent of any refunds or reimbursements subsequently obtained by Canada with respect to any expenses that were paid by the Territory;
- b) 70 per cent of the revenue received by Canada from leased accommodations and Living Quarters deductions from Members utilized by Canada to provide and maintain the Service;
- c) 70 per cent of any amount received by Canada from a municipality in respect of accommodations also paid for by the Territory; and

- d) 70 per cent of any amount received by Canada from the sale, transfer out of the Service or other disposition of any item of Equipment that cost less than \$150,000 and was purchased by Canada for use in the Service; and
- e) for the period beginning April 1, 2012, and ending at such time as Canada confirms in writing that costs related to accommodations provided to the Territorial Police Service under article 12 of this agreement have been addressed following consultation between Canada and the Territory, as part of an update to the Territorial Formula Financing payments, an amount equal to the lesser of 'A' or 'B' where:
- i) 'A' is equal to 34 per cent of the total of 'C' minus 'D' where
- A) 'C' is equal to the expenditures made by Canada in that Fiscal Year to maintain, Renovate, replace or increase the number of Buildings and Living Quarters in accordance with the Divisional Major Capital Plan, the Divisional Minor Capital Plan, and the Divisional Living Quarters Plan; and
- B) 'D' is an amount to be determined by multiplying the square meters of gross space used by the Service as of April 1 of that Fiscal Year by the rate of \$107.64 per square meter; such gross space shall not include the following:
- 1) space for which the Service pays rent;
 - 2) Living Quarters;
 - 3) any buildings or parts thereof occupied exclusively by the RCMP for any purpose other than the Service; and
 - 4) those parts of the divisional headquarters administration buildings that are not occupied by the Service determined on a proportional basis relative to the total occupancy of the buildings;
- and
- ii) 'B' is equal to \$392,000.
- f) For greater certainty, paragraph (e) is without prejudice to any discussions between Finance Canada and the Territory with respect to any updates or generally to the Territorial Formula Financing payments.

- 11.6 Canada will pay 100 per cent of all of the costs incurred in respect of the External Review Committee and the Staff Relations Representative Program or their respective successors.
- 11.7 The Territory will pay 100 per cent of all of the costs incurred by the Territorial Police Service in respect of:
- a) hospitalization, medical examination or treatment, including mental health examination or treatment, for any person in the custody of the RCMP except if such costs have been incurred in the obtaining of evidence;
 - b) witness fees, transportation, maintenance and escort costs for persons (except for Members and Support Staff) required as witnesses in civil proceedings and proceedings commenced pursuant to an Act, or a Regulation enacted pursuant to an Act, of the Legislative Assembly of the Northwest Territories;
 - c) conveyance by a third party that is obtained by a Member of the Service for a disabled, injured, ill or deceased person if the cost of the service is not paid by or on behalf of the person or their estate;
 - d) all incremental costs incurred when, at the request of the Territory, the scope and duration of a search and rescue operation is extended beyond that which the Commanding Officer considers to be appropriate in the circumstances and the Commanding Officer has so advised the Territorial Minister.
 - e) For greater certainty, and subject to the Parties agreeing otherwise, the Parties agree:
 - i) that the Territorial Police Service is not to incur witness fees related to criminal proceedings; and
 - ii) that the transportation, maintenance and escorting of persons (except for Members and Support Staff) required as witnesses in criminal proceedings are not part of the duties or services to be provided by the Territorial Police Service.
- 11.8 a) In the event that any Member utilized in the Territorial Police Service receives, by virtue of territorial legislation, the benefit of any statutory defence to any claim or action and in connection therewith the Territory may be or may become liable for any of the payments contemplated by subparagraph 11.3(c), Canada will indemnify and hold harmless the Territory with respect to any such claim or action and Canada will assume the conduct and the carriage of any proceeding relating to such claim.

- b) The Territory will promptly notify Canada of any claim or action referred to in paragraph (a).
 - c) If the Territory should compromise or settle any such claim or action without the consent of Canada, Canada will not be liable to indemnify or save harmless the Territory.
- 11.9 “Accounts” means each of the accounts established under the *Royal Canadian Mounted Police Superannuation Act*, under the *Special Retirement Arrangements Act*, and under the *Supplementary Retirement Benefits Act*.
- a) There will be a pension panel (the “Panel”) consisting of three members; Canada will appoint one member; the Provinces and Territories with which Canada has an agreement similar to this Agreement will together appoint the second member; and the two members so appointed will together appoint a third member who will act as the chairperson.
 - b) The Panel will review and report upon the rate of Pension Contribution by Canada with respect to the *Royal Canadian Mounted Police Superannuation Act*, the *Special Retirement Arrangements Act*, and the *Supplementary Retirement Benefits Act*; the report will be made every three years or as otherwise determined by the Panel based on the availability of the relevant Report of the Office of the Superintendent of Financial Institutions and will establish the amount that will be used for the purposes of this Agreement, as a substitute for the Pension Contributions for the next period.
 - c) The first report will be made for the three-year period commencing April 1, 2014.
 - d) For all periods the Panel will determine the rate by both a prospective and retrospective review of the relevant information.
 - e) In preparing any of its reports, the Panel will use the following practices and principles:
 - i) when conducting a retrospective review, the Panel will establish its processes in accordance with generally accepted accounting and actuarial principles;
 - ii) when conducting a prospective review, the Panel will use the assumptions and the database of the relevant Report of the Office of the Superintendent of Financial Institutions;

- iii) for all purposes of its deliberations, the Panel will assume that Canada's contributions will be made in accordance with the report of the Panel;
- iv) for each report under this Agreement, the surplus/deficit values determined in the immediately preceding Panel report will be used to determine the corresponding opening values of the immediately subsequent report;
- v) for greater clarity, the surplus/deficit values used to determine the substitute of the rate of Pension Contribution, being the surplus/deficit values determined in accordance with subparagraph (iv), will reflect the historical practice of the Panel of determining a split between "shareable" and "non-shareable" surplus/deficit values;
- vi) any shareable surpluses or deficits in the Accounts will be amortized by the Panel's calculations using generally accepted accounting and amortization principles; the appropriate amortization period (which may extend beyond the term of this Agreement) will be determined by the Panel;
- vii) unless the Parties otherwise agree, upon the termination of this Agreement the Panel will make binding recommendations with respect to the settling of the final contribution to be paid by the Territory or reimbursement to be paid by Canada relating to Pension Contribution between the Parties;
- viii) for the purpose of making any determination affecting either the Territory or Canada, the Accounts will be treated as a single account.

ARTICLE 12.0 ACCOMMODATIONS PROGRAM

Governing Principles

- 12.1 On the basis that the Territory will in each Fiscal Year pay to Canada 70 per cent of the total expenditures made by Canada to maintain Buildings, divisional or regional headquarters buildings and Living Quarters, and to Renovate, replace or increase the number of Buildings and Living Quarters, except those expenditures made in respect of acquiring land, the Parties agree as follows:
- a) There will be an accommodations program of works and it will be based on the following principles:

- i) sustainability of the program;
- ii) affordability of the program;
- iii) accountability and transparency by institutionalizing the practices of joint planning, budgeting and regular reporting;
- iv) ensuring monies paid by the Territory under the Accommodations Program Charge can be reconciled to the accommodations program delivered in the Northwest Territories; and
- v) providing a flexible program that is responsive to the particular needs of the Northwest Territories.

Purpose and Scope of the Accommodations Program

- b) Canada will maintain Buildings, divisional or regional headquarters buildings and Living Quarters in accordance with the Projected Five-Year Plans for Divisional Minor Capital, Divisional Living Quarters, and Divisional Operating and Maintenance and will Renovate, construct, replace or increase the number of Buildings and Living Quarters in accordance with the Projected Five-Year Plans for Divisional Major Capital and Divisional Living Quarters subject to stage and change order approvals as provided for in paragraph (p).
- c) The Territory will in each Fiscal Year pay to Canada 70 per cent of the total expenditures made by Canada in respect of the obligation described in paragraph (b) except those expenditures made by Canada in respect of acquiring land.
- d) Canada, in carrying out its responsibilities under this article, will do so in accordance with applicable laws and in accordance with its own legislation, regulations, policies, practices, procedures, and directives of the Treasury Board of Canada.
- e) Accommodations supplied by Canada for use by the Territorial Police Service will be of a standard that is necessary for the Service to carry out its responsibilities under this Agreement.

The Projected Five-Year Plans

- f) The Projected Five-Year Plans for Divisional Major Capital, Divisional Minor Capital, Divisional Living Quarters and Divisional Operating and Maintenance for the Territorial Police Service are to be determined for each Fiscal Year of the five year period between the Commissioner and the Territorial Minister, and such plans will cover five Fiscal Years and

will address:

- i) standards;
- ii) designs, to the extent possible;
- iii) prioritization of projects;
- iv) site selection, to the extent possible; and
- v) size of Buildings.

