



City of Yellowknife

NORTHWEST TERRITORIES

ANNUAL REPORT 2013

For the year ended December 31, 2013



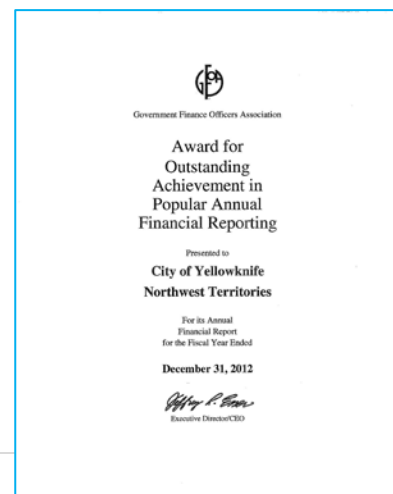
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Cover Photo: *Members of the Yellowknife Gymnastics Club put on a show at the City's Garden Party held at Somba K'e Civic Plaza.*
Andrea Nilson Photo.



CITY OF YELLOWKNIFE



MAYOR'S MESSAGE



The year 2013 was a very busy year for the City of Yellowknife. We approved and successfully managed the largest capital budget in the City's history including road rehabilitation (\$2.7 million) and water and sewer replacement (\$17.5 million), which included \$9.9 million for a new Water Treatment Plant.

We began renovations at City Hall and within Council Chambers. The renovated space is designed to create an accessible public area.

We invite you to City Hall to visit us!

Throughout the year, the City was invited to participate in many regional initiatives such as the Government of Northwest Territory's Economic Opportunities Strategy, the Mineral Development Strategy and the Electoral Boundaries Public Hearings. We also took our role as the Capital City very seriously when we worked with the GNWT and the RCMP during our Community Conversation on Safety. We had an opportunity to listen to our residents and take action, where we can, on issues to help address safety in our community. As a direct result of the meeting, the City initiated several events along our beautiful trails to encourage and increase the use of our public spaces.

In 2013 the City began and finished our Economic Development Strategy. This guiding document established a five year plan including action items which reflect the needs and requests of the business community and our Council. With our funding partners at CanNor and the GNWT's Department of Industry, Tourism and Investment, the City was able to begin the implementation of the Economic Development Strategy in 2013.

We also took a fresh look at our Development Permitting Process and began reviewing and making changes to our Secondary Suites and Laneway Housing rules. We streamlined our permitting process for decks, sheds, detached garages and home based businesses.

In 2013 we began to meet with our downtown stakeholders on the 50th Street revitalization initiative, with staff completing in-depth interviews with businesses, arts groups, and developers as well as non-profit organizations. As a part of our commitment to downtown revitalization, the City also continued to financially support the Dene Ko Day Shelter.

A series of videos were created and launched on YouTube showcasing our community and promoting Yellowknife through the use of social media. We paired this promotional campaign with the *Our Yellowknife* Campaign, which celebrates our residents and their incredible contribution to our capital City.

I invite you to read through our Annual Report, and glance back at some of the achievements of our community in 2013!

Mark Heyck
Mayor



CITY OF YELLOWKNIFE

YELLOWKNIFE CITY COUNCIL



Adrian Bell



Cory Vanthuyne



Linda Bussey



Phil Moon Son



Bob Brooks



Dan Wong



Niels Konge



Rebecca Alty

Council Mission

Council will provide leadership, vision and direction in responding to the needs and aspirations of the community by working cooperatively with staff and residents to provide municipal infrastructure, programs and services that are fiscally responsible and sustainable.

Community Vision

A welcoming, inclusive, vibrant and family oriented City with a strong sense of community pride. We will strive to be self-sufficient while actively promoting economic development and tourism and protecting our unique history, culture and natural beauty.

Corporate Vision

To be an inclusive and well managed community.



Community Barbecue at Somba K'e Civic Plaza. Darren Horn Photo.



GOALS & OBJECTIVES 2013 – 2016

<p>Goal 1 BUILDING A SUSTAINABLE FUTURE</p>	<p>Goal 3 ENHANCING COMMUNICATIONS & COMMUNITY ENGAGEMENT</p>
<p><i>Objectives:</i></p> <ul style="list-style-type: none"> • Realize opportunities to encourage economic growth and diversity. • Continue to have a sustainable and practical approach to infrastructure deficit reduction. • Emphasize fairness, value and transparency in financial decisions, program delivery and land administration. • Facilitate and support sustainable development. • Advance the City’s financial interests with other orders of government. 	<p><i>Objectives:</i></p> <ul style="list-style-type: none"> • Celebrate community participation and volunteerism. • Promote heritage, culture, arts and other unique characteristics of Yellowknife. • Ensure transparency, accountability and reporting.
<p>Goal 2 STEWARDS OF OUR NATURAL AND BUILT ENVIRONMENT</p>	<p>Goal 4 CREATING AND SUSTAINING MEANINGFUL RELATIONSHIPS</p>
<p><i>Objectives:</i></p> <ul style="list-style-type: none"> • Maintain, respect, preserve and enhance the natural environment, natural heritage and green space. • Improve transit, roads, sidewalks, recreation facilities and trails with an emphasis on active and healthy living choices. • Develop smart and sustainable approaches to energy, water and sewer, waste management and building systems. • Promote a range of commercial, residential and institutional development and revitalization opportunities. • Maintain and enhance core services and adapt to changing needs. • Fully implement and sustain customer service culture. • A sense of personal and community safety. 	<p><i>Objectives:</i></p> <ul style="list-style-type: none"> • Develop prosperity through strategic partnerships • Advance the city’s interest in responding to social, environmental and economic issues and their impacts. • Be accountable to residents by ensuring open and accessible information flow and accessible decision making. • Create an environment of mutual respect, open dialogue and teamwork.



OUR YELLOWKNIFE

Our Yellowknife offers us clean air to breathe, fresh water to drink and explore, spectacular views of the aurora borealis, long summer days and a gateway into the North.

Founded in 1934, the city is located in the traditional territory of the Yellowknives Dene First Nation on the northern shore of Great Slave Lake. Yellowknife has its origins in gold mining and was designated as territorial capital in 1967. Since then, it has grown to 20,000 residents and has become a cultural, economic and government services hub for the territory.

The City of Yellowknife employs over two hundred staff who build and maintain a strong and vibrant community for both residents and visitors. We engage with our local businesses and our citizens to ensure a common vision and continued development. Local, regional and territorial partnerships form an important base for our long-term sustainability and success.

The most valued resource Yellowknife offers is our community spirit, reflected through art, festivals, events, sports and a wide array of service and cultural associations. Our Yellowknife has a thriving economy, a multitude of job opportunities and one of the highest family incomes in the country.

2013 FACT FILE

(GNWT Bureau of Statistics)

Population: 20,300

Average Personal Income: \$67, 629

Average Family Income: \$145, 706

2013 VISITOR INFORMATION

(Provided by Northern Frontier Visitor Centre)

Visitors to Northern Frontiers Visitor Centre: 23, 515

Visitors to the Gift Shop located at the Yellowknife Airport: 35, 646

Website traffic to visityellowknife.com: 45, 157

FIND US:

yellowknife.ca



INCREASING ACCESS TO OLD TOWN

Government Dock & Pilot's Monument

The Yellowknife Harbour Plan was completed and approved by Council in 2012. Created by the City of Yellowknife's Department of Planning and Development with collaboration from the residents of Yellowknife, the Plan provides a 20 year growth and development vision.

"The Harbour Plan was developed with the intention of improving public accessibility to the waterfront while enhancing the natural and cultural heritage of Old Town," says Jeffrey Humble, Director of Planning and Development.

"It aims to optimize commercial and residential uses of the Harbour, while increasing recreational opportunities for the public."

