

CITY OF Yellowknife

ANNUAL REPORT 2017



City of Yellowknife, Northwest Territories Canada
For the year ending December 31, 2017

Table of Contents

Our Yellowknife at a Glance.....	3.
Yellowknife by the Numbers	4.
Message from the Mayor.....	5.
City Council Members.....	6.
City Council Goals and Objectives.	7.
Message from the City Administrator.....	8.
Meet the City of Yellowknife: Department Overview.....	9.
City of Yellowknife Recognized for Excellence in Financial Reporting.....	12.
2017 Highlights	13.
Looking Ahead: Departmental Goals and Objectives	17.

Financial Statements

Financial Highlights	25.
Consolidated Statement of Financial Position	26.
Reserves	28.
Consolidated Statement of Operations	29.
Significant Trends	32.
Future Outlook	33.

Our Yellowknife at a Glance

Yellowknife means long summer days, crisp winter festivals, a gateway into the North, endless horizons to explore, spectacular views of the aurora borealis, unique neighbourhood, parks just around the corner and a place we call home.

Founded in 1934, the city is located on Chief Drygeese Territory, the traditional territory of the Yellowknives Dene. Located on the northern shore of Great Slave Lake, Yellowknife has its origins in gold mining and was designated as territorial capital in 1967.

The City of Yellowknife is led by City Council, comprised of the Mayor and eight Councillors who set the broad vision and goals for our city. City Council works with City Administration to build the foundation for a strong and vibrant community for both residents and visitors. We engage with local businesses, other orders of government, community groups

and our residents to ensure we uphold a common vision for current and future 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.

Find us online!



www.yellowknife.ca





Yellowknife By the Numbers

20,834 Population (2017)*

\$73,000 Average personal income (2015)*

\$160,394 Average family income (2015)*

\$465,000 in funding awarded to Yellowknife organizations through our Community Grant Program

4,356 calls for service responded to by the Fire Division

15+ kilometers of public trails

17 playgrounds

28 parks

11 sport fields

10 sport courts

6 outdoor skating rinks

5 off-leash dog areas

700+ year-round recreation and leisure programs

\$62.63 million total O&M expenditure budget for 2017 (2016 - \$59.78 million)**

\$23.50 million infrastructure investment for 2017 (2016 - \$20.12). Net infrastructure investment for 2017 was \$10.32 million (2016 - \$7.21 million)***

200,000 visits to the Yellowknife Public Library

2,130 meters of replaced water and sewer mains

1,200 snowmobile licenses issued

4,000 pre-hospital responses by emergency services

200 fire suppression responses from the fire department

*Sources: GNWT Bureau of Statistics **Includes amortization and interest on Long-term debt.

***Net infrastructure investment is capital asset additions net of disposals and amortization.

Mayor's Message

On behalf of the City of Yellowknife, it is my pleasure to introduce the 2017 Annual Report. This Report is an opportunity to look back at the past year's successes and reflect upon our challenges.

May 1, 2017 marked the 50th anniversary of Yellowknife becoming the capital of the Northwest Territories. Over the course of the year, we hosted a range of signature events which celebrated our past, present and future as the capital city.

Strengthening and diversifying the economy has been a priority of this Council. Advocacy work continued throughout 2017 for legislative changes to provide the City with authority to establish an accommodation levy. During the year, we consulted with stakeholders in an effort to convince the GNWT to enact legislation that will provide the City with the tools to market Yellowknife as a world class destination to travellers around the world.