The Projected Five-Year Budgets

- g) The Projected Five-Year Budgets for Divisional Major Capital, Divisional Minor Capital, and Divisional Living Quarters for the Territorial Police Service are to be determined for each Fiscal Year of the five year period between the Commissioner and the Territorial Minister, and such projected budgets will cover five Fiscal Years. The Projected Five-Year Budget for Divisional Minor Capital is established in accordance with Annex "I".
- h) In jointly setting the Projected Five-Year Plans and Budgets, the Commissioner will provide the Territorial Minister with copies of any Building Condition Reports for Buildings or Living Quarters.
- i) The Parties will jointly confirm that portion of the Projected Five-Year Major Capital Plan and Budget applicable to the next Fiscal Year by December 15 of each Fiscal Year.
- j) The Parties agree that any project approved under paragraph (p) in one Fiscal Year that continues in a subsequent Fiscal Year will continue until the next approval stage and the expenditures projected to be made by Canada for that project will be included in that portion of the Projected Five-Year Major Capital Plan and Budget jointly confirmed under paragraph (i).
- k) In the event that Projected Plans or Budgets are not determined or confirmed, then until such time as those Plans and Budgets are determined or confirmed, Canada will make such reasonable expenditures as are required to maintain the Buildings, divisional or regional headquarters buildings and Living Quarters at a standard that is necessary for the Service to carry out its responsibilities under this Agreement and the Territory will pay 70 per cent of those expenditures in the Fiscal Year that they are made. For greater certainty, Canada will continue to make expenditures that would normally be included in the Projected Budgets for Divisional Minor Capital and Divisional Operating and Maintenance and

will not make expenditures to construct, Renovate or acquire Buildings other than in respect of those projects which have been previously approved in accordance with paragraph (p).

- l) Each Projected Five-Year Plan will be recorded in Annex "C" of this Agreement.
- m) Each Projected Five-Year Budget will be recorded in Annex "D" of this Agreement.
- n) Subject to subparagraph (p)(iv), the Accommodations Program Charge for each Fiscal Year during the period beginning April 1, 2012, and ending March 31, 2017, is \$3,305,000.

Movement of Monies between Budgets

- o) Monies paid under the Accommodations Program Charge in respect of the Projected Budgets for Divisional Major Capital, Divisional Minor Capital, and Divisional Living Quarters may be transferred by the RCMP between those budgets in any Fiscal Year, up to a maximum of 20 per cent of the originating budget without prior approval, and the transfer may also include amounts above 20 per cent with the prior written approval of the Territorial Minister; if monies amounting to a cumulative total of less than 20 per cent are moved, the RCMP will notify the Territory as soon as practicable.

Project Stage and Change Order Approvals

- p) i) In carrying out each project described in the Divisional Major Capital Plan, Canada will seek the approval of the Territorial Minister at each of the following approval stages:
 - A) Indicative estimates, which will serve as the preliminary project approval;
 - B) Substantive estimates, which will serve as effective project approval;
 - C) Approval of actual tender results, which will serve as a confirmation of the approval to construct, Renovate or acquire Buildings; and
 - D) Approval of project change orders if the aggregate of such changes will result in an increase to the project costs previously approved in clause C of greater than 15 per cent.

- E) For greater certainty, the approvals described in clauses A through D are limited to the overall total project expenditure projected to be made by Canada for that project.
- ii) The Territorial Minister or his or her delegate will, within 15 calendar days of a receipt of a request for approval, respond in writing to Canada indicating his or her decision to either approve or not approve, and in the absence of a response the Territorial Minister will be deemed to have approved.
- iii) Each decision by the Territorial Minister to not approve a project to continue to the next stage will be deemed to be an amendment to the Projected Five Year Divisional Major Capital Plan and Budget.
- iv) In the event that there is a change made to the Projected Five Year Divisional Major Capital Budget in accordance with subparagraph (iii), then the Accommodations Program Charge will be reduced for the remaining Fiscal Years of that Budget by an amount equal to the projected costs for that project that would have otherwise been incurred divided by the remaining Fiscal Years of that Budget.
- v) The Parties agree that in no event will a decrease in the pace of the works undertaken in respect of the accommodations program be made if such a decrease will affect the sustainability of the program in support of the Service, the determination of which is to be informed by such considerations as the condition and remaining useful life of Buildings, any impacts to the functionality of Buildings and any impacts on the Projected Five Year Minor Capital Plans and Budget that may result.

Five-Year Reconciliation

- q) During the Fiscal Years beginning April 1, 2016, April 1, 2021, and April 1, 2026, respectively, there will be a Five-Year Reconciliation undertaken and completed by the Parties.
- r) The results of each Five-Year Reconciliation will inform the setting of the Projected Five Year Plans and Budgets, to be determined between the Commissioner and the Territorial Minister, scheduled to begin in the next Fiscal Year.
- s) Following the Five-Year Reconciliation, any deficiency in payment or over-payment by the Territory as a result of the payments made under the Accommodations Program Charge during the preceding period of five

Fiscal Years will be credited to or debited against the Territory's Projected Budgets set in accordance with paragraph (t).

- t) As part of each Five-Year Reconciliation the Commissioner will:
- i) determine the aggregate of expenditures made by Canada in respect of the accommodations program of works undertaken in accordance with this article during the previous five Fiscal Years of this Agreement;
 - ii) determine the aggregate of payments by the Territory made under the Accommodations Program Charge during the previous five Fiscal Years of this Agreement;
 - iii) determine with the Territorial Minister what changes, if any, should be made to the Plans for Divisional Major Capital, Divisional Minor Capital, and Divisional Living Quarters to either increase or decrease the pace of the accommodations program undertaken;
 - A) for greater certainty, the Parties agree that in no event will a decrease in the pace of the works undertaken in respect of the accommodations program be made if such a decrease will affect the sustainability of the program in support of the Service;
 - iv) determine with the Territorial Minister what changes, if any, should be made to the Projected Budgets for Divisional Major Capital, the Divisional Minor Capital, and the Divisional Living Quarters to either increase or decrease the Accommodations Program Charge in respect of the five Fiscal Years beginning April 1, 2017, April 1, 2022, and April 1, 2027, and ending on the fifth-following March 31;
 - A) for greater certainty, the Parties agree that in no event will a decrease to the Accommodations Program Charge be made if the decrease will affect the sustainability of the accommodations program in support of the Service.

Setting the Accommodations Program Charge Following the Five-Year Reconciliation

- u) Following each Five-Year Reconciliation, an Accommodations Program Charge in respect of the periods beginning April 1, 2017, April 1, 2022, and April 1, 2027, and ending on the fifth-following March 31 will be established by adding the projected total financial commitment set out in each of Projected Five-Year Budgets for Divisional Major Capital,

Divisional Minor Capital, and Divisional Living Quarters and dividing by five.

12.2 The Parties agree that:

- a) any requirement to Renovate, replace or acquire new divisional or regional headquarters buildings will be by means of a separate agreement subject to the process and principles outlined in paragraph 8.2(b); and
- b) subject to the written agreement of the Federal Minister, any costs that are agreed to be shared in respect of those headquarters buildings may be included in this Agreement through an adjustment to the Accommodations Program Charge to be tracked as a line-item and to be made by amendment in accordance with Article 25.

12.3 Despite any payments made by the Territory under this Agreement, there shall be no transfer, granting or creation of any interest in real property or a license, as those terms are defined in the *Federal Real Property and Federal Immovables Act*, from Canada in favour of the Territory. All of the real property that is held, acquired, used or administered by Canada to provide and maintain the Territorial Police Service shall remain at all times the sole property of Canada. For greater certainty, Canada and the Territory agree that no real property interest whatsoever or a licence are acquired, created or implied by this Agreement.

Survival of Payment Obligations

12.4 Despite any other provision of this Agreement, the amount owed under this article will survive the expiration or termination of this Agreement until it is paid in its entirety.

ARTICLE 13.0 **REMOVAL OF BUILDINGS & LIVING QUARTERS AND
TRANSFER OF BUILDINGS, LIVING QUARTERS &
LAND**

13.1 If any Building or Living Quarters that Canada acquired, constructed or Renovated during the term of this Agreement is removed by Canada from the use of the Territorial Police Service, the accountability for that Building or Living Quarters will be dealt with in accordance with the following provisions:

- a) if the Territory paid in full for the expenditures related to the acquisition, construction or Renovation of the Building or Living Quarters the Territory will be credited 70 per cent of the Fair Market Value of the Building or Living Quarters less 70 per cent of all reasonable costs incurred by Canada in the disposition of the land and Buildings or Living

Quarters including the costs incurred as a result of any requirements imposed by law;

- b) if the Territory has not yet paid its full share of the expenditures owing, the Territory will be credited with a percentage of the Fair Market Value of the Building or Living Quarters that is equal to the proportion of the amounts paid by the Territory for that Building or Living Quarters up to the time of removal divided by the original expenditures made by Canada less 70 per cent of all reasonable costs incurred by Canada in the disposition of the land and Building or Living Quarters including the costs incurred as a result of any requirements imposed by law;
 - c) the Fair Market Value referred to in paragraph (a) and (b) is to be determined as of the time immediately preceding the removal of the Building or Living Quarters and is exclusive of any amount attributable to the value of the land; and
 - d) if any amount remains owing in respect of a Building or Living Quarters, the payments left owing will cease in the Fiscal Year when the Building or Living Quarters was removed.
- 13.2 Subject to all applicable laws and any necessary approval by Canada, the ownership of any land and Buildings or Living Quarters held by Canada and used for the provision of the Territorial Police Service and no longer required by Canada may, at the option of the Territory, be acquired by the Territory in accordance with this article and through a transfer of administration under a separate agreement.
- 13.3 In the event of the expiry or termination of this Agreement, or in the event of an exclusion of a geographic area made in accordance with Article 4, it is agreed that to acquire land and such Buildings or Living Quarters situated thereon that Canada acquired, constructed, or Renovated during the term of this Agreement and that are no longer required by Canada the Territory will pay to Canada an amount equal to:
- a) the Fair Market Value for the Buildings or Living Quarters, less the percentage of the Fair Market Value of the Building or Living Quarters that is equal to the proportion of the original costs incurred by Canada in respect of that Building or Living Quarters that have already been paid by the Territory;
 - b) the Fair Market Value of the land; and
 - c) 70 per cent of all reasonable costs incurred by Canada as a result of the transfer of administration to the Territory including those costs resulting

from an obligation imposed by law such as obligations imposed in respect of the environment.