The first projects initiated under this Plan include the Government Dock and Pilot's Monument in 2013. After completing public engagement sessions, the groundwork was laid to designate these areas for increased recreational use. The design at the Government Dock provides for increased public and a commercial access for mooring activities, vending and special events. Improvements at Pilot's Monument include expanded park space as well as additional parking and pathways. Both sites incorporate public amenities, lighting, landscaping and are scheduled to be completed in 2014.

As the next phase of the Harbour Plan the City is looking toward additional public amenities along two public park nodes: (1) Wiley Road next to Great Slave Yacht Club, and (2) waterfront lands between Lessard Drive and Otto Drive. Public engagement has commenced on these areas and subject to Council direction the design and construction of these areas would commence in 2015.



The plot in front of Pilot's Monument has been landscaped and has increased parking space and new lighting. City of Yellowknife photo.



Paving, landscaping and bike racks were among the additions to the Government Docks. City of Yellowknife photo.



PARKS & PARTNERSHIPS

Improving Our Green Spaces

The City of Yellowknife strives to provide safe, comfortable and enjoyable parks and trails for Yellowknife residents and visitors.

2013 was a busy year for our Parks staff. William McDonald School's soccer field was replaced, McNiven Beach playground equipment was upgraded, outdoor fitness equipment stations were installed at Olexin Park, site lines were cleared to improve safety and signage was placed along the McMahon Frame Lake Trail.



The soccer field at William McDonald School was replaced and the running track upgraded.
City of Yellowknife photo.



Playground equipment at McNiven Beach Park was installed to meet safety standards.
City of Yellowknife photo.

By expanding our community partnerships to include the Yellowknife Skating Club, the City was able to create a skating oval at Tommy Forrest Park. This past winter residents were able to experience the thrill of skating on an outdoor oval while cheering on hometown speed skating Olympian, Michael Gilday.



Residents can now try out their speed skating skills on an outdoor oval at Tommy Forrest Park.
City of Yellowknife photo.



Located along School Draw Avenue overlooking Great Slave Lake, Rotary Park provides a beautiful setting for a quiet picnic or family gathering. Amenities include a picnic shelter, paved trail and boardwalk and an area to launch your small water craft (e.g. kayak, canoe or paddle board).

The City’s partnership with the Rotary Club began in 2003 to help facilitate the development of a new park and boardwalk on the shore of Great Slave Lake. Building on the success of the Rotary Range Lake Trail project constructed by the Yellowknife Rotary Club in the 1990’s the organization initiated the Rotary Park project to coincide with their centennial year. This past year Rotarians expanded the existing trail system using materials provided by the City.



“The Yellowknife Rotary Club is very pleased to partner with the City to provide a publicly accessible waterfront and green space,” said President Charles Dent. *“The work is performed by Rotarian volunteers and we appreciate the opportunity to contribute to improving Yellowknife attractions for residents and visitors. The Club looks forward to continuing the boardwalk project leading to a lookout over Yellowknife bay. The expected project completion is fall 2016.”*

A new bench is placed along the extended boardwalk at Rotary Park. City of Yellowknife photo.

Community Services Fact File	
<ul style="list-style-type: none"> • 15.11 km’s of trails 	<ul style="list-style-type: none"> • 4 off leash dog areas
<ul style="list-style-type: none"> • 15 Playgrounds 	<ul style="list-style-type: none"> • 27 parks
<ul style="list-style-type: none"> • 11 Sport fields 	<ul style="list-style-type: none"> • 431 km’s of grass to cut
<ul style="list-style-type: none"> • 11 Sport Courts 	<ul style="list-style-type: none"> • 280 garbage cans
<ul style="list-style-type: none"> • 7 outdoor skating rinks 	<ul style="list-style-type: none"> • 30 cigarette butt bins



Trail clearing on McMahon Frame Lake Trail improved site lines and safety. City of Yellowknife photo.



Outdoor fitness equipment at Olexin Park provides fun for all ages. City of Yellowknife Photo.



MAXIMIZING EMERGENCY SERVICE RESPONSE

Optimizing Training

Ongoing training and minimizing response times for emergency services are both high priorities for our Public Safety Department.

By placing a new fire hydrant directly in front of the Fire Hall, the City is able to better prioritize both of these objectives.

Previously, the placement of the fire hydrant caused training to interfere with the path of emergency vehicles in the garage. When training was underway, the hose had to be rolled away before vehicles could exit.

When infrastructure upgrades were occurring in the nearby Northland area, the City took the opportunity to place a new fire hydrant directly in front of the station, optimizing both response times and training opportunities.



Fire Chief Darcy Hernblad next to a firetruck control panel.
City of Yellowknife photo.



This new fire hydrant next to the station allows firefighters to train without compromising response times.
City of Yellowknife Photo.



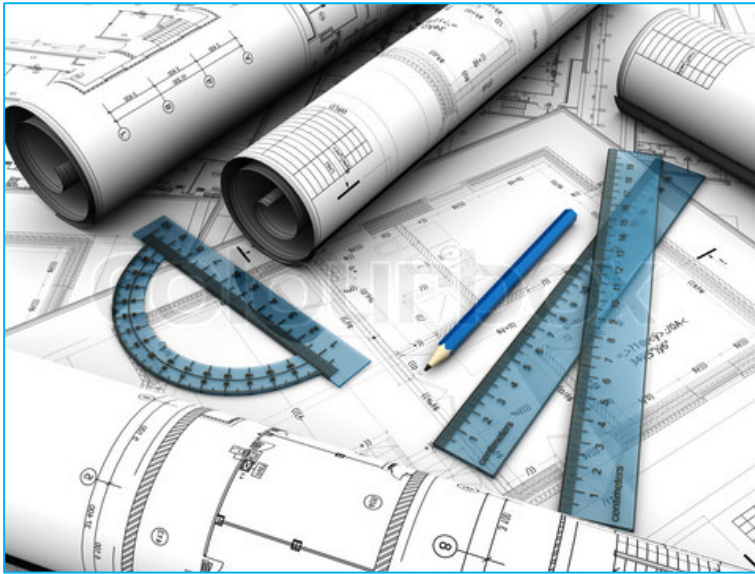
IN-HOUSE ENGINEERING

Reducing City Expenditures

In the past, third party consultant fees were approximately \$350,000 for each program for a total commitment of \$700,000 for consulting fees.

“By adding an in-house Engineer, the Department of Public Works & Engineering will be able to save approximately \$450,000 each construction season,” says Chris Greencorn, Director of Public Works & Engineering.

In 2013, the Department of Public Works & Engineering put forward a request for an additional position during the 2014 fiscal year. The Department will now consist of a total of four unionized engineers or engineering technologists, and one Manager. The addition will enable the Department to complete detailed design and inspection services with City Staff for the City’s annual paving and water and sewer replacement programs.



The City will still use consulting services for two large scale projects: the Northland Infrastructure Upgrades project and the Water Treatment Plant project.



HOUSING DEVELOPMENT

Providing a Diversity of Market Opportunities

The Yellowknife housing market continues to expand with the development of multi-family condominiums, waterfront estate lots and single family modular homes, and duplexes.

Working together with Yellowknife-based companies has proved a successful venture resulting in the completion of 16 three and four bedroom waterfront units spearheaded by Redcliff Developments Inc. in the Niven Lake Subdivision.

Two parcels of land in the Phase 5 portion Niven Lake Subdivision were sold to Summit Circle Developments Ltd., resulting in the initiation of a 36 unit Cavo condominium development. The majority of lots in Niven Lake Phase 7 are currently under construction, bringing additional single family units onto the market.



Single-family unit construction in Niven Lake.
City of Yellowknife photo.



Redcliff Developments waterfront units located in Niven Lake.
City of Yellowknife photo.

In late 2013, Yellowknife saw the development of a single family modular home neighbourhood adjacent to Kam Lake, known as Block 501. The development of Block 501 will result in over 100 additional homes available to Yellowknifers over a four year period.