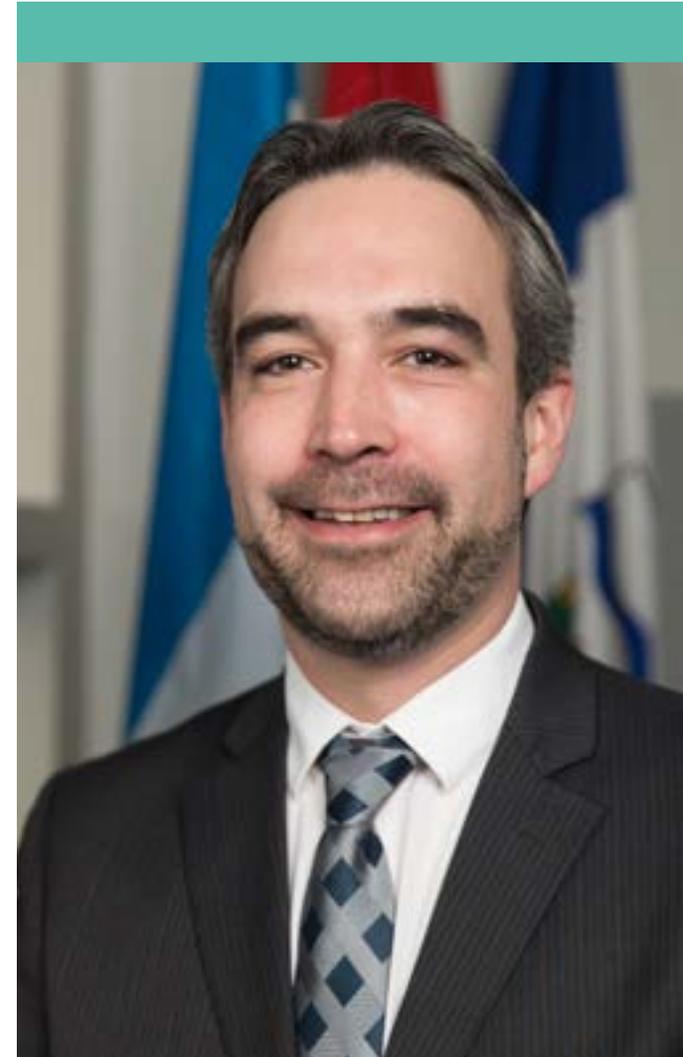
Among Council's Goals and Objectives, is revitalization of the downtown. In 2017, we delivered new incentive programs for the construction of downtown patios and the establishment of public washrooms. Under the Patio Incentive Program, downtown businesses can be reimbursed for up to \$10,000 in construction costs.

In 2017, the City conducted its latest Citizen Survey, a questionnaire used to measure the City's performance and develop an understanding of citizen expectations, views and satisfaction levels. Although high satisfaction levels were recorded, residents did express concern related to homelessness and poverty in our downtown. Throughout 2017, the City worked in collaboration with the GNWT to conceptualize the Sobering Centre, which will soon be located in the downtown core. The City also dedicated funding to the Yellowknife Women's Society for the operation of a Street Outreach Program, which provides transportation for Yellowknife's intransient street population.

Partnerships are crucial to the success of our community and we find that the best way to invest in our city is to support the many not-for-profit organizations that contribute to Yellowknife's vibrancy.

In 2017, the City of Yellowknife was proud to award \$465,000 in multi-year sponsorship and Community Grant funding to fantastic organizations.

I invite you to look back on 2017 in the annual report. Visit us at City Hall or at one of our open houses, connect with us on our social media, or send us an email. As residents, you are our first priority and we want to hear from you.



Mayor Mark Heyck

Yellowknife City Council & Members

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.

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.



ADRIAN BELL



JULIAN MORSE



LINDA BUSSEY



NIELS KONGE



REBECCA ALTY



ROMMEL SILVERIO



SHAUNA MORGAN



STEVE PAYNE

Council's Goals & Objectives

2016-2018

1. Better Engagement with Stakeholders, including public engagements that follow a process based on structured decision-making and establishing a Council Communications Protocol (email, etc.)

2. Downtown Revitalization, including presentation of 50th Street revitalization concepts, providing direction on the long and short term plan for public lands on 50th Street, development of a critical path document and updating this strategic plan annually.

3. Strengthen and Diversify the Economy, including a review of the Business Licence By-law, a review of procurement policies and procedures, undertaking business incubation, positioning Yellowknife as a knowledge center, lobbying the GNWT for a Hotel Levy and discussions with the GNWT regarding airport improvements to allow for international travel.

4. Community Sustainability, including investigating strategies to incorporate non-market housing in densification strategies, lobbying for changes to GNWT legislation for LIC implementations, implementation and support for the Community Energy Plan, lobbying for Utility Credits and legislative or policy changes to support Net Metering, completing a new waste audit/strategy and developing an agricultural strategy.