- 13.4 Despite subarticle 13.3, in the event of the expiry or termination of this Agreement, or in the event of an exclusion of a geographic area made in accordance with Article 4, it is agreed that to acquire any land and any building used as a detachment situated thereon that is no longer required by Canada the Territory will pay to Canada an amount equal to:
- a) if the building has been used as a detachment since before April 1, 1992, until the time of the expiry or termination:
 - i) 30 per cent of the Fair Market Value of the building;
 - ii) the Fair Market Value of the land; and
 - iii) 70 per cent of all reasonable costs incurred by Canada as a result of the transfer of administration to the Territory including those costs resulting from an obligation imposed by law such as obligations imposed in respect of the environment.
 - b) if the building was first used as a detachment at some time between April 1, 1992, and March 31, 2012, and continues to be used as a detachment at the time of the termination:
 - i) the Fair Market Value of the building less the credit granted for the number of Fiscal Years that detachment was used, which credit is equal to a percentage of that Fair Market Value determined in accordance with Annex "F";
 - ii) the Fair Market Value of the land; and
 - iii) 70 per cent of all reasonable costs incurred by Canada as a result of the transfer of administration to the Territory including those costs resulting from an obligation imposed by law such as obligations imposed in respect of the environment.
 - c) if the building was first used as a detachment at some time between April 1, 1992, and March 31, 2012, and continues to be used as a detachment on March 31, 2032:
 - i) 30 per cent of the Fair Market Value of the building;
 - ii) the Fair Market Value of the land; and

- iii) 70 per cent of all reasonable costs incurred by Canada as a result of the transfer of administration to the Territory including those costs resulting from an obligation imposed by law such as obligations imposed in respect of the environment.
- 13.5 The option, pursuant to subarticle 13.2, to acquire lands and such Buildings or Living Quarters situated thereon is subject to the following provisions:
- a) At least 24 months prior to the expiry of this Agreement or in the event of an earlier termination of this Agreement at least 24 months prior to the date of intended termination, the Territory may give Canada notice that the Territory requires that it be given notice of the lands, Buildings and Living Quarters which Canada will no longer require after the expiry or termination of this Agreement, and such notice from the Territory is to include a statement setting out which lands, Buildings and Living Quarters the Territory wishes to consider for acquisition;
 - b) If the Territory gives Canada a notice pursuant to paragraph (a), then Canada will give the Territory a notice identifying the lands, Buildings and Living Quarters which it no longer requires, such notice to be provided:
 - i) in the event of termination at least 12 months prior to the date of the intended termination; and
 - ii) in the event of expiry at least 12 months prior to the date of the expiry;
 - c) At the time Canada gives the Territory notice pursuant to paragraph (b), Canada will provide to the Territory a statement setting out, for each parcel of land identified by the Territory under paragraph (a) that Canada has determined it no longer requires and that may be acquired by the Territory:
 - i) the Fair Market Value of the lands, Buildings and Living Quarters;
 - ii) building condition reports for each of the Buildings and Living Quarters if available; and
 - iii) all information available with respect to the anticipated costs to be incurred by Canada as a result of the transfer of administration to the Territory including those costs resulting from an obligation imposed by law such as obligations imposed in respect of the environment;

- d) After receiving the notice from Canada pursuant to paragraph (b), and the statement pursuant to paragraph (c), the Territory may, with respect to any or all of the lands, Buildings and Living Quarters, exercise the option to acquire such lands, Buildings and Living Quarters by giving Canada notice of the specific lands, Buildings, and Living Quarters to be acquired,
 - i) in the event of termination at least 6 months prior to the date of the termination of this Agreement; and
 - ii) in the event of expiry at least 6 months prior to the date of the expiry of this Agreement;
- e) If the Territory gives Canada notice under paragraph (d), then with respect to the lands, Buildings and Living Quarters to be acquired by the Territory, the Parties will make their best efforts to complete the transfers so that the Territory will acquire the lands, Buildings and Living Quarters no later than the first day following the expiration or termination of this Agreement.

ARTICLE 14.0 EQUIPMENT

- 14.1 a) Equipment supplied by Canada for use by the Territorial Police Service will be of a standard and quantity that is necessary for the Service to carry out its responsibilities under this Agreement.
- b) Canada, in procuring such Equipment, will do so in accordance with its own procurement practices and procedures, directives of the Treasury Board of Canada and the *Government Contract Regulations*.
- 14.2 If any item of Equipment–Type A that was purchased during this Agreement by Canada at a cost of more than \$150,000 for the Territorial Police Service is lost, damaged, destroyed or removed from the Territorial Police Service, the financial consequences from the loss, damage, destruction or removal of that item will be determined as follows:
 - a) if the Territory paid for the item in full at the applicable cost-sharing ratio in the year of acquisition, the Territory will be credited 70 per cent of the Fair Market Value, if any, of that item;
 - b) if the Territory has not yet paid its full share of the purchase cost of the item, the Territory will be credited with a percentage of the Fair Market Value of that item that is equal to the proportion of the amounts paid by the Territory for that item, exclusive of interest, up to the time of loss, damage, destruction or removal divided by the original acquisition costs incurred by Canada for that item; and

- c) the Fair Market Value referred to in paragraph (a) and (b) is to be determined as of the time immediately preceding the loss, damage, destruction or removal of the item; and
- d) if any item of Equipment is subject to amortization in accordance with paragraph 11.2(1) the payments will cease in the Fiscal Year when the item was lost, damaged, destroyed or removed.

ARTICLE 15.0 TRANSFER OF OWNERSHIP OF EQUIPMENT

15.1 In the event of the expiry or termination of this Agreement:

- a) subject to subarticle 15.2, the ownership of any item of Equipment that was purchased by Canada for the Territorial Police Service and in respect of which the Territory has paid its full share, will, at the option of the Territory:
 - i) be transferred to the Territory after it pays to Canada an amount equal to the amount that the current Fair Market Value exceeds the amount, exclusive of interest, that was already paid to Canada by the Territory for that item of Equipment; or
 - ii) remain vested in Canada, in which case Canada will credit the Territory with the amount, if any, by which the current Fair Market Value exceeds the amount that Canada paid for that item of Equipment;
- b) subject to subarticle 15.2, if any item of Equipment—Type A that cost more than \$150,000 was purchased by Canada for the Territorial Police Service and amortized under paragraph 11.2(1) and the Territory has not yet paid its full share of the expenditures owing for that item of Equipment, then the ownership of that item of Equipment will, at the option of the Territory:
 - i) be transferred to the Territory after it pays to Canada an amount equal to the amount that the current Fair Market Value exceeds the amount, exclusive of interest, that was already paid to Canada by the Territory for that item of Equipment; or
 - ii) remain vested in Canada, in which case Canada will credit the Territory with a percentage of the Fair Market Value that is equal to the proportion of the amounts paid by the Territory for that item, exclusive of any interest, up to the time of the expiry or termination divided by the original acquisition costs incurred by

Canada for the item and, any amortized amount remaining owing by the Territory in respect of that item of equipment will cease.

- c) the Fair Market Value referred to in paragraph (a) and (b) is to be determined as of the time immediately preceding the termination or expiry.

15.2 The option to transfer ownership of an item of Equipment referred to in paragraph 15.1 (a) and (b) may only be exercised by the Territory if it has provided notice in writing of the intent to exercise that option; and

- a) in the event of termination such notice must be received by Canada at least 6 months prior to the date of the intended termination; or
- b) in the event of expiry such notice must be received by Canada at least 3 months prior to the date of the expiry;

and the transfer must be completed within 6 months following the effective date of termination or expiry, unless the Parties agree otherwise.

ARTICLE 16.0 JAILS AND LOCK-UPS

16.1 Canada is under no obligation to maintain any jails for prisoners committed to custody for less than two years for an offence committed within the Northwest Territories against the *Criminal Code* or the laws of the Northwest Territories but, if necessary due to remoteness or the absence of an efficient alternative, such prisoners may be held in lock-ups maintained by the RCMP. The number and size of police lock-ups presently maintained by the RCMP will continue to be maintained by the RCMP and will not be reduced without prior consultation with the Territorial Minister.

ARTICLE 17.0 METHOD OF PAYMENT

- 17.1 a) Subject to paragraph (c), all amounts payable by the Territory will be due 45 days from the date of receipt of an invoice from Canada; payment will be made by cheque payable to the Receiver General for Canada and sent to the Commissioner in Ottawa, or as Canada might otherwise direct in writing, by registered mail; if the Commissioner and the Territorial Minister agree in writing, payments may be made by any other method.
- b) Canada will invoice for payment on a quarterly basis, on or about July 1, October 1, January 1 and March 31 in each Fiscal Year; with the invoices being for the four periods ending June 30, September 30, December 31,

and March 31 respectively, and each invoice will cover 1/4 of the estimated cost of the Territorial Police Service for that Fiscal Year.

- c) Any deficiency in payment or over-payment by the Territory in one Fiscal Year will be credited to or debited against the Territory, as the case may be, and will be reflected in the first invoice of the succeeding Fiscal Year.
- 17.2 It is understood and agreed that the payment of money that becomes due under this Agreement is subject to an appropriation being available for the payment in the Fiscal Year when the payment falls due, in accordance with Section 46 of the *Financial Administration Act* R.S.N.W.T. 1988, c. F-4, as amended.
- 17.3 It is agreed that the performance by Canada of its obligations under this Agreement, including the performance of duties and the rendering of services by the RCMP, are subject to an appropriation by Parliament that is of an amount that is sufficient for the performance of those obligations in each Fiscal Year.