A modular home ready for purchase in Block 501.
City of Yellowknife photo.



An agreement with Northland Condo Corporation was finalized in 2013 which facilitated the Local Improvement Charge process for the purpose of replacing water and sewer infrastructure. The upgrades will allow future homeowners in Northland to secure Canadian Mortgage and Housing Corporation financing.



Properties in Northland undergoing water and sewer replacement.
City of Yellowknife photo.

Construction of homes on waterfront estate lots located on the north shore of Grace Lake began in earnest in 2013. 28 of the 30 lots available are sold and developed with two additional lots expected to be market ready in 2014.



Grace Lake waterfront estate lots are nearing completion.
James MacKenzie Photo.



CITY VIEW

Automated Permitting Increases Efficiencies

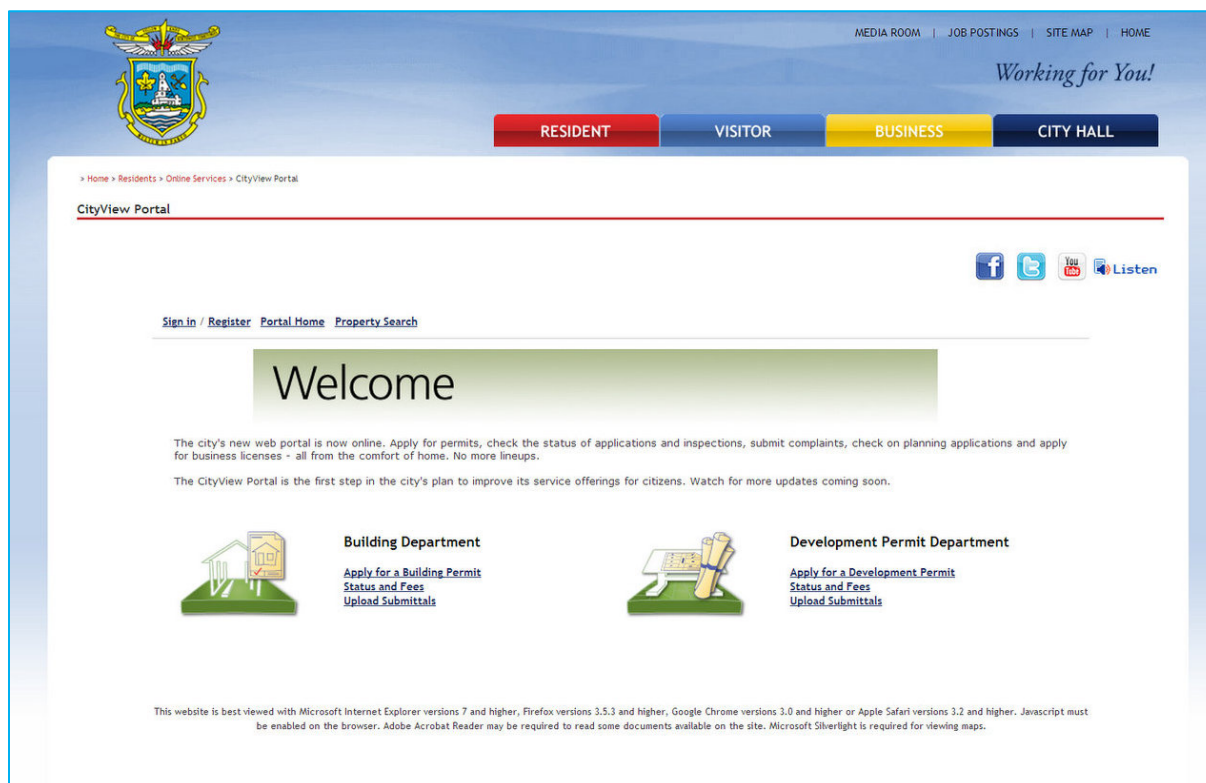
City View was launched in October of 2013. Our on-line program enables developers and residents to apply for Development, Building and Mechanical Permits, file information requests, check the status of applications, submit documents and request inspections all from the comfort of their own computer. The need to stand in line at City Hall is now eliminated!

“We have increased our ability to focus on customer service because the entire permitting process takes a fraction of the time it used to prior to the launch of City View. We are also proud that the system has reduced our use of paper,” said Delia Cepoi, Manager of Building Inspections.

As a result of City View, internal collaboration between City Departments involved in the permitting process and coordination between external authorities is now more efficient than ever.

“Thanks to you, we have a very satisfied client on a complex project (Northland Utilities Yellowknife Service Office). The project was achieved on-budget and on-time, constructed during the coldest winter in over 30 years.” Randy Cleveland, Project Manager, Arctic Canada Construction Limited.

Days Spent to issue Permit Prior to City View(Jan. 1, 2013 to Sept. 30, 2013)		
Residential	Non-Residential	Combined
22.9	22.2	22.5
Days Spent to issue Permit with City View(Oct. 1, 2013 to Dec. 31, 2013)		
16.4	18.3	17.35



CUSTOMER SERVICE AND RENEWED FOCUS

Exceeding Expectations

In 2013, Corporate Services undertook the directive to take the City of Yellowknife's great customer service record and make it excellent. To achieve this, Customer Service training was given to all employees, from casual workers to those in the Fire Hall. This one-day workshop focused on ensuring that all patrons of the City have the best experience possible.

"We know our customers are repeat customers," says Clem Hand, Manager of Corporate Services and Risk Assessment. "They don't have a choice about where they get their water or their business licence, but we want them to have a great experience when they come to us."

By giving the training to all employees, Corporate Services hoped to instil an ethos of positive customer service into the City of Yellowknife's corporate culture.



The 2014 Citizen Survey shows that 78% of people who contacted a City service were satisfied with the service they received and 92% were satisfied with their courteousness.

Providing exceptional Customer Service is a goal all City employees are asked to achieve. City of Yellowknife photo.

Going forward, Corporate Services is taking further initiatives to exceed the expectations of those reaching out to City services. This includes simplifying the switchboard options when patrons call in, creating a visual identity for public employees to make them more visible and approachable to the public and expanding Customer Service training to summer students.



COMMUNITY ENERGY PLANS

Continually Improving Efficiencies

Community Energy Plan implementations in 2013 continued the work started in 2006. Each year the projects completed built on those of the previous years, increasing energy efficiencies and resulting in savings for the City, while also reducing greenhouse gas emissions.

In 2013, sixty-five LED retrofits for external lighting in City buildings, including the Ruth Inch Memorial Pool, the Curling Club and the Yellowknife Arena, lead to a yearly savings of over \$17, 900.

New fluorescent lighting at the Ruth Inch Memorial Pool meant an additional savings of \$3, 200. Lift Station 4 also underwent upgrades that meant that it would use less energy. This included upgrading insulation under new exterior siding, and single pane windows were replaced with three pane ones, which resulted in an annual cost savings of \$1, 180.

“We were also able to increase efficient use of energy by carefully monitoring the operation of the Multiplex and the pellet boiler heating the Ruth Inch Memorial Pool,” says Remi Gervais, the City of Yellowknife, Energy Coordinator. *“By following international guidelines for temperature standards and quickly catching boiler outages, the City saved \$60, 600 compared to 2012.”*

Projects to improve energy efficiencies will progress in 2014 and beyond, with plans to heat more facilities with wood pellet boilers underway.



City of Yellowknife, Energy Coordinator, Remi Gervais is seen next to the City’s pellet boiler located at the Yellowknife Arena.

The City increased its energy efficiency savings by \$60,000 from the previous year.

City of Yellowknife photo.



SOLID WASTE FACILITY OFFICE

Healthy Work Spaces

Protecting the safety and health of its employees is a priority for the City. Before 2014, the staff at the Solid Waste Facility did not have a separate area where administration of the facility could take place. The offices and lunch area were all inside the Bailing Facility building, where the tipping floor exists for household waste to enter the baler.