5. Stronger Internal Working Relationships and Accountability, including building upon the Governance Review and holding a facilitated workshop with Council and Administration to establish a common vision of leadership/management within the organization and clarifying decision-making roles and information sharing, establishing facilitated collaborative processes involving Council and Administration to address department-specific challenges, establishing and implementing follow-up processes with timelines in order to address recommendations from Operational Reviews and implementing an annual staff survey.

Message from the City Administrator

Welcome to the City of Yellowknife's 2017 Annual Report. It is an honour to serve Yellowknife and work under Council's broad direction to make this amazing community an even better place to live, work and visit.

I am proud to serve as Yellowknife's first female City Administrator. It is my responsibility to implement Council's directions and manage the City effectively. It's also my goal, to inspire and lead the way for City employees to continuously improve the way our local government delivers programs and services to residents, visitors and business owners.

As the capital, we have the responsibility and honour of representing and serving the rich culture, heritage and beauty of not only our community and region, but the entire NWT. Given the large Indigenous population within Yellowknife from all areas of the NWT and beyond, we acknowledge that reconciliation is a key factor that has to guide our actions as we look to the future.

The scope of our work is broad and our responsibilities touch many lives in many ways. Yellowknifers know we face tough and complicated issues. Finding solutions for homelessness, addressing the cost of living, supporting a diversified economy and enhancing our downtown are big challenges which require us to work creatively and with our many partners who share our interests and goals. And all of this is in addition to our core municipal services.

We also realize there are opportunities on the horizon and that the City plays a key role in ensuring Yellowknifers are beneficiaries of projects such as Giant Mine remediation and the growth of our tourism industry

City employees continue to work hard to implement Council's vision in our everyday actions. Whether it's ensuring the delivery of quality essential services, asking you for your input on how we plan our city, injecting new life into our economy by supporting local entrepreneurs or by making sure you and your family have plenty of recreational activities to choose from now and in the future – we are committed to providing our best for you.

I invite you to check out our 2017 Annual Report. Your feedback is important to me, so please connect with us and tell us how we are doing so that, together, we can continue to ensure Yellowknife remains a wonderful place to call home, now and into the future.



Sheila Bassi-Kellett
Senior Administrative Officer

Meet the City of Yellowknife: Departmental Overview

CITY ADMINISTRATORS OFFICE

The City Administrator's Office has overall responsibility for the management of the municipal corporation. This includes developing corporate policies, as well as providing policy advice to Council regarding City issues, its organization and operating procedures. The City Administrator's Office provides corporate leadership, coordinates interdepartmental activities, directs the implementation of Council-approved policies and administers the appropriate policy controls to ensure that all City programs are delivered effectively and efficiently while encouraging innovation and creativity in programs.

The City Administrator's Office provides leadership to the City's seven departments: Community Services; Corporate Services; Policy, Communications and Economic Development; Planning and Development; Public Works and Engineering; and Public Safety. Each department is led by a director. Further, the City Administrator has responsibility for the services of the Human Resources Division and the City Clerk Division. Each division is headed by a manager.

In 2017, the City's senior management team was comprised of:

Senior Administrative Officer – Sheila Bassi-Kellett, formerly Dennis Kefalas

Director, Community Services – Grant White

Director, Corporate Services – Sharolynn Woodward (began September 5)

Director, Policy, Communications and Economic Development – Kerry Penney (began September 5)

Director, Planning and Development – Nalini Naidoo (began June 30)

Director, Public Safety – Dennis Marchiori

City Director, Public Works and Engineering – Dennis Kefalas

COMMUNITY SERVICES

The Community Services Department oversees three divisions: Programs, Facilities and the Public Library, as well as addresses homelessness and social issues. The department maintains a close working relationship with the many volunteer organizations, groups, individuals and the private sector who continue to provide programs, services and events. The Community Grant Program is administered through this department. The Community Services Department strives to foster a sense of community spirit unique to Yellowknife through the delivery of its programs and special events.

CORPORATE SERVICES

The Corporate Services Department is responsible for four divisions: Information Technology; Financial Services; Taxation, Budgeting and Evaluation; and Corporate Services and Risk Management. The managers who head each of these divisions report to the director, who sets the course for the department and provides a level of advice and support to the municipality that is typically associated with the role of chief financial officer.