ARTICLE 18.0 FINANCIAL PLANNING AND REPORTING

- 18.1 a) Each Fiscal Year the Commanding Officer and the Territorial Minister will, in an agreed upon format and schedule, exchange information necessary for the RCMP to prepare the projected Multi-Year Financial Plan for the Territorial Police Service, which will include the projected budget for any Divisional and Regional administration that is required to support the Service, for the consideration of the Territorial Minister in preparation of the annual budgets for the Service.
- b) For the purposes of paragraph (a), the Multi-Year Financial Plan will cover a period of three Fiscal Years, or up to five Fiscal Years, as determined by the Territorial Minister, beginning on the first day of the next Fiscal Year.
- c) For the purposes of paragraphs (a) and (b), the information exchanged between the Commanding Officer and the Territorial Minister will, at a minimum, address the following:
- i) the number of positions required for the Territorial Police Service;
 - ii) the resources, including staffing levels, allocated to any Divisional and Regional administration that is required to support the Service;
 - iii) budgetary considerations affecting the Territorial Police Service and any Divisional and Regional administration that is required to support the Service;

- iv) the proposed multi-year infrastructure and equipment plans;
 - v) any significant deviation between the budget for the previous Fiscal Year and expenditures for the current Fiscal Year; and
 - vi) any other agreed upon information.
- d) Each Fiscal Year the Commanding Officer will, on or before June 1, provide the Territorial Minister with the Multi-Year Financial Plan.
 - e) Each Fiscal Year the Territorial Minister will, on or before June 15, provide the Commanding Officer with the projected annual budget for the Territorial Police Service, which will include the projected budget for any Divisional and Regional administration that is required to support the Service, for the next Fiscal Year, as well as the projected budgets, if available, for the balance of the Multi-Year Financial Plan.
 - f) Each Fiscal Year the Territorial Minister will, to the extent they become available, provide the Commanding Officer with updates of the projected annual budget for the next Fiscal Year for the Territorial Police Service until the conclusion of the territorial budget process for the next Fiscal Year.
- 18.2 a) The Territorial Minister will, at the conclusion of the territorial budget process for each Fiscal Year, provide to the Commanding Officer:
- i) a written statement indicating the approved annual budget for the Territorial Police Service for that Fiscal Year; and
 - ii) if available, a written statement indicating any changes to the projected annual budgets for the balance of the then current Multi-Year Financial Plan.
- b) The Commanding Officer will seek approval from the Territorial Minister as soon as feasible with respect to any proposed changes to the said approved annual budget.
- 18.3 The Commanding Officer will at mutually agreeable intervals during the Fiscal Year, and in a standardized format, provide the Territorial Minister with the following:
- a) details of the year-to-date expenditures together with the forecasted expenditures for the remainder of the Fiscal Year including explanations of any material variances from the approved annual budget referred to in subparagraph 18.2(a)(i); and

- b) proposed changes or updates to the Service's multi-year infrastructure and equipment plans;
- 18.4 The Commanding Officer will, no later than three months following the conclusion of each Fiscal Year, provide the Territorial Minister in a standardized format with an accurate, detailed accounting of all actual expenditures for the Territorial Police Service, together with an explanation of any material variances from the approved annual budget referred to in subparagraph 18.2(a)(i).
- 18.5 The Commanding Officer will obtain the approval of the Territorial Minister prior to purchasing Equipment–Type A over \$150,000.
- 18.6 Each Fiscal Year the Commanding Officer will provide the Territorial Minister with a copy of the current Chart of Accounts used by the RCMP to record financial transactions.
- 18.7 The Commanding Officer, being given reasonable notice, shall provide the Territorial Minister with any additional information reasonably relating to the financial implications of the Territorial Police Service.
- 18.8 In addition to the above, the Parties will work to continue to strengthen the overall financial efficiency and administration of this Agreement including developing and implementing on-going initiatives to contain costs and improve long-term financial planning, with a view to achieving greater predictability, efficiency and transparency when budgeting for future policing costs.

ARTICLE 19.0 DIRECTED REVIEWS OF THE SERVICE

- 19.1 a) The Contract Management Committee (as defined in Article 21) may provide in writing to the RCMP matters to be considered for inclusion in the RCMP's departmental audit plan for activities undertaken in support of any Provincial or Territorial Police Service.
- b) The RCMP will provide the Contract Management Committee with a description of the matters relating to the Territorial Police Service that are included in the RCMP's departmental audit plan for each Fiscal Year.
- 19.2 a) In each Fiscal Year, the Commanding Officer will consult the Territorial Minister when developing the Division's plans for conducting Directed Reviews of the Service.
- b) The Territorial Minister and the Commanding Officer may jointly agree on specific Directed Reviews to be conducted of the Service or on the policing services provided under this Agreement.

- c) The Service will, to the extent possible, participate in any Directed Review identified under paragraph (b).
- d) The subject matter, scope, participation of territorial officials and timing of any Directed Review undertaken in accordance with paragraph (b) will be determined between the Territorial Minister and the Commanding Officer.
- e) The Territorial Minister may request, which request may not be unreasonably denied, that an independent third-party mutually agreeable to the Parties be appointed to conduct Directed Reviews ("Independent Reviewer"). If the Territorial Minister does not request the appointment of an Independent Reviewer, Directed Reviews will be conducted by the Service.
- f) The Independent Reviewer will be provided with access to information relevant to the agreed-upon subject matter and scope subject to:
 - (i) compliance with all applicable laws, federal policies and other requirements for the protection of information which the RCMP is subject to; and
 - (ii) any Memorandum of Understanding entered into between the Commanding Officer and the Territorial Minister, if, in the opinion of the Territorial Minister or the Commanding Officer, such a Memorandum of Understanding is necessary or desirable.
- g) If an Independent Reviewer is appointed at the request of the Territorial Minister the Territory will pay 100 per cent of costs of that Directed Review.
- h) All reports generated as a result of a Directed Review will be provided to both the Territorial Minister and the Commanding Officer as soon as practicable.

ARTICLE 20.0 BILATERAL REVIEW

- 20.1 The Parties may, in accordance with this article, undertake bilateral reviews of matters arising out of the implementation of this Agreement, and prior to initiating a Dispute under Article 23 the Parties should give due consideration to undertaking such bilateral reviews.
- 20.2 The frequency, scope and subject matter to be reviewed are subject to the agreement of the Parties.

- 20.3 If one Party wishes to propose a matter for review, that Party will notify the other Party in writing of the matter it proposes to be reviewed, together with full written details thereof.
- 20.4 If a Party is in receipt of a notice provided under subarticle 20.3, that Party will respond in writing as soon as practicable to provide notice of its agreement or counter-proposal, together with full written details thereof.
- 20.5 In no event will the provisions of subarticle 11.1 and paragraph 12.1(c) (the cost share) be subject to further review, unless the Parties expressly agree otherwise.
- 20.6 No amendment to this Agreement arising out of any review under this article will take effect unless and until an agreement in writing has been duly executed as provided by subarticle 25.1.

ARTICLE 21.0 CONTRACT MANAGEMENT COMMITTEE

- 21.1 There will be a Contract Management Committee (“Committee” or “CMC”) to support the delivery of professional, efficient and effective police services under this Agreement and to meet the evolving needs of each Party.
- 21.2 The Committee will provide a forum for information sharing between Committee representatives in order to foster timely consultation and collaboration on service delivery, policing policies, and other issues that will or may affect the governance, costs, quality or capacity of:
- a) the Service in any of the provinces or territories with representatives on the Committee; or
 - b) a RCMP Program.
- 21.3 a) Issues and proposals that will or may affect governance, cost, quality or capacity of the Service, or a RCMP Program, will be brought to the Committee’s attention in a reasonable and timely manner in order to allow for meaningful consultation and collaboration on such issues prior to decisions on such matters being made.
- b) Without limiting the foregoing, the Committee will be consulted in advance with respect to any proposed addition or deletion to the cost items included in the cost base, as well as any other proposed change that affects the cost of the Service such as allocation formulas or costing methodologies.

- c) Committee representatives will undertake best efforts to provide all relevant information on substantive issues and proposals under consideration in a timely manner.
- d) The Committee will seek consensus on, and will make reasonable efforts to achieve effective and timely resolution of, all matters brought to it for consideration.