A budget item was brought forward in the 2013 budget to purchase a small (ATCO) trailer that could serve as an office and lunch area. The total cost for the new office was approximately \$140,000.

“Solid Waste Facility staff is now able to remove their soiled work clothing and have a clean place to eat and complete administration work involved with operating the facility,” said Chris Greencorn, Director of Public Works & Engineering.

Solid Waste Facility Staff now have a designated place to eat and complete administrative duties. City of Yellowknife photo.

NORTHLAND INFRASTRUCTURE UPGRADES

A Critical Milestone

In 2013, the City and the residents of Northland entered into a local improvement charge (LIC) agreement to replace the community’s aged water and sewer infrastructure. This allowed the City to borrow funding on behalf of the residents to complete the capital works. Once the work is complete, the LIC will be levied against each property in the park.



“The detailed design work was completed by City of Yellowknife engineering staff in conjunction with the consulting firm AECOM,” says Chris Greencorn, Director of Public Works & Engineering. *“This allowed the City to save approximately \$1.5 million dollars in engineering services on the project overall.”*

A backhoe digs a trench for new water & sewer pipes in Northland. City of Yellowknife photo.

The work includes the replacement of all underground water and sewer infrastructure which includes new services to each home in the park. The tendered amount to complete the project was \$13.7 million, plus additional City work required to complete the project totalling approximately \$16.5 million.



WATER TREATMENT PLANT & PUMPHOUSE #1 UPGRADES

Public Health Act Compliance

In 2009, the Government of the Northwest Territories adopted the *Canadian Drinking Water Guidelines* as legislation under the Public Health Act. These guidelines state that all surface water sources have to undergo a filtration process. The City's water source is the Yellowknife River which is a surface water source and therefore must undergo a filtration process.

Since 2009, the City of Yellowknife has completed a pilot study, detailed design of a Water Treatment Plant and Pump House #1 upgrades, and has tendered the project. In 2013, the construction of the Water Treatment Plant and Pump House #1 began. The commissioning of the new facility is scheduled for the spring of 2015.

"The new treatment facility will be the first large scale Water Treatment Plant in the NWT," says Chris Greencorn, Director of Public Works & Engineering. *"The City has committed to offering Water Treatment Plant operator training once our facility is operational."* Once completed, the Water Treatment Plant will ensure the long term safety of the City's drinking water. The total project for the construction of the Water Treatment Plant and pump house upgrades is approximately \$28 million.



Construction has started on the Water Treatment Plant.

City of Yellowknife photo.



MANAGING THE CITY'S INFRASTRUCTURE GAP

Planned Long Term Financing

In 2012 the City formed a task force to create an Asset Management Plan addressing the concern of aging water and sewer infrastructure. The Plan recommended that long term financing be secured in order to begin the process of eliminating the City's Infrastructure Gap.

The task force determined the longer the City waited to begin the replacement of water and sewer pipes the more expensive the overall costs became.

"We realized that repairing water and sewer pipes on an emergency basis was costing us more than it would to replace the same infrastructure on an accelerated basis," said Carl Bird, Director of Corporate Services.

In 2013, in order to free up resources to speed up the water and sewer replacement project, the City secured \$23.8 million to help finance the \$28.8 million Water Treatment Plant (WTP) project.

In order to address the infrastructure gap over the long term, the City has established a 25 year outlook for capital projects. Each year the outlook is updated to form a 10 year working model. A detailed three year budget is presented to Council each fiscal year. At each budget deliberation, Council approves a level of investment in capital that will ensure that the infrastructure gap will be addressed.

In 2008, the Infrastructure Gap was determined to be valued at \$68 million dollars. This number increased to \$74 million by 2010.



Corrugated metal pipe replacement along Franklin Ave.
City of Yellowknife photo.

"With consistent investment the City's Infrastructure Gap will be reduced by 2/3 by the year 2022. The replacement of the City's corrugated metal pipes used for water and sewer is projected to be completed by 2017." says Bird.

2013 Infrastructure Investment:
\$1.8 million of \$28 million on water treatment plant
\$6 million on water & sewer replacement
\$5.2 million on road repair



COMMUNICATIONS & ECONOMIC DEVELOPMENT

Growth of a Department

Engaging with residents, promoting Yellowknife, and creating economic development opportunities were priorities for the City's Department of Communication and Economic Development in 2013.

The Department was successful in leveraging funding from both the Government of Northwest Territories – Department of Industry, Tourism & Investment and Canadian Northern Economic Development Agency to complete several City projects including an Economic Development Strategy (2014-2019).

Working with local videographers, the City produced four promotional videos:

- 24 Hours: Yellowknife Downtown
- An Old Town Saturday
- 5 Minutes From Home
- Live & Play in Yk

Each video focused on different aspects and areas of everyday life in Yellowknife. In total the four videos were viewed more than 62,000 times! Using clips from each video, a 30 second promotional video was compiled for broadcast on the widely viewed *Maximum Limit Fishing* television show. All the videos can be found on the *City of Yellowknife YouTube Channel*.

Our Yellowknife, a campaign celebrating Yellowknifers, was launched in June. Each week in June, August and October residents were featured in a half page full colour ad in the *Yellowknifer* and promoted on the City's Facebook and Twitter accounts. The campaign was extremely popular and continued again in 2014.

In July, the City launched its Top Pix photography contest which showcased local events, people and wildlife. In total 488 images were submitted to the Top Pix contest, 44,908 online votes were cast and the web site received 13,505 unique visitations.

Collaborating with City departments resulted in the successful launch of several initiatives including:

- Citizen's Budget
 - An online tool enabling residents to provide input on capital projects.
- Dog By-law
 - Updating the City's by-law to reflect concerns of dog owners, kennel operators and residents.
- Tin Can Hill Public Engagement
 - Applying Yellowknifers input in regard to trail maintenance, usage and signage.

A five year Yellowknife Economic Development Strategy (2014 – 2019) was created through extensive community and business consultation. In total 40 interviews were conducted, 240 residents and 110 business owners were surveyed and an open house was organized. The Strategy was adopted by Council in December 2013.



The Strategy focuses on the following four goals defined by;

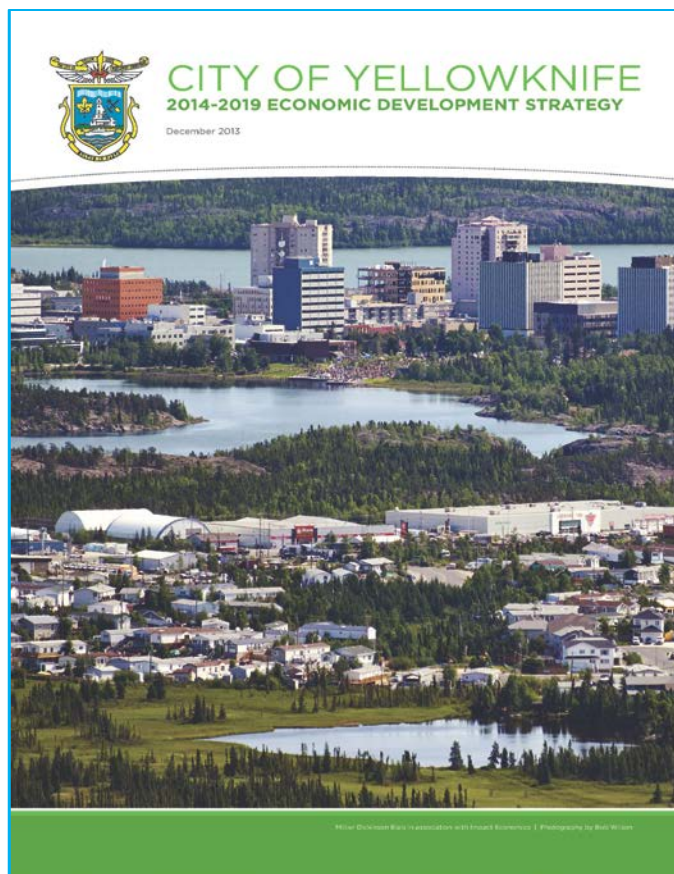
Yellowknife is a:

- City Open For Business
- Diverse Business Community
- Dynamic Growing Community
- Talented and Educated Community

Within the four goals there are 38 action items broken down into yearly timelines. The complete Strategy can be found at www.yellowknife.ca (search Economic Strategy).