POLICY, COMMUNICATIONS AND ECONOMIC DEVELOPMENT

The Department of Policy, Communications and Economic Development oversees municipal law, policy, economic development strategies and programs and corporate communication for the City, including media relations. Our team's primary responsibilities are to advance the strategic economic initiatives as well as the legal, communication and policy needs of the City. The department is consolidated into one division.

PLANNING AND DEVELOPMENT

The Planning and Development Department oversees land administration, issuance of development and building permits, application of the Zoning By-law and long-range strategic growth and the development and design of the City. The department consists of two divisions which report to the director: the Planning and Lands Division and the Building Inspections Division.



2018 Budget includes revenues of \$77,979,000, debt repayment of \$1,556,000 and expenditures of \$90,881,000, including capital investment of \$26,134,000 and amortization of \$14,317,000.

PUBLIC SAFETY

The Public Safety Department consists of two divisions: Municipal Enforcement Division and the Yellowknife Fire Division. The Department is responsible for three main service areas: Emergency Services (fire, ambulance, rescue and hazardous materials), Municipal Enforcement and Emergency Preparedness. The managers who head each division report to the director, who sets the course and objectives for the department.

PUBLIC WORKS AND ENGINEERING

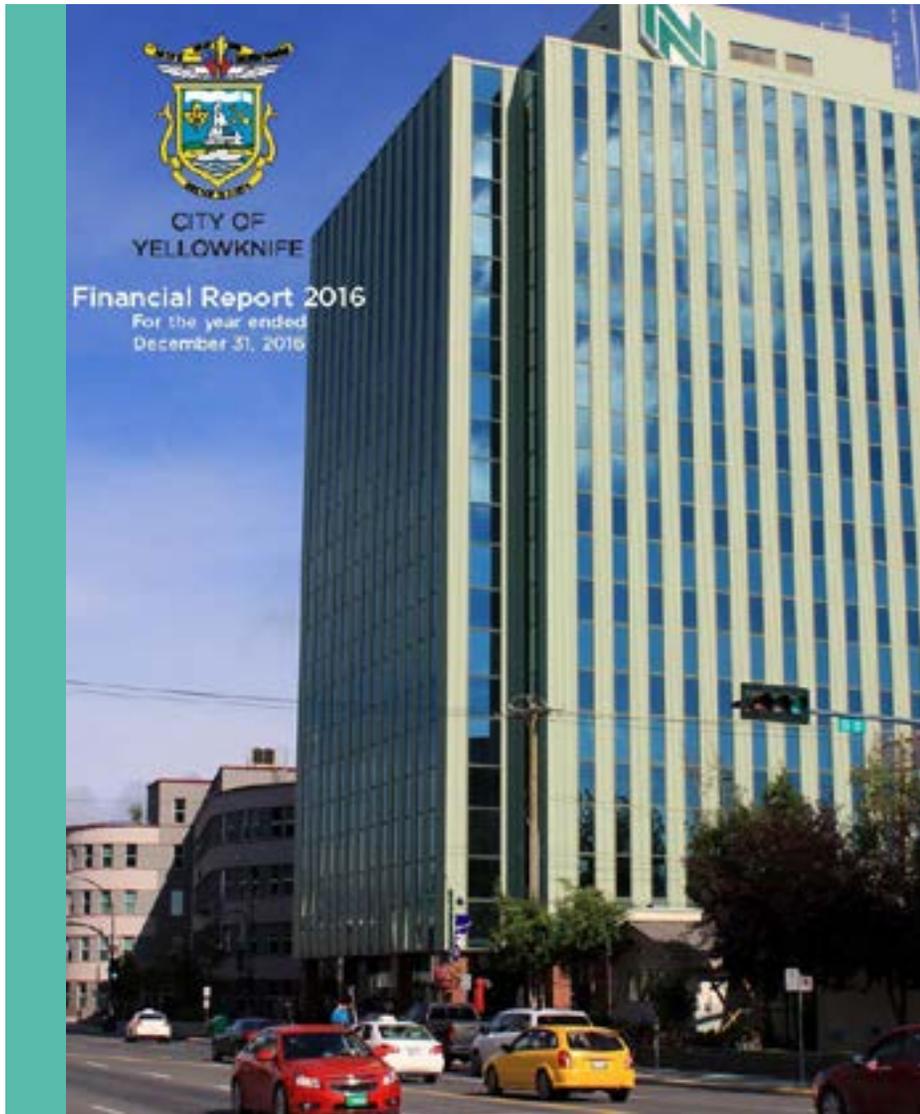
The Department of Public Works & Engineering strives to provide cost-effective and responsive municipal services to the public within the policies, objectives and budget outlined by City Council.