21.4 With respect to RCMP Programs:

- a) The Commissioner will cause, in each Fiscal Year or at such other period as may be set by the Committee, a Multi-Year Financial Plan for the accommodations program provided for under Article 12 and the recruiting and training program (Depot and Police Dog Service) referred to under paragraph 11.2(i) to be provided to the Committee.
- b) The Committee may on a reasonable basis and from time to time require that the Commissioner cause a Multi-Year Financial Plan to be provided to the CMC in respect of RCMP Programs other than those described in paragraph (a).
- c) Once the Committee has required that the Commissioner cause a Multi-Year Financial Plan to be provided under paragraph (b) the Commissioner will make best efforts to provide a Multi-Year Financial Plan in accordance with this article for that program.
- d) Subject to paragraphs (a), (b) and (c), each Fiscal Year the Commissioner will cause a Multi-Year Financial Plan to be prepared and delivered to the Committee, no later than September 15, for each RCMP Program required.
- e) For the purposes of paragraph (d), each Multi-Year Financial Plan will cover a period of at least three Fiscal Years that will begin on the first day of the next Fiscal Year.
- f) For the purposes of paragraphs (d) and (e), the information in the Multi-Year Financial Plan will, at a minimum, address the following:
 - i) any budgetary considerations affecting the Service;
 - ii) any proposed multi-year infrastructure and equipment plans;
 - iii) any significant deviation between the Multi-Year Financial Plan for the previous Fiscal Year and the expenditures for the current Fiscal Year; and

- iv) any other information necessary for the Committee's review and consultation.
- 21.5 In each Fiscal Year, the Commissioner will seek to obtain a consensus of support of the Committee in respect of any Multi-Year Financial Plan provided pursuant to paragraph 21.4(c).
- 21.6 With respect to any Multi-Year Financial Plan provided to the Committee in accordance with paragraph 21.4(c), if the Committee has not indicated a consensus of support for such Multi-Year Financial Plan by December 15 of that Fiscal Year, then the Committee Co-chair from the provinces and territories will, within a reasonable time, provide a written record to the Commissioner setting out the part, or parts, of the Multi-Year Financial Plan that was, or were not, supported by the Committee, and an explanation of why it was, or were not, supported.
- 21.7 If the Commissioner is in receipt of the written record referred to in subarticle 21.6 the Commissioner will, within a reasonable time, provide a written response to that record.
- 21.8 With respect to RCMP Programs, the Commissioner will provide the Committee with a description of the matters relating to the RCMP Programs that are included in the RCMP's departmental audit plan for each Fiscal Year, and:
- a) each Fiscal Year, the Commissioner will consult the Committee when developing the plans for conducting Directed Reviews of a RCMP Program;
 - b) the Committee may request specific Directed Reviews be conducted on a RCMP Program;
 - c) the RCMP will, to the extent reasonably possible, participate in any Directed Review requested under paragraph (b);
 - d) the subject matter, scope and timing of any Directed Review undertaken in response to a request received under paragraph (b) will be determined between the Commissioner and the Committee;
 - e) the provinces and territories, through their Co-chair, may request that an independent third-party agreeable to the Commissioner be appointed ("Independent Reviewer") to conduct a Directed Review. If the Co-chair from the provinces and territories does not request the appointment of an Independent Reviewer, a Directed Review will be conducted by the RCMP, or in accordance with the RCMP's internal protocols, procedures, and practices.

- f) The Independent Reviewer will be provided with access to information relevant to the agreed-upon subject matter and scope subject to:
 - i) compliance with all applicable laws, federal policies and other requirements for the protection of information applicable to the RCMP; and
 - ii) any Memorandum of Understanding entered into between the Commissioner or Commissioner's delegate and the Co-chair from the provinces and territories if, in the opinion of the Commissioner, such a Memorandum of Understanding is necessary or desirable.
 - g) Each report generated by an Independent Reviewer or the RCMP in accordance with departmental audit protocols, procedures, and practices, as a result of a request made under paragraph (b), will be provided to both the Committee and the Commissioner as soon as practicable following its completion.
 - h) If a Directed Review is conducted by an Independent Reviewer, the Territory's share of the costs incurred by Canada in respect of that Review will be included in the costs of the Service, and that share is to be determined by:
 - i) dividing the total cost of the Review by the total FTE Utilization of Members in the police services of each province and territory and multiplying the result by the total FTE Utilization of Members utilized by Canada to provide and maintain the Territorial Police Service for the Fiscal Year.
- 21.9
- a) The Committee will comprise one representative from each province and territory with which Canada has a policing agreement, one representative from the Department, and one from the RCMP.
 - b) In addition to the Committee representatives referred to in paragraph (a), each provincial representative may designate one individual from among all municipalities in the province receiving RCMP municipal police services under an agreement with Canada as an associate member who will represent all those municipalities and once designated that individual will:
 - i) receive agendas, materials and minutes of all Contract Management Committee meetings;
 - ii) be able to participate in Contract Management Committee sub-committees;

- iii) be able to attend all Contract Management Committees meetings as an observer; and
- iv) be able to attend an annual Contract Management Committee meeting and make a presentation to the meeting;

until the designation is rescinded by the said Provincial representative.

- c) The Contract Management Committee will have two Co-chairs, one Co-chair from the provinces and territories and one Co-chair from the Department; provided always, that an associate member designated under paragraph (b) may not act as a Co-chair.
 - d) The Co-chairs, in consultation with all Committee representatives, are responsible for co-ordinating the issues to be considered by the Committee and, for determining the time, manner and place of each meeting.
- 21.10 a) The Committee may:
- i) set its operating procedures, such procedures will address at a minimum Records of Discussion and secretariat support services; and
 - ii) create standing or *ad hoc* sub-committees as required.
- b) The Committee will meet in person as frequently as circumstances may require but in any event no less than semi-annually.
 - c) The Committee may provide assistance on the interpretation of the policing agreements.
 - d) The Committee will maintain, approve and update changes to the Companion Document.
 - e) The Committee will facilitate the process for the Five-Year Review pursuant to Article 22.
 - f) Following the consultation and collaboration described in subarticle 21.3, and subarticle 21.5 the Committee Co-chairs will provide each other with a written record of the views expressed by the Committee representatives; such record is to be provided in a reasonable and timely manner so that the views may be considered before decisions on matters referred to in subarticle 21.2 are made.
 - i) The Co-chair representing the Department will provide a written record of the views expressed by Canada and the RCMP.

- ii) The Co-chair representing the provinces and territories will provide a written record of the views expressed by the provinces and territories.
- g) Each Committee representative will ensure that the results of the discussions of the Committee outlined in the written records produced in conformity with paragraph (f) are communicated to those in their respective jurisdictions responsible for making such decisions in advance of such decision being made.
- h) Costs associated with the Committee will be shared amongst its members as determined by the Committee.

21.11 The Parties agree that the Companion Document does not form part of this Agreement, and that the references to the Companion Document are not intended to incorporate the Companion Document into this Agreement.

ARTICLE 22.0 CMC FIVE-YEAR REVIEWS

- 22.1 The Parties agree that there will be periodic reviews related to substantive issues, including financial issues, arising out of the implementation of this Agreement involving the provincial or territorial police service of more than one province or territory with which Canada has an agreement similar to this Agreement.
- 22.2 These reviews are to be known as Five-Year Reviews (“Reviews”) and are to be conducted in accordance with this article.
- 22.3 A Review will be conducted during Fiscal Years 2016–2017, 2021–2022, and 2026–2027, and each Review will be concluded on or before April 1 in the years 2017, 2022 and 2027.
- 22.4 The Parties recognize that Canada or any province or territory with which Canada has a policing agreement may propose a matter for inclusion in the Review.
- 22.5 The Parties agree that:
- a) all matters proposed for inclusion in the Review will be referred to the Contract Management Committee for consideration as provided for under paragraph 21.10(e);
 - b) matters referred to the Contract Management Committee under paragraph (a) will be provided in writing and will include the full written details thereof;

- c) no Party may propose a matter for inclusion in the Review earlier than 18 months or later than 12 months in advance of the date on which the Review is to be concluded, unless the Parties agree otherwise;
 - d) only those matters identified by the Contract Management Committee for inclusion in the Review by April 1 of the year within which the Review is to take place will be reviewed, unless the Parties agree otherwise;
 - e) the costs incurred by Canada as determined in accordance with Article 11 and Article 12 for the provision of the Territorial Police Service may only be reviewed pursuant to a Review under this article; and
 - f) in no event will the provisions of subarticle 11.1 and paragraph 12.1(c) (the cost share) be subject to further review, unless the Parties agree otherwise.
- 22.6 The results of each Review together with any recommendations determined by the Contract Management Committee will be provided, as soon as practicable, to the Federal, Provincial and Territorial Deputy Ministers responsible for the administration of this Agreement for their review and consideration.
- 22.7 No amendment to this Agreement arising out of any Review under this article will take effect unless and until an agreement in writing has been duly executed as provided by subarticle 25.1.

ARTICLE 23.0 DISPUTES

- 23.1 Any issue, matter of general concern, or dispute ("Dispute") arising from this Agreement will be a matter for consultation and resolution between the Parties.
- 23.2 The Parties will consult each other should there be any issue, matter of general concern, or dispute arising from the interpretation or implementation of this Agreement, and will, in good faith, attempt to resolve the matter before providing written notice of a Dispute.
- 23.3 If one Party has provided the other Party with a written notice identifying the nature of the Dispute and containing a request for a meeting, consultations are to take place in a timely manner.
- 23.4 If a Dispute is related to an invoice under this Agreement, consultation will take place in the following manner:
- a) Within 30 days of providing notice identifying the nature of the Dispute and containing a request for a meeting, the Commanding Officer will

attempt to resolve the Dispute with the Assistant Deputy Minister of the Territory responsible for issues related to this Agreement.

- b) If some or all of the issues in dispute are not resolved within 60 days of receipt of the notice provided under subarticle 23.3, then the Parties will attempt to resolve the Dispute through a second level of discussion, to be undertaken between the Federal and Territorial Assistant Deputy Ministers responsible for issues related to this Agreement.
- c) If some or all of the issues in dispute are not resolved within 120 days of receipt of the notice provided under subarticle 23.3, then the Parties will attempt to resolve the Dispute through a third level of discussion, to be undertaken between the Federal and Territorial Deputy Ministers responsible for issues related to this Agreement.
- d) If some or all of the issues in dispute are not resolved within 180 days of receipt of the notice provided under subarticle 23.3, then the matter will be referred to the Federal Minister and the Territorial Minister for resolution in such manner as they will see fit.