Other significant highlights from 2013:

- Attracting the Tourism and Travel Association National Conference (September 2014)
- Partnering with NWT Tourism on media and marketing initiatives
- Launching Christmas Shop Local campaign
- Supporting film industry by increasing number of agreements fulfilled



Oscar Goes for a Standup.
Top Pix category winner. Benji Straker photo.



Hockey On The Bay.
Top Pix overall winner. Carole Musialek photo.

OUR YELLOWKNIFE PROUDLY SUPPORTS OUR COMMUNITY

2013 Funding Recipients

In 2013, the City of Yellowknife contributed \$418,000 to community organizations through our *Core Funding* and *Special Grant* programs.

Special Grants: The City of Yellowknife provides *Special Grants* for projects, events and programs from non-profit organizations to a maximum of \$10,000 per activity per organization.

In 2013 the following 31 organizations were awarded *Special Grant* funding:

Organization	Funding Level	Organization	Funding Level
BAM! (Borderless Art Movement)	\$1000	Old Town Community	\$2,500
Canadian Parent's for French	\$2,844	Ptarmicon	\$2,000
Church of Christ	\$1,000	Sombe K'e Paddling	\$2,500
Classics on Stage	\$1,000	Snow King Festival	\$5,000
CNIB	\$2000	Trails End Community Association	\$2,000
Ecole JH Sisson (PAC)	\$3,000	Territorial Farmers Association	\$2,500
John Howard Society	\$1,500	The Sacred Circle Project	\$1,500
MS Society of Canada AB/NT Branch	\$500	Western Arctic Moving Pictures	\$2,500
Northern Youth Leadership Society	\$2,500	Yellowknife Skating Club	\$4,000
Northland Community Garden	\$3,000	Yellowknife Dance Collective	\$1,356
NWT Chamber of Commerce	\$5,000	Yellowknife Curling Centre	\$4,300
NWT Floatplane Association	\$4000	Yellowknife Tennis Club	\$2,000
NWT Pipe Band	\$1,500	Yellowknife Artist Run Community Centre	\$2,500
NWT Softball	\$2,000	YK Food Bank	\$1,500
NWT SPCA	\$2000	Yellowknife Shooting Club	\$2,000
Long John Jamboree	\$5000		
Total			\$76,000



Core Funding: The City of Yellowknife provides *Core Funding* to eligible organizations who have received a *Special Grant* for the previous three consecutive years. All recipients are required to provide a year-end report and copy of their financial statement in order to maintain eligibility.

“The Core Funding that Folk on the Rocks receives has been a great asset in helping the Festival to continue to grow and improve each year,” Folk on the Rocks past President, Dan Round.

In 2013 the following 21 organizations received *Core Funding*:

Organization	Funding Level	Organization	Funding Level
Aurora Arts Society	\$7,000	NWT Disabilities Council	\$27,000
Aurora Fiddlers Association	\$5,000	Yellowknife Association For Community Living	\$11,000
Canadian Dog Derby Championships	\$15,000	Yellowknife Golf Course Cooperative Ltd.	\$15,000
Ecology North	\$20,000	Yellowknife Guild of Arts & Crafts	\$5,000
Folk On The Rocks	\$10,000	Yellowknife Gymnastics Club	\$20,000
Food Rescue	\$7,500	Yellowknife International Airshow	\$10,000
Foster Family Coalition	\$4,500	Yellowknife Marine Rescue Society	\$4,500
Special Olympics NWT	\$5,000	Yellowknife Playgroup Association	\$2,000
St. John Ambulance	\$10,000	Yellowknife Seniors Society	\$55,000
Northern Arts and Cultural Centre	\$80,000	Yellowknife Ski Club	\$25,000
North Words NWT	\$3,500		
Total			\$342,000



Folk on the Rocks fans enjoy a performance at the 2013 festival.
Courtesy of Folk on the Rocks.



SUMMARY OF 2013 FINANCIAL STATEMENTS

Complete 2013 financial statements can be viewed at www.yellowknife.ca.

During 2013 the City recorded total revenues from all sources of \$69.50 million (2012 - \$68.89 million). The City had budgeted \$64.84 million and the main sources of the budgetary variance were higher than anticipated Land Sales (\$4.34 million actual vs. \$3.34 million budget) and Government Transfers Related to Capital (\$20.13 million actual vs. \$16.83 million budget). Investment income was also higher than budgeted, by \$511,352. The value of investments at the end of 2013 was significantly higher than 2012 as the City did not liquidate as many investments as originally anticipated. Therefore, the average level of investment over the year was higher and the returns on those investments were better than expected.

During 2013 the City recorded total expenses for all activities of \$57.33 million (2012 - \$55.69 million). The City had budgeted \$58.89 million expenses. The main sources of the positive budgetary variances were Minor Capital expenses (\$4.62 million actual vs. \$7.18 million budget), Salaries, Wages and Benefits expense (\$22.13 million actual vs. \$22.36 million budget), Contracted and General Services (\$10.43 million actual vs. \$10.60 million budget), and Electricity expense (\$2.04 million actual vs. \$2.09 million budget). These were partially offset by higher than budgeted expenditures for Amortization (\$10.49 million actual vs. \$9.87 million budget), Land expenses (\$1.49 million actual vs. \$1.25 million budget) and Bad Debt expense (\$346,069 actual vs. \$200,000 budget).

The City also acquired \$18.38 million worth of new Capital Assets in 2013 (2012 - \$19.25 million). Some of the major acquisitions include:

1. Added to Work in progress worth \$2.67 million as follows:
 - Water Treatment Plant - \$1.83 million
 - Harbour Plan Initiative/Old Airport Road (Phase IV) Streetscaping - \$805,663
 - Tin Can Hill Trail Design - \$35,184
2. 2012 Work in Progress converted to in service Assets - \$4.16 million
 - New Landfill – Cell A - \$3.15 million
 - Grace Lake Road Construction - \$1.01 million
3. New assets worth \$15.68 million as follows:
 - 2013 Paving program - \$5.16 million
 - 2013 Water and Sewer program - \$5.95 million
 - Land Acquisition - \$495,000
 - Upgrades to City Hall Complex - \$284,101
 - New Solid Waste Facility Office - \$222,117
 - Upgrades to Recreational Facilities - \$435,150
 - Upgrades to Service Facilities - \$784,800
 - Parks and Trails - \$279,148
 - Mobile Equipment - \$1.08 million
 - Technical and Other Equipment - \$991,345



In summary the total increase in investment in Tangible Capital Assets was \$19.84 million with a decrease in work in progress of \$1.46 million.

The Solid Waste Management Fund continued to experience challenges during 2013. The cost of processing recyclable materials and bio-hazardous materials continued to rise faster than the revenues received from tipping fees and from the sale of recyclable materials. The City continues to look for ways to reduce costs and increase revenues. Details about future actions are contained in sections related to Funds.