The department is responsible for three divisions: the Engineering Division, which delivers and administers the City's capital works programs; the Works Division, which carries out the operations and maintenance of programs and the delivery of municipal services; and the Solid Waste Division, which carries out the disposal of waste and facilitates recycling and composting.

YELLOWKNIVES DENE DRUMMERS OPENING THE SNOWKING WINTER FESTIVAL / PHOTO: CITY OF YELLOWKNIFE



City of Yellowknife Recognized for Excellence in Financial Reporting



In 2017, the City of Yellowknife received the Canadian Award for Financial Reporting (CAnFR) for the 18th time. The Government Finance Officers Association (GFOA) established the Canadian Award for Excellence in Financial Reporting Program to encourage and assist Canadian local governments to go beyond the minimum requirements of generally accepted accounting principles.

In 2017, the City of Yellowknife also received the Canadian Award for Popular Annual Financial Reporting Award Program for the 12th time.

The Government Finance Officers Association established the Popular Annual Financial Reporting Awards Program (PAFR Program) in 1991 to encourage and assist local governments to produce high quality popular annual financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

PHOTO: CITY OF YELLOWKNIFE

City of Yellowknife 2017 Highlights

- Celebrated our 50th Anniversary as the capital city of the Northwest Territories. Events were hosted that acknowledged our past, recognized our present and looked forward to our future. We celebrated businesses and residents in our “We Are Your Capital” media campaign.
- The City experienced its busiest construction year in history, with significant investments in core infrastructure replacement (specifically water and sewer) thanks to an investment by our federal government partners. Thanks you to the residents of Yellowknife who were patient and tolerant during a very intense summer of construction, detours and rough road conditions!
- Fifty-six businesses participated in this year’s #ShopYK Passport Program. 1553 passports were completed with a value of \$931,800 locally spent dollars. #ShopYK is an economic development partnership with the Yellowknife Chamber of Commerce.
- Installed a digital internet protocol based system allowing for quicker and more concise communication between the Emergency Dispatcher and Fire, Ambulance, Municipal Enforcement and Public Works staff.
- The City launched Yellowknife Street Outreach, which addresses the needs of Yellowknife’s street-involved population, by providing for basic needs such as water, snacks and first aid and offers safe rides to various locations, including shelters, homes and health service providers
- Developed a Local Procurement Policy that sets a target of 85% of the City’s purchasing to be made locally.
- Integrated the Click and Fix YK app into PingStreet. PingStreet is a one-stop shop for City apps.
- In partnership with Northland Utilities, 16 artists were commissioned to paint 15 transformer and traffic light control boxes in our downtown revitalization efforts.