23.5 Notwithstanding subarticle 23.4, any Dispute arising from this Agreement may be referred to the Federal Minister and the Territorial Minister, or their Deputy Ministers, for consultation and resolution at any time and in such manner as they see fit.

23.6 If a Dispute is not resolved through consultation, it may be dealt with through an alternative dispute resolution process on such terms and within such time as may be agreed to in writing by the Parties.

23.7 All information exchanged during any part of this process will be regarded as “without prejudice” communications for the purpose of settlement negotiations and will be treated as confidential by the Parties and their representatives, unless otherwise required by law. However, evidence that is independently admissible or discoverable will not be rendered inadmissible or non-discoverable by virtue of its use during any part of this process.

23.8 The provisions of this Agreement will continue to apply despite any Dispute.

ARTICLE 24.0 NOTICE

24.1 Any notice that is required or permitted under this Agreement, to be given by one Party to the other Party, will be given in writing and sent by e-mail, regular or registered mail, courier or facsimile. Notice will be considered as having been received upon delivery of the courier, or one day after being sent by e-mail or facsimile, or five calendar days after being mailed.

- 24.2 a) All correspondence and notice to Canada will be addressed to:

Minister of Public Safety and Emergency Preparedness
269 Laurier Avenue West
Ottawa, Ontario K1A 0P8

Facsimile: 613-954-5186; and

- b) All correspondence and notice to the Territory will be addressed to:

Minister of Justice
P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9

Facsimile: 867-873-0306

- 24.3 Either Party may, by providing notice to the other Party, change their address in subarticle 24.2.

ARTICLE 25.0 AMENDMENT

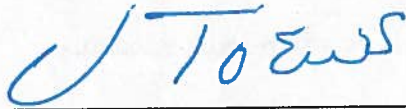
- 25.1 This Agreement may only be amended by the written agreement of the Parties.

ARTICLE 26.0 SURVIVAL

- 26.1 The obligations and rights set out in Articles 11.8 (Basis of Calculation of Payment), 17 (Method of Payment), 24 (Notice), and 25 (Amendment) will survive the expiry or termination of this Agreement.
- 26.2 The obligations and rights set out in Article 11 (Basis of Calculation of Payment), except 11.8, will survive following the expiry or termination of this Agreement until the date on which the amount owed by the Territory under that article is paid in its entirety.
- 26.3 The obligations and rights set out in subarticle 12.4 (Accommodations Program) will survive until the day on which the amount owed by the Territory under this Agreement is paid in its entirety.
- 26.4 The obligations and rights set out in Article 15 (Transfer of Ownership of Equipment) will survive for 6 months following the expiry or termination of this Agreement.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement through duly authorized representatives.

SIGNED on behalf of Canada



Minister of Public Safety and
Emergency Preparedness

SIGNED on behalf of the Territory



Minister of Justice



Witness



Commissioner of the Northwest Territories



Witness

**ANNEX "A": SCHEDULE OF PERSONNEL RESOURCES ASSIGNED TO THE
TERRITORIAL POLICE SERVICE**

TABLE A-1 – FTE Levels

Fiscal Year	[Province / Territory] Provincial Police Service			Amending Document Reference
	Members	Support Staff	Total	
2012-13	219.00	34.00	253.00	
2013-14				

TABLE A-2

Fiscal Year	Divisional Administration		Regional Administration		Amending Document Reference
	Members	Support Staff	Members	Support Staff	
2012-13	9.00	7.00	21.00	184.00	
2012-13 Total					

**ANNEX "B": REQUEST FOR INCREASE OR DECREASE OF THE
TERRITORIAL POLICE SERVICE**

Request for an Increase

1. Form of letter to be used to request an increase for the purposes of subarticle 5.1:

[Federal Minister]

Dear Minister

Pursuant to subarticle 5.1 of the Territorial Police Service Agreement, I am writing to request an increase to the personnel resources, to be recorded in Annex "A", and to be assigned to the Territorial Police Service.

I request an increase of _____ [Regular Members / Civilian Members / Support Staff] assigned to the Territorial Police Service, so as to increase the total strength of [Regular Members / Civilian Members / Support Staff] from _____ to _____.

I confirm our incremental financial commitment for the costs for the requested increase.

This letter and your reply will serve as an amendment to Annex "A".

Yours truly,

[Territorial Minister]

Request for a Decrease

2. Form of letter to be used to request a decrease for the purposes of subarticle 5.2:

[Federal Minister]

Dear Minister

Pursuant to subarticle 5.2 of the Territorial Police Service Agreement, I am writing to request a decrease of _____ [Regular Members / Civilian Members / Support Staff] assigned to the Territorial Police Service and recorded in Annex "A". This will decrease the total strength of [Regular Members / Civilian Members / Support Staff] assigned to the Territorial Police Service from _____ to _____

This letter and your reply will serve as an amendment to Annex "A".

Yours truly,

[Territorial Minister]

**ANNEX "C": PLANS FOR DIVISIONAL MAJOR CAPITAL, MINOR CAPITAL,
LIVING QUARTERS AND DIVISIONAL OPERATING AND
MAINTENANCE**

The information contained in this Annex is provided for Cabinet planning purposes. During the implementation phase of the newly executed Agreement, the details and final prioritization of projects will be jointly agreed upon by the Parties.

TABLE C-1

Projected Five-Year Plan for Divisional Major Capital

NORTHWEST TERRITORIES											
PROJECTED FIVE-YEAR PLAN FOR DIVISIONAL MAJOR CAPITAL											
NUMBER OF DETACHMENTS IN DIVISION: 20											
FISCAL YEARS 2012-2013 to 2016-2017											
TOTAL ANNUAL MAJOR CAPITAL ACCOMMODATION PROGRAM CHARGE (\$)						MAJOR CAPITAL PLAN AS AT:					
\$980,637 (@100%), \$686,446 (@70%)						January 5, 2012					
PROJECTED REPLACEMENT COST NEW:			\$9,000 (2012)		PLANNED COST PER SQ. METRE:			\$12,610			
			\$9,741 (2016)								
PROJECTED AVERAGE DETACHMENT REPLACEMENT RATE TARGET			ANNUAL: 0.25	5-YR: 1.25	PLANNED DETACHMENT REPLACEMENT RATE:			ANNUAL: 0.20		5-YR: 1.0	
DIVISIONAL DETACHMENT AVERAGE AGE (2012)			28.8		PLANNED DIVISIONAL AVERAGE AGE:			@ 5 YRS: 31.9	@ 20 YRS: 46.9		
PROJECTED AVERAGE SIZE (M2 G)			418.75		PLANNED AVERAGE SIZE (M2G):			635			
PROJECTED DIVISIONAL MAJOR CAPITAL (100%)						ACTUAL DIVISIONAL MAJOR CAPITAL (100%)					
2012-2013			\$942,188		2012-2013			\$582,930			
2013-2014			\$961,032		2013-2014			\$2,774,747			
2014-2015			\$980,252		2014-2015			\$4,649,683			
2015-2016			\$999,857		2015-2016			\$0			
2016-2017			\$1,019,855		2016-2017			\$0			
5-YEAR TOTAL (100%)			\$4,903,184		5-YEAR TOTAL (100%)			\$8,007,360			
DETACHMENT DETAILS				PROJECT DETAILS		M2 G		PROJECTED COSTS		MILESTONES	
PROJECT ID	LOCATION	BUILDING CODE	CURRENT AGE (2012)	TYPE A = REPLACEMENT TYPE B = RENOVATION	RATIONALE	CURRENT	PROJECTED	PROJECTED REPLACEMENT COST NEW	TOTAL ESTIMATED COSTS (\$)	START	END
	Behchoko		34	A	Building Exceeds Useful Life	240	635	\$12,610	\$8,007,360	2012-13	2014-15

NOTES:

Inuvik replacement project will require Territorial support to proceed in 12/13 as it is not a 4B project and has no source of funds (\$18.9M TEC).