The Land Development Fund continued to sell existing land in its inventory. Lots in the Niven Lake Phase 7 were sold under a local improvement charge. Sales in Engle Business District have not been forthcoming. Plans are being formulated to make changes to the zoning requirement that would help attract investment in that area. There were limited sales in the new sub-division in Kam Lake (light industrial/commercial) and all but two lots in the Grace Lake (waterside residential) development are now sold. As a result of sales in Niven Lake Phases 7 and 5, and in Grace Lake, the Land Fund balance has increased. The Fund is still in a negative balance but is improving. The City has taken over responsibility for municipal infrastructure built using funding from the Land Development Fund. The City also holds a significant amount of land for resale which has a book value of just over \$5.56 million and has a potential sales value exceeding \$20 million.



City of Yellowknife. Bob Wilson Photo.



**Consolidated Summary Statement
of Financial Position**

As at December 31, 2013

Financial Assets

	2013 Actual (\$000's)	2012 Actual (\$000's)
Cash	\$ 45,245	\$ 14,495
Receivables	20,862	12,599
Land Held for Resale	5,556	6,088
	71,663	33,182

Liabilities

Accounts Payable and Accrued Liabilities	12,331	9,300
Wages and Compensated Absences Payable	1,147	1,059
Retirement Benefits Liability	806	764
Deferred Revenue	1,934	9,593
Long-Term Debt	41,302	3,143
Provision for Landfill Closure and Post-Closure Costs	1,869	1,775
	59,389	25,634

Net Financial Assets

12,274 **7,548**

Non-Financial Assets

Capital Assets	234,319	226,862
Inventory	516	471
Prepays & Deferred Expenses	503	570
	235,338	227,903

Accumulated Surplus

\$ \$
247,612 **235,451**

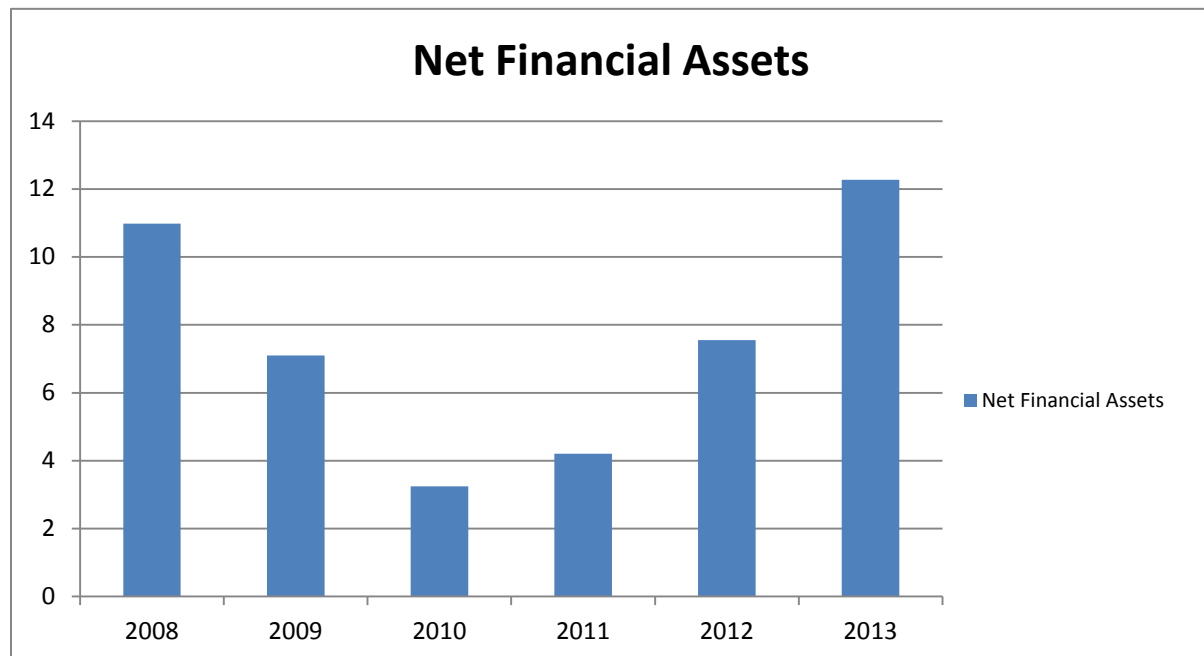


As with financial assets there are some obligations which will vary from year to year due to the timing of making payments thus accounts payable can vary from year to year. Deferred revenue occurs mainly when capital projects funded by grants from other orders of government are deferred to a subsequent year. In 2013 the City received its allocation of Gas Tax Funding from Canada. This funding has been earmarked for investments in water and sewer infrastructure, in particular a new water treatment plant. The City records the cash received as revenue when expenditures related to the Gas Tax funded projects are completed. In 2013 the City made significant investment in the water treatment plan and water and sewer infrastructure and therefore Gas Tax revenue that had previously been deferred has been recognized.

For the first time since 2005 the City has issued new long-term debt. \$23.8 million in debt has been raised to fund the construction of a new water treatment plant. \$15.5 million has been raised to cover the anticipated cost of replacing the Northland Mobile Home Park water and sewer infrastructure. The debt related to Northland will be recovered from a Local Improvement Charge over a 25 year period, which will be levied on each property once the project is completed.

Outstanding Long-term Debt

Water Treatment Plant	\$23,247,141
Northland Local Improvement Charge	\$15,528,452
Bailey House mortgage	\$ 1,299,883
Other	<u>\$ 1,226,883</u>
Total	\$41,302,359



Results of Operations – Actual Comparison

The Consolidated Statement of Operations reports the City's changes in economic resources and accumulated surplus for 2013 on a comparative basis. The Statements indicate that the City increased its accumulated surplus during the year because annual revenues exceeded expenses.

During 2013, the City recorded consolidated revenues of \$69.50 million (2012 – \$68.89 million), which included government transfers, taxation and user fees/sale of goods. Consolidated expenses totaled \$57.33 million (2012 - \$55.69 million). As a result, the City's accumulated surplus increased by \$12.16 million (2012 - \$13.20 million).

Consolidated Revenue

For the years ended December 31

(in thousands of dollars)	2013		2012		Variance	Variance %
Taxation	\$ 23,663	34%	\$ 23,415	34%	\$ 248	1%
User Fees and Levies, Licenses and Permits	18,357	26%	17,746	26%	611	3%
Land Sales	4,335	6%	9,885	14%	(5,550)	(56%)
Government Transfers						
Operating	291	1%	500	1%	(209)	(42%)
Capital	20,126	29%	15,013	22%	5,113	34%
Investment, Fines and Penalties and Franchise Fees	<u>2,723</u>	4%	<u>2,327</u>	3%	<u>396</u>	17%
	<u>\$ 69,495</u>		<u>\$ 68,886</u>		<u>\$ 609</u>	1%

Percentages may not add up to 100% due to rounding

Revenues increased from 2012 to 2013 due to several factors. User Fees were \$611,197, or 3.0%, higher than in 2012. User Fees include revenues from development levies, licenses and permits. The balance was due to an increase in tipping fee revenue at the Solid Waste Facility of \$71,987. This was due mainly to an increase in the amount of bio hazardous waste collected by the City for treatment by a third party contractor. Increases in the water and sewer and solid waste levies contributed an additional \$586,046 increase in revenues over 2012.

Land sales decreased by \$5.55 million from 2012. Land sales were higher than normal in 2012 as a result of having two new subdivisions with lots available for sale in 2012.

Government transfers were \$4.90 million higher than in 2012. This is primarily due to the use of all of the Gas Tax funding that was included in deferred revenue in 2012 because the City incurred sufficient eligible expenses in 2013. In 2013 expenditures on the water treatment plant, lift station back-up power and other water and sewer projects resulted in recognition of approximately \$9.54 million of Gas Tax revenue. The City recorded \$5.42 million more in Gas Tax revenue in 2013 than in 2012. The decrease in YK Smart Community Grant Funding from Aboriginal Affairs and Northern Development Canada (AANDC) and the Federation of Canadian Municipalities (FCM) was partially offset by recognition of Transit Funding received in previous years. The net decrease in revenue from these was \$536,274. Grants received from the GNWT increased by just over \$16,000.