WIN YOUR SPACE YK WINNER, SEIJI SUZUKI



PHOTO: ANGELA GZOWSKI



- Worked in partnership with the Department of National Defense to make the Niven Lake Trail wheelchair accessible.
- Established a Whistleblower Policy that provides a safe process for City employees to come forward to address allegations of serious misconduct without fear of reprisal.
- Completed expansion of the Yellowknife Cemetery.
- Hosted 32 free community events; including the City of Yellowknife's 50th Anniversary as a Capital City, Canada's 150 Anniversary featuring Bruce Cockburn and a series of Family Fun Nights held in Somba K'e Civic Plaza.
- In partnership with the Rotary Club, completed the trail extension of the Rotary Park Trail.
- Resurfaced all three City maintained tennis courts.
- Supported 15 families (58 individuals) through the Housing First For Families initiative and supported 15 youth in nine Housing First For Youth units.
- Added light therapy lamps at the Yellowknife Public Library.
- Over 300 children participated in the 33rd Municipal Enforcement Division Bike Rodeo. Helmets were donated by Diavik Diamond Mine and distributed to 155 children who required them. Mechanics from Joint Task Force North were on site providing bicycle safety inspections and tune-ups. Sixteen children won bicycles, which were donated by Yellowknife businesses and organizations.
- Rolled out the fourth and final phase of the City's green cart program. All single family houses in town now have curbside organics collection.
- Expanded the compost pad to accommodate the growing organics collection program.
- The City received \$16.3 million in federal funding under the Clean Water and Wastewater Fund and Public Transit Infrastructure Fund to update water and sewer and public transit infrastructure over two years.
- Brought to market 21 new residential lots and 14 industrial lots, sold 5 new residential lots, 8 industrial lots and one industrial substandard lot. As of December 31, 2017 there were 16 new residential lots and 6 industrial lots remaining.

SANTA CLAUSE PARADE / PHOTO: CITY OF YELLOWKNIFE



CUTTING ICE FOR THE SNOWKING WINTER FESTIVAL / PHOTO: FRAN HURCOMB



NWT TENNIS EVENT / PHOTO: THORSTEN GOHL



CITY OF YELLOWKNIFE COMMUNITY BBQ / PHOTO: CITY OF YELLOWKNIFE

Supporting Yellowknife Businesses

Every year, local businesses provide a significant amount of services to the City of Yellowknife.

IN THE PAST 7 YEARS, **78%**

of the contracts were awarded (by \$ value) to companies with a local presence. This means companies that have local offices or storefronts, employees, pay property taxes and conduct regular business in Yellowknife.

THE CITY OF YELLOWKNIFE SPENT A TOTAL OF **\$281,646,903.07** SUPPORTING LOCAL BUSINESSES!

Local vs Non-local Spending (2011-2017)

	'11	'12	'13	'14*	'15*	'16	'17	Total
EXCLUDED	\$16,567,843	\$13,290,922	\$18,673,512	\$17,563,875	\$19,844,107	\$21,572,942	\$18,320,555	\$125,833,758
LOCAL	\$36,825,603	\$43,706,456	\$42,684,472	\$49,207,822	\$29,194,215	\$35,399,837	\$44,628,494	\$281,646,903
NON-LOCAL	\$6,469,733	\$7,767,149	\$5,464,015	\$30,365,195	\$14,178,374	\$7,083,328	\$7,191,647	\$78,519,442
%LOCAL	85%	84%	88%	61%	67%	83%	86%	78%

* The years 2014 and 2015 have a lower than average local expenditure, due to a contract with a non-local contractor for the water treatment plant.

Corporate Services

GOALS:

1. Provide accurate and timely taxation and financial information provided both internally and externally;
2. Maintain reliable, sustainable and proactive information technology infrastructure;
3. Deliver efficient, effective and timely geomatics services;
4. Streamline revenue collection processes; and
5. Establish partnerships and deliver excellent customer service.

OBJECTIVES:

1. Prepare an audited financial report annually;
2. Prepare a multi-year budget document annually, incorporating the asset management plans for next 10 years, which reflects the goals and objectives of Council;
3. Supply ongoing leadership to support and sustain the City's information technology infrastructure;
4. Continue to develop and improve sound financial procedures for the utilities, accounts receivable, accounts payable and cash receipt functions to improve customer service, facilitate training of staff and streamline processes between departments; and
5. Schedule involvement in capital purchases with all departments so that projects can be looked after in a timely manner that meets the needs of all.

Community Services

GOALS:

1. Provide robust cultural, educational and information opportunities and resources;
2. Offer fair, equitable and accessible programs and services, which promote participation for people of all ages and demographics;
3. Create safe and comfortable environments for residents and visitors to participate, spectate and learn;
4. Maintain adaptable and responsive services, programs and resources, according to the ever-changing trends and needs of the community; and
5. Provide an expanded resource collection and multi-use recreation and leisure opportunities.