TABLE C-2

Projected Five-Year Plan for Divisional Minor Capital

PROJECTED FIVE-YEAR PLAN FOR DIVISIONAL MINOR CAPITAL								
NORTHWEST TERRITORIES			FISCAL YEARS 2012-2013 to 2016-2017					
TOTAL BUDGET (100%): \$2,507,853								
PROJECT ID	LOCATION	BUILDING CODE	DESCRIPTION	PROJECT PRIORITY	START	END	BUDGET (\$)	RATIONALE A: PLANNED LIFE-CYCLE B: COST SAVINGS INITIATIVE C: BULK LIFE-CYCLE
	Ulukhaktok	G068	Fire Alarm System Installation	B1	2012-13	2012-13	\$108,006	A: PLANNED LIFE-CYCLE
	Fort McPherson	G038	Ventilation Improvements	B2	2012-13	2012-13	\$201,505	A: PLANNED LIFE-CYCLE
	VARIOUS		Risk & Contingency Funding	A1	2012-13	2012-13	\$297,000	A: PLANNED LIFE-CYCLE
	Aklavik	G028	HVAC Systems upgrades	B3	2012-13	2012-13	\$90,493	A: PLANNED LIFE-CYCLE
	Fort Smith	G079	Fuel Tank Replacements	C1	2012-13	2014-15	\$55,001	A: PLANNED LIFE-CYCLE
	Fort Good Hope	G046	Fuel Tank Replacements	C1	2012-13	2014-15	\$70,041	A: PLANNED LIFE-CYCLE
	Rae-Edzo	G126	Fuel Tank Replacements	C1	2012-13	2013-14	\$96,531	A: PLANNED LIFE-CYCLE
	Sachs Harbour	G058	Fire Alarm System Installation	C1	2012-13	2012-13	\$45,086	A: PLANNED LIFE-CYCLE
	Ulukhaktok	G068	Electrical Upgrades	C1	2012-13	2013-14	\$65,006	A: PLANNED LIFE-CYCLE
	Wha'Ti	G142	Fuel Tank Replacements	C1	2012-13	2012-13	\$52,014	A: PLANNED LIFE-CYCLE
	Fort Good Hope	G046	Slope Assessment Study and Report	C1	2012-13	2012-13	\$30,014	A: PLANNED LIFE-CYCLE
	Fort Liard	G080	Fuel Tank Replacements	C1	2012-13	2012-13	\$125,005	A: PLANNED LIFE-CYCLE
	Fort Providence	G101	Fuel Tank Replacements	C1	2012-13	2012-13	\$80,040	A: PLANNED LIFE-CYCLE
	Fort Resolution	G127	Shingle Replacement and Repair	C2	2012-13	2012-13	\$30,005	A: PLANNED LIFE-CYCLE
	Fort Resolution	G127	Secure Bay Door Replacement	C2	2012-13	2012-13	\$23,152	A: PLANNED LIFE-CYCLE
	Fort Simpson	G092	HVAC Systems upgrades	C2	2012-13	2012-13	\$55,161	A: PLANNED LIFE-CYCLE
	Hay River	G094	Parking Lot expansion	C2	2012-13	2013-14	\$45,004	A: PLANNED LIFE-CYCLE
	Lutsel K'E	G072	Window Replacement	C2	2012-13	2012-13	\$62,626	B: COST SAVINGS INITIATIVE
	Paulatuk	G385	Expand Driveway and Back-out Pad and Secure Bay Floor	C2	2012-13	2013-14	\$146,005	A: PLANNED LIFE-CYCLE
	Sachs Harbour	G058	Interior Renovations	C2	2012-13	2012-13	\$90,096	A: PLANNED LIFE-CYCLE
	Hay River	G093	Foundation	C3	2012-13	2012-13	\$48,392	A: PLANNED LIFE-CYCLE
	Tuktoyaktuk	G062	Perma-Frost Piling Assessment	C3	2012-13	2012-13	\$37,382	A: PLANNED LIFE-CYCLE
	Aklavik	G028	Perma-Frost Piling Assessment and Repairs	C3	2012-13	2013-14	\$47,012	A: PLANNED LIFE-CYCLE
	VARIOUS		Cell Retrofit	C1	2012-13	2013-14	\$350,000	A: PLANNED LIFE-CYCLE
	VARIOUS		Environmental Tank Compliance	B2	2012-13	2012-13	\$75,000	A: PLANNED LIFE-CYCLE
	VARIOUS		Bulk Life Cycle	C1	2012-13	2012-13	\$182,277	C: BULK LIFE-CYCLE
PROJECTED FIVE-YEAR PLAN FOR DIVISIONAL MINOR CAPITAL							\$2,507,853	
VARIANCE (PLANNED-ACTUALS)							\$0	

TABLE C-3

Projected Five-Year Plan for Divisional Living Quarters

PROJECTED FIVE-YEAR PLAN FOR DIVISIONAL LIVING QUARTERS								
NORTHWEST TERRITORIES								
FISCAL YEARS 2012-2013 to 2016-2017								
TOTAL BUDGET (100%): \$476,879								
PROJECT ID	LOCATION	BUILDING CODE	DESCRIPTION	PROJECT PRIORITY	START	END	BUDGET (\$)	RATIONALE A: PLANNED LIFE-CYCLE (MINOR) B: COST SAVINGS INITIATIVE (MINOR) C: BULK LIFE-CYCLE D: END OF USEFUL LIFE (MAJOR) E: FUNCTIONAL OBSOLESCENCE (MAJOR) F: NEW DEMAND
	Tuktoyaktuk	G139	Structural Assessment and Remediation	B3	2012-13	2012-13	\$51,523	A: PLANNED LIFE-CYCLE (MINOR)
	Sachs Harbour	G060	Fuel Tank Replacements	C1	2012-13	2012-13	\$30,000	A: PLANNED LIFE-CYCLE (MINOR)
	Tuktoyaktuk	G139	CO2 Smoke Sensor Installation	C1	2012-13	2012-13	\$11,838	A: PLANNED LIFE-CYCLE (MINOR)
	Aklavik	G031	CO2 Smoke Detectors and Generator Installation	C1	2012-13	2012-13	\$35,002	C: BULK LIFE-CYCLE
	Aklavik	G034	Flooring Upgrades	C1	2012-13	2012-13	\$56,310	A: PLANNED LIFE-CYCLE (MINOR)
	VARIOUS		Environment (Storage Tank upgrades)	C1	2012-13	2012-13	\$100,000	A: PLANNED LIFE-CYCLE (MINOR)
	VARIOUS		Risk & Contingency	C1	2012-13	2012-13	\$192,205	A: PLANNED LIFE-CYCLE (MINOR)
PROJECTED FIVE-YEAR PLAN FOR DIVISIONAL LIVING QUARTERS							\$476,879	
VARIANCE (PLANNED-ACTUALS)							\$0	
TOTAL NUMBER OF LIVING QUARTERS REPLACED DURING PLANNING PERIOD								0

TABLE C-4

Projected Five-Year Plan for Divisional Operating and Maintenance

FIVE-YEAR PLAN FOR DIVISIONAL OPERATING AND MAINTENANCE FISCAL YEARS 2012-13 TO 2016-17							
NORTHWEST TERRITORIES							
RC	Cost Category	Previous Year Actuals	Planning Year	Projected Plans			
			Projected Plan	Planning Year +1	Planning Year +2	Planning Year +3	Planning Year +4
170/171	Cleaning	\$0	\$0	\$0	\$0	\$0	\$0
	Service Contracts	\$0	\$0	\$0	\$0	\$0	\$0
	Roads & Grounds	\$0	\$0	\$0	\$0	\$0	\$0
	Building Administration	\$0	\$0	\$0	\$0	\$0	\$0
	Other	\$0	\$0	\$0	\$0	\$0	\$0
310/311	Repairs	\$0	\$0	\$0	\$0	\$0	\$0
O&M TOTAL		\$0	\$0	\$0	\$0	\$0	\$0
400	UTILITIES	\$0	\$0	\$0	\$0	\$0	\$0
592	PAYMENTS MADE BY PWGSC MINISTER FOR CANADA TO A TAXING AUTHORITY THAT HAS APPLIED FOR SUCH PAYMENT	\$0	\$0	\$0	\$0	\$0	\$0
GRAND TOTAL		\$0	\$0	\$0	\$0	\$0	\$0

**ANNEX "D": PROJECTED BUDGETS FOR DIVISIONAL MAJOR CAPITAL,
MINOR CAPITAL AND LIVING QUARTERS**

TABLE D-1

Projected Five-Year Budget for Divisional Major Capital

PROJECTED FIVE-YEAR BUDGET FOR DIVISIONAL MAJOR CAPITAL FISCAL YEARS 2012-2013 TO 2016-2017			
FISCAL YEAR	MAJOR CAPITAL		PROJECTED MAJOR CAPITAL COMPONENT OF THE ACCOMMODATION PROGRAM CHARGE AT 70% (C)
	PROJECTED TOTAL EXPENDITURE (100%) (A)	PROJECTED TOTAL EXPENDITURE (70%) (B)	
2012-2013	\$942,188	\$659,532	\$686,446
2013-2014	\$961,032	\$672,722	\$686,446
2014-2015	\$980,252	\$686,176	\$686,446
2015-2016	\$999,857	\$699,900	\$686,446
2016-2017	\$1,019,855	\$713,899	\$686,446
TOTAL	\$4,903,184	\$3,432,229	\$3,432,229

Column A is the expenditures projected to be made by Canada for the construction, Renovation or acquisition of Buildings (predominantly detachments) in accordance with the Projected Five-Year Plan for Divisional Major Capital.

Column B is the total amount projected to be owing by the Territory for expenditures made by Canada for the construction, Renovation or acquisition of Buildings (predominantly detachments) in accordance with the Projected Five-Year Plan for Divisional Major Capital.

Column C is the total territorial portion of the Divisional Major Capital Budget, at 70 per cent averaged over 5 years, projected to be owing by the Territory that is to be included in the Projected Accommodation Program Charge.

TABLE D -2

Projected Five-Year Budget for Divisional Minor Capital

PROJECTED FIVE-YEAR BUDGET FOR DIVISIONAL MINOR CAPITAL FISCAL YEARS 2012-2013 TO 2016-2017			
FISCAL YEAR	MINOR CAPITAL		PROJECTED MINOR CAPITAL COMPONENT OF THE ACCOMMODATION PROGRAM CHARGE AT 70% (C)
	PROJECTED TOTAL EXPENDITURE (100%) (A)	PROJECTED TOTAL EXPENDITURE (70%) (B)	
2012-2013	\$2,312,297	\$1,618,608	\$1,755,497
2013-2014	\$2,423,776	\$1,696,643	\$1,755,497
2014-2015	\$2,472,252	\$1,730,576	\$1,755,497
2015-2016	\$2,594,489	\$1,816,142	\$1,755,497
2016-2017	\$2,736,449	\$1,915,514	\$1,755,497
TOTAL	\$12,539,263	\$8,777,484	\$8,777,484

Column A is the expenditures projected to be made by Canada for the combination of projects to be undertaken in accordance with the Projected Five-Year Plan for Divisional Minor Capital.