Consolidated Expenses by Activity

For the years ended December 31

(in thousands of dollars)

	2013		2012		Variance	Variance %
General Government	\$ 4,283	7%	\$ 4,475	8%	(192)	(4%)
Community Services	10,047	18%	9,267	17%	780	8%
Corporate Services	5,330	9%	4,631	8%	699	15%
Mayor and Council	506	1%	523	1%	(17)	(3%)
Planning and Development	2,865	5%	5,603	10%	(2,738)	(49%)
Public Safety	5,961	10%	5,563	10%	398	7%
Public Works and Engineering	10,065	18%	9,789	18%	276	3%
Solid Waste Facility	2,749	5%	3,047	5%	(298)	(10%)
Water and Sewage	10,445	18%	9,210	17%	1,235	13%
Minor Capital	4,620	8%	3,466	6%	1,154	33%
Interest on Long-term debt	463	1%	113	0%	350	310%
	<u>\$ 57,334</u>		<u>\$ 55,687</u>		<u>\$ 1,647</u>	<u>3%</u>

Percentages may not add up to 100% due to rounding

Consolidated Expenses grew by \$1.65 million or 3.0% over the previous year. Accounting for the \$1.15 million increase in Minor Capital Expenses and \$350,446 increase in Interest on Long-term Debt for 2013, overall expenses increased by \$143,554 or 0.26% over 2012.

In General Government, Amortization expense was \$274,768 (2012 - \$166,684) and Contracted and General Services were \$626,053 (2012 - \$460,301). Surplus variances were experienced in Salaries and Benefits expense - \$2.30 million (2012 - \$2.61 million) and Loss on Disposal of Tangible Capital Assets - \$179,163 (2012 - \$344,529).

In the Community Services activity, Salaries and Benefits expenses were \$4.65 million (2012 - \$4.41 million), Amortization expense was \$1.69 million (2012 - \$1.45 million), Library Occupancy costs were \$368,283 (2012 - \$214,556), and Contracted and General Services expense were \$1.67 million (2012 - \$1.44 million).

In Corporate Services, Salaries and Benefits expenses were \$2.96 million (2012 - \$2.55 million) and Contracted and General Services were \$1.28 million (2012 - \$1.06 million). The variances are primarily due to a transfer of responsibility for the Customer Service Representatives from the Communications and Economic Development Department (General Government) to the Corporate Services Department.

In Planning and Development, decreased sales resulted in the reduction in land development costs. Land development costs were \$1.49 million (2012 - \$4.04 million).

In Public Safety, Salaries and Benefits expenses were \$5.0 million (2012 - \$4.7 million) and Vehicle Operations and Maintenance expenses were \$205,709 (2012 - \$153,619).

In the Public Works and Engineering Activity, the largest variance was in amortization expense of \$3.79 million (2012 - \$3.28 million). Surplus variances were experienced in Salaries and Benefits expense - \$2.80 million (2012 - \$2.87 million) and Contract Services expense - \$2.5 million (2012 - \$2.65 million).



For the Solid Waste Facility activity, the variance in expenses is due to largely to a decrease in the Closure liability expense accrual. The increase in liability in 2013 was \$93,549 (2012 - \$444,434).

For the Water and Sewer Fund expenses were 13% higher than in 2012. Amortization expense was \$4.04 million (2012 - \$3.60 million), and Contracted and General Services expense was \$2.75 million (2012 - \$2.00 million).

The cost of utilities and fuel usually has a significant impact on variances on a year-over-year basis. During 2013, utility rates increased resulting in a 9% increase in expenses. Fuel costs also increased resulting in a 10% increase over 2012. Amortization expenses across all activities increased. Variance explanations by object follow.

Consolidated Expenses by Object

For the years ended December 31

(in thousands of dollars)	2013		2012		Variance	Variance %
Amortization	\$ 10,491	18%	\$ 8,942	16%	\$ 1,549	17%
Contracted and General Services	10,521	18%	9,948	18%	573	6%
Grants	412	1%	419	1%	(7)	(2%)
Land Expenses	1,493	3%	4,041	7%	(2,548)	(63%)
Salaries, Wages and Benefits	22,129	39%	21,721	39%	408	2%
Utilities	3,210	6%	2,938	5%	272	9%
Vehicle Operations and Maintenance	971	2%	997	2%	(26)	(3%)
Administration	3,487	6%	3,215	6%	272	8%
Minor Capital	4,620	8%	3,466	6%	1,154	33%
	<u>\$ 57,334</u>		<u>\$ 55,687</u>		<u>\$ 1,647</u>	<u>3%</u>

Percentages may not add up to 100% due to rounding

Salaries, Wages and Benefits experience increases were partially offset this year by turnover and vacancies. Each year, employees receive step increments. This factor would have accounted for approximately 2.5% increase in salaries. An additional 2% would have been due to a general increase as a result of the collective bargaining agreement. However, across all activities, savings from vacancies resulted in limiting the increase to 2% over 2012.

The increase in amortization is reflective of the replacement of old aging infrastructure with new infrastructure. The value of Tangible Capital Assets has increased from \$198 million in 2009 to \$234 million in 2013. Since amortization is based on straight line this means that the annual amortization for that infrastructure will naturally increase.

Minor Capital expenses are recorded when assets are purchased which do not meet the threshold limit (\$50,000) for capitalization over a number of years. Minor Capital is also used to cover the cost of Pilot Projects and Studies that may lead to future capital investment. As such, the level of Minor Capital expenses can vary from year to year. This year there has been a significant increase in minor capital expenses. Expenses in this area include regular maintenance and/or replacement of motors, pumps, generators and other equipment that requires periodic mid-life cycle modifications. As well some plans and studies which are expended as Capital Projects but are not tangible in nature are also accounted for



as Minor Capital Expenses. For 2013 minor capital was higher as there were more service repairs for water and sewer than in previous years and service repairs do not qualify as tangible capital assets. The City expects to continue with a higher level of service repairs in the next few years.

The increase in utilities expenses reflects an increase in fuel and electricity prices during 2013. Electricity prices increased by over 4% from 2012 to 2013 as a result of the approved General Rate Application submitted by the NWT Power Corporation. This increase flows through Northlands Utilities (YK). As a result while consumption of electricity did go down from 2012 to 2013, the increased per kW hour cost offset the bulk of those savings.

Heating fuel consumption also went down as a result of the implementation of pellet boilers and heat recovery systems. However a 20% increase in heating fuel costs resulted in higher actual heating costs in spite of the reduced consumption.

Budget Comparison

The consolidated budget shown in the Statements, has been adjusted to reflect the differences in reporting format compared to budgeting format.

Consolidated Revenue

For the year ended December 31 (in thousands of dollars)	Budget 2013		Actual 2013		Variance	Variance %
Taxation	\$ 23,585	36%	\$ 23,663	34%	\$ 78	0%
User Fees and Levies, Licenses and Permits	18,598	29%	18,357	26%	(241)	-1%
Land Sales	3,345	5%	4,335	6%	990	30%
Government Transfers						
Operating	300	0%	291	0%	(9)	-3%
Capital	16,829	26%	20,126	29%	3,297	20%
Investment, Fines and Penalties and Franchise Fees	<u>2,178</u>	3%	<u>2,723</u>	4%	<u>545</u>	25%
	<u>\$ 64,835</u>		<u>\$ 69,495</u>		<u>\$ 4,660</u>	<u>7%</u>

Government Transfers budget is not broken down between operating and capital at the time the budget is established. By Council policy, all government transfers are to be used for capital expenditures. However, during the year, some of the items identified as capital do not end up meeting the definition or the thresholds established for capitalization. For those expenditures, the amount of government transfer used to acquire those assets is reclassified for reporting purposes. Overall, the 17% variance in government transfers is due largely to using all of the Gas Tax funds that were included in deferred revenue in 2012.