Column B is the total amount projected to be owing by the Territory for expenditures made by Canada for the combination of projects to be undertaken in accordance with the Projected Five-Year Plan for Divisional Minor Capital.

Column C is the total territorial portion of the Divisional Minor Capital Budget, at 70 per cent averaged over 5 years, projected to be owing by the Territory that is to be included in the Projected Accommodation Program Charge.

TABLE D-3

Projected Five-Year Budgets for Divisional Living Quarters

PROJECTED FIVE-YEAR BUDGET FOR DIVISIONAL LIVING QUARTERS FISCAL YEARS 2012-2013 TO 2016-2017					
FISCAL YEAR	MAJOR CAPITAL PROJECTED EXPENDITURE (A)		MINOR CAPITAL PROJECTED EXPENDITURE (B)		PROJECTED LIVING QUARTERS COMPONENT OF THE ACCOMMODATION PROGRAM CHARGE AT 70% (C)
	100% (A1)	70% (A2)	100 % (B1)	70 % (B2)	
2012-2013	\$0	\$0	\$476,879	\$333,815	\$347,438
2013-2014	\$0	\$0	\$486,417	\$340,492	\$347,438
2014-2015	\$0	\$0	\$496,145	\$347,302	\$347,438
2015-2016	\$0	\$0	\$506,068	\$354,248	\$347,438
2016-2017	\$0	\$0	\$516,189	\$361,332	\$347,438
Total	\$0	\$0	\$2,481,698	\$1,737,189	\$1,737,189

Column A1 is the expenditures projected to be made by Canada for the combination of projects to Renovate, construct, replace or increase the number of Living Quarters to be undertaken in accordance with the Projected Five-Year Plan for Divisional Living Quarters.

Column A2 is the total amount projected to be owing by the Territory for expenditures made by Canada for the combination of projects to Renovate, construct, replace or increase the number of Living Quarters to be undertaken in accordance with the Projected Five-Year Plan for Divisional Living Quarters.

Column B1 is the expenditures projected to be made by Canada so as to have the Living Quarters remain fit for use and meet their expected useful life, but does not include Operating and Maintenance work done as part of the normal upkeep of Living Quarters.

Column B2 is the total amount projected to be owing by the Territory for expenditures made by Canada so as to have the Living Quarters remain fit for use and meet their expected useful life, but does not include Operating and Maintenance work done as part of the normal upkeep of Living Quarters.

Column C is the total territorial portion of the Divisional Living Quarters Budget (Major and Minor Capital), at 70 per cent averaged over 5 years, projected to be owing by the Territory that is to be included in the Projected Accommodation Program Charge.

TABLE D-4

Total Projected Five-Year Budgets for Divisional Major Capital, Divisional Minor Capital and Divisional Living Quarters

TOTAL PROJECTED FIVE-YEAR BUDGETS FOR DIVISIONAL MAJOR, MINOR AND LIVING QUARTERS FISCAL YEARS 2012-2013 TO 2016-2017								
FISCAL YEAR	MAJOR CAPITAL PROJECTED EXPENDITURE (A)		MINOR CAPITAL PROJECTED EXPENDITURE (B)		LIVING QUARTERS PROJECTED EXPENDITURE (C)		PROJECTED TOTAL EXPENDITURES AT 100% (D)	PROJECTED ACCOMMODATION PROGRAM CHARGE (70% AVERAGED OVER 5 YEARS)
	100%	70%	100 %	70%	100 %	70%		
2012-2013	\$942,188	\$659,532	\$2,312,297	\$1,618,608	\$476,879	\$333,815		
2013-2014	\$961,032	\$672,722	\$2,423,776	\$1,696,643	\$486,417	\$340,492		\$2,789,380
2014-2015	\$980,252	\$686,176	\$2,472,252	\$1,730,576	\$496,145	\$347,302		\$2,789,380
2015-2016	\$999,857	\$699,900	\$2,594,489	\$1,816,142	\$506,068	\$354,248		\$2,789,380
2016-2017	\$1,019,855	\$713,899	\$2,736,449	\$1,915,514	\$516,189	\$361,332		\$2,789,380
TOTAL	\$4,903,184	\$3,432,229	\$12,539,263	\$8,777,484	\$2,481,698	\$1,737,189		\$13,946,901

The table represents the cumulative total of previous tables.

ANNEX "E": NOT APPLICABLE

This Annex intentionally left blank.

ANNEX "F": CREDIT AGAINST THE FAIR MARKET VALUE OF DETACHMENTS

The credit determined in respect of the number of Fiscal Years that detachment has been used to be applied against the Fair Market Value of the building in accordance with subparagraph 13.4(b)(i) will be the amount indicated in the table below, where column 'A' is the Fiscal Year that the building was first used as a detachment and column 'B' is the amount of the credit.

TABLE F-1

A	B
All Years Prior	70.0%
1992-1993	66.5%
1993-1994	63.0%
1994-1995	59.5%
1995-1996	56.0%
1996-1997	52.5%
1997-1998	49.0%
1998-1999	45.5%
1999-2000	42.0%
2000-2001	38.5%
2001-2002	35.0%
2002-2003	31.5%
2003-2004	28.0%
2004-2005	24.5%
2005-2006	21.0%
2006-2007	17.5%
2007-2008	14.0%
2008-2009	10.5%
2009-2010	7.0%
2010-2011	3.5%
2011-2012	0.0%

In respect of buildings used as detachments since before April 1, 1992, the credit to be applied against the Fair Market Value of the building under subparagraph 13.4(a)(i) is equal to 70 per cent.

ANNEX "G": NOT APPLICABLE

This Annex intentionally left blank.

ANNEX "H": PROS COSTS

1. For the purposes of paragraph 11.2 (j) the "costs to Canada of maintaining and providing the PROS" will be determined in accordance with this Annex.
2. In this Annex the term "Costs" means the "costs to Canada of maintaining and providing the PROS" for the purposes of Article 11.2 (j).
3. The PROS costs will include the following items:
 - a. Annual Maintenance and Support Cost – the annual maintenance and support costs are categorized as those recurring costs required for providing and maintaining national support to the PROS. This includes such expenses as operating and maintenance, license fees, equipment and salaries. The amount is calculated based on the actual cost of the PROS incurred by the Chief Information Office (CIO) Sector and the Contract and Aboriginal Policing's Operations Systems Services Centre (CAP/OSSC); and
 - b. Annual Project Costs – the annual project costs include provisions for incremental annual project costs associated to new system development or enhancements which are beyond the annual system maintenance and support costs. These costs may include improvement or modification to the system architecture, system implementation, training costs, transitional costs and additional licensing costs;
4. Reporting Requirement: the RCMP will provide CMC a multi-year financial plan for the PROS and all related forecasted costs prior to updating the calculation of the PROS cost per user.

ANNEX "I": ESTABLISHING THE DIVISIONAL MINOR CAPITAL BUDGET

The Projected Five-Year Divisional Minor Capital Budget is set for each period beginning April 1, 2012, April 1, 2017, April 1, 2022, and April 1, 2027, by:

- a) establishing a five-year period in respect of those Fiscal Years beginning on that April 1 and ending on the fifth-following March 31;
- b) determining the composition of Buildings and divisional or regional headquarters buildings and the total square meters of space for each Fiscal Year during that period by:
 - i) determining the projected age of each Building and divisional or regional headquarters building as of each April 1st during the applicable five-year period accounting for the ageing of each Building and divisional or regional headquarters building over these same five-years;
 - A) the determination of the projected age of Buildings and divisional or regional headquarters buildings will take into account the plan of works detailed in the applicable Divisional Major Capital Plan or separate agreement for divisional or regional headquarters buildings;
 - ii) categorizing the Buildings and divisional or regional headquarters buildings by their projected age into one of four categories, being:
 - A) Buildings and divisional or regional headquarters buildings less than 10 years old;
 - B) Buildings and divisional or regional headquarters buildings that are 10 years old or greater but less than 25 years old;
 - C) Buildings and divisional or regional headquarters buildings that are 25 years old or greater but less than 40 years old; and
 - D) Buildings and divisional or regional headquarters buildings that are 40 years old or greater;
 - iii) counting the total square meters of space in each age category that is projected to be used by the Service as of each April 1 during the applicable five-year period;
 - A) the determination of the projected square meters of space used

will take into account the plan of works detailed in the applicable Divisional Major Capital Plan or separate agreement for divisional or regional headquarters buildings;

- B) the following usages of space will not be counted:
- 1) Living Quarters;
 - 2) space for which the RCMP pays rent;
 - 3) any accommodations or parts thereof occupied exclusively by the RCMP for any purpose other than the Territorial Police Service; and
 - 4) those parts of divisional or regional headquarters buildings that are not occupied by the Territorial Police Service as determined on a proportional basis to the total occupancy of those buildings;
- c) for each Fiscal Year during that period, multiplying the total square meters in each age category by the Replacement Cost New and multiplying the result for each age category by:
- i) 0.5% for Buildings and divisional or regional headquarters buildings less than 10 years old;
 - ii) 1.0% for Buildings and divisional or regional headquarters buildings that are 10 years old or greater but less than 25 years old;
 - iii) 1.5% for Buildings and divisional or regional headquarters buildings that are 25 years old or greater but less than 40 years old; or
 - iv) 2.5% for Buildings and divisional or regional headquarters buildings that are 40 years old or greater;
- d) adding together the total amounts determined under paragraph (c) for each age category for each Fiscal Year during the period to create a five-year total; and
- e) dividing the five-year total by five.

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