User fees and development levies, licenses and permits, were \$240,674 under budget. Negative variances in Public Safety fees and land rental fees, were offset by positive variances in solid waste management fees and water and sewer fees.

Land sales for 2013 were \$4.34 million, \$990,000 more than the budget of \$3.35 million. This difference was due to the higher than expected sales.

Interest income was \$511,352 more than the budget of \$150,000 due to interest earned on deposits of debt proceeds that have not been used as of yet. Fines and penalties, and franchise fees were a total of \$33,094 higher than budget. This contributed to an overall 25% budget variance in this category.

The overall Consolidated Budget by Object differs from that which is shown in the 2012 Budget Summary due to the change in the treatment of Capital expenditures when reporting in the Statements. In the budget, the total anticipated Capital expenditures is included in the budget. However, in the Statement of Operations, only those minor capital items that are expensed in the year that they are completed are recorded as part of the budget. The Tangible Capital Assets that will be amortized over the life of the asset are not included as an expense in the Statements but as an increase in the investment in Tangible Capital Assets on the Statement of Financial Position. The reconciliation of the budget amount as it appears in the 2013 Budget Summary and as it appears in these Statements follows.

Reconciliation of Budget - Budget Summary vs Financial Statements

For the year ended December 31, 2013

(in thousands of dollars)

Budget as per 2013 Budget Summary	\$ 84,328
Less Capital Expenditures	<u>32,618</u>
	51,710
Plus Minor Capital	<u>7,176</u>
Budget as per 2013 Financial Statements	\$ 58,886

Consolidated Expenses by Object

For the year ended December 31

(in thousands of dollars)

	Budget 2013		Actual 2013		Variance	Variance %
Amortization	\$ 9,866	17%	\$ 10,491	18%	\$ (625)	(6%)
Contracted and General Services	10,596	18%	10,521	18%	75	1%
Grants	418	1%	412	1%	6	1%
Land Expenses	1,250	2%	1,493	3%	(243)	(19%)
Salaries, Wages and Benefits	22,357	38%	22,129	39%	228	1%
Utilities	3,170	5%	3,210	6%	(40)	(1%)
Vehicle Operations and Maintenance	908	2%	971	2%	(63)	(7%)
Administration	3,145	5%	3,488	6%	(343)	(11%)
Minor Capital	<u>7,176</u>	12%	<u>4,620</u>	8%	<u>2,556</u>	36%
	<u>\$ 58,886</u>		<u>\$ 57,335</u>		<u>\$ 1,551</u>	3%

Percentages may not add up to 100% due to rounding



Major Activities

The City has commenced construction of a new water treatment plant. The new plant is required in part due to the age of the existing plant but for the most part due to changes in water treatment standards promulgated by Health Canada and adopted by the GNWT in its regulations. The City is required to comply with these regulations or face potential penalties.

The project is expected to take two years to complete with commissioning anticipated in late 2015 or early 2016. Projected cost of the new plant is approximately \$28.8 million. In order to fund this project, Council has approved borrowing of \$23.8 million. The remaining balance of funds required to complete this project will come from government transfers.

The City has also identified a need to accelerate the replacement of Corrugated Metal Pipe (CMP) infrastructure. There have been an increasing number of failures of the CMP sewer system and emergency replacement can cost up to two times as much as planned replacement. The City has developed a plan that would see the CMP replacement program completed by 2018, five years earlier than previously expected.

The City continues on a high pace of land development, creating a variety of housing choices for current and future Yellowknife residents. 75% of all lots in Niven Lake Phase VII have been sold. A private developer has completed multi-family dwellings in this area. The City also reacquired the land at Niven Phase V (Bayview Estates) and has subdivided it into more manageable lot sizes. The City has negotiated two sales agreements in this area. Development is well underway on these two parcels and sales by the developer are underway. During 2013 sales in the Grace Lake Development Area continued and there are only two lots left to be sold. A mixed density development at Kam Lake Road and Coronation Drive was started and sales are already taking place. These areas contain a mix of private and City managed developments.

The Yellowknife Condominium Corporation #8 (Northland) agreed by petition to a Local Improvement Charge (LIC) to address their aging infrastructure. Northland residents have agreed to the LIC to pay for the replacement of their privately owned water and sewer infrastructure with new infrastructure which meets municipal standards. The City has secured \$15.8 million in financing to complete this project. A contract has been awarded for the completion of this project and construction has commenced. The total cost of the project, including financing charges, will be recovered from the residents of Northland through the LIC over a 25 year period.

Planning Constraints

There are inherent business risks in running a municipality. The nature of a city is such that the services provided are those that are of basic necessity. The treatment and distribution of potable water, the collection and treatment of raw sewage, the provision of fire and ambulance services and the construction and maintenance of roads and sidewalks are all considered essential to the well-being of all residents. There are any number of issues that can arise that may strain resources when providing these services. In addition, it is the responsibility of the municipality to ensure adequate recreational facilities, parks and trails exist to ensure the physical and mental well-being of its residents.



The City's ability to maintain its essential services is contingent upon its ability to provide modern, well-functioning infrastructure to support its operations. The risks of inadequate funding of infrastructure replacement and maintenance cannot be overstated. Failures in the City's water and sewer system could result in health and environmental issues. The City must ensure that adequate resources are available to stay on top of infrastructure requirements.

A significant portion of the City's funding (37% in 2013) comes from other orders of government. The City allocates most of this funding to its Capital plan. One of the issues surrounding this funding is that most of it is not indexed with the cost of doing business. The City is required to manage a fixed income from these other orders of government in an environment where the costs of constructing our capital infrastructure continue to rise each year. With construction costs increasing each year the amount of Corrugated Metal Pipe that can be replaced from one year to the next is reduced given the same level of funding. As well, should there be a significant change to the funding levels provided by either the GNWT or the Government of Canada, Council would have to examine its priorities and consider other potential sources of funding. In order to mitigate this risk, a long-term asset management plan has been developed that will guide the budgeting process over the next 25 years.

The property taxes collected by the City are calculated on the assessment base of homes, business and government offices within its boundaries and represent 73% of the General Fund revenue to the City (34% on a consolidated basis). The City has experienced a slight increase in the level of assessment growth over the past two years. As a result, the City has been able to keep tax increases to a minimum but has ensured adequate resources to fund the ever increasing cost of providing basic services. As an alternate option to tax increases, the City also reviews all programs and rationalizes the continuation of existing services and service levels. It is all a balancing act. Over the past 15 years, the City's overall tax rate increases have been less than the increase in the general cost of living or the Consumer Price Index (CPI). Since the CPI does not fairly represent the inflationary pressures faced by a municipality, the City has developed its own index based on the weighted cost of its expenditures. The Municipal Pricing Index or MPI has been developed to help guide the City in determining its revenue requirements to meet its obligations to its residents. Future tax increase levels will be guided by the MPI which will serve as a cap on tax increases, in the absence of changes in service levels. This new approach to calculating the City's revenue requirements should serve to mitigate this risk.



Photo: Bob Wilson, City of Yellowknife

Our yellowknife

For some, it's the supernaturally long summer nights. For others, it's the dancing skies of winter. For one, it's a place of solitude, far from the rest of the world. For another, it's a bustling city filled with people from around the globe. For all of us, it's Yellowknife. *Our Yellowknife.*



CITY OF
YELLOWKNIFE

yellowknife.ca



Yellowknife boasts the finest facilities for conference and meetings in the North. Well-equipped venues host over 700 delegates while nearby fishing resorts cater to smaller executive groups. Travel to Yellowknife is smooth with four airlines giving easy connections from anywhere in the world.