OBJECTIVES:

1. Continue to support and collaborate on City initiatives by working with committees of Council such as the Community Advisory Board on Homelessness, the Grant Review Committee and the Combative Sports Committee to provide the best possible services to the community;
2. Ensure that all of the facilities, programs and services operated by the department are provided in an effective, efficient and safe manner;
3. Develop additional and strengthen existing partnerships to further enhance available recreation, leisure and learning opportunities;
4. Maximize opportunities to develop programming and services by accessing outside resources to carry out and improve programs and events; and;
5. Continue to ensure that the services, programs, facilities and resources available for the public remain current, meaningful and relevant.

Planning and Development

GOALS:

1. Complete of the Planning and Development Operational review;
2. Align the department with Council's goals and objectives;
3. Identify key regulatory by-law reviews to be undertaken in 2017 and beyond;
4. Streamline division operations with improved customer service;
5. Increase engagement with stakeholders and the general public for planning and development projects;
6. Implement 2017 Capital Projects including Land Development Fund projects; and,
7. Review the land application process within the municipal boundary.

OBJECTIVES:

1. Initiate the Multi-Use Building Study;
2. Initiate the School Draw Parking lot project;
3. Complete land development work related to Phase 2 of the Engle Business District;
4. Continue Twin Pine Hill public access construction in partnership with the developer;
5. Prepare for a detailed review of the Building By-law and the General Plan By-law;
6. Prepare an implementation plan for the Planning and Development Operational Review;
7. Finalize the Capital Area Development Plan and initiate the Capital Area Committee;
8. Develop a land use process for traditional Indigenous uses within the municipal boundary under the lens of reconciliation; and,
9. Continue public input and incorporate various consultation methods in land development, site improvement capital projects and planning projects.

Public Works and Engineering

GOALS:

1. Effectively manage solid waste emphasizing on waste diversion through expansion of existing recycling and composting practices;
2. Develop and implement an aggressive linear infrastructure replacement program;
3. Provide high-quality, reliable potable water with efficient and responsible waste water disposal;
4. Ensure cost-effective, safe and reliable municipal transportation systems are provided and promoted all year; and
5. Maintain a fleet of well- maintained vehicles and equipment.

OBJECTIVES:

1. Implement the key elements of the Community Energy Plan and the Strategic Waste Management Plan in an effort to become less dependent on fossil fuels, to reduce the City's overall carbon footprint and to extend the life span of our second generation landfill cells;
2. Manage the City's contract for the provision of public transit and monitor service provided (quality of service, invoicing, timing, condition of equipment, etc.) and create initiatives that will make the system even more accessible to all residents;
3. Provide the community with potable water that meets or exceeds national standards and local requirements and treat and dispose of waste water to meet or exceed requirements;
4. Remove snow from major thoroughfares and intersections before ice and snow accumulations cause the roadway to become unsafe, remove snow from residential streets, sidewalks and alleys at least once a year and remove snow from the downtown streets and sidewalks at least twice a year; and
5. Provide preventative and service maintenance to City vehicles on a consistent and cost-effective basis; provide priority maintenance to emergency vehicles and incorporate viable recommendations from Fleet Management Study.

Public Safety

GOALS:

1. Offer efficient, competent, responsive emergency response;
2. Provide consistent, fair and timely by-law enforcement;
3. Educate public on fire safety and emergency prevention;
4. Maintain a safe community for residents and visitors; and
5. Develop partnerships to assist in making positive change regarding social issues.

OBJECTIVES:

1. Continue to work with other City departments and government agencies to ensure that the City provides services and programs to our residents and provide support to other communities when possible;
2. Provide responsive, professional and competent emergency aid and fire protection services;
3. Provide comprehensive administration of City by-laws, territorial statutes and regulations towards the safe operation of all motorized vehicles, mobile equipment and bicycles;
4. Continue to work with other agencies to improve effectiveness through training and continuous improvement of all emergency services; and
5. Continue to work on mitigation, awareness and preparation to ensure that Yellowknife is ready in the rare case of a local emergency.

Policy, Communications and Economic Development

GOALS:

1. Continue to develop a business-friendly city with a vibrant downtown;
2. Market Yellowknife as an extraordinary tourist destination;
3. Diversification of the economy with expanded education and job opportunities;
4. Engage and communicate with residents in an accessible, accurate and timely manner; and
5. Provide clear legal and policy guidance.

OBJECTIVES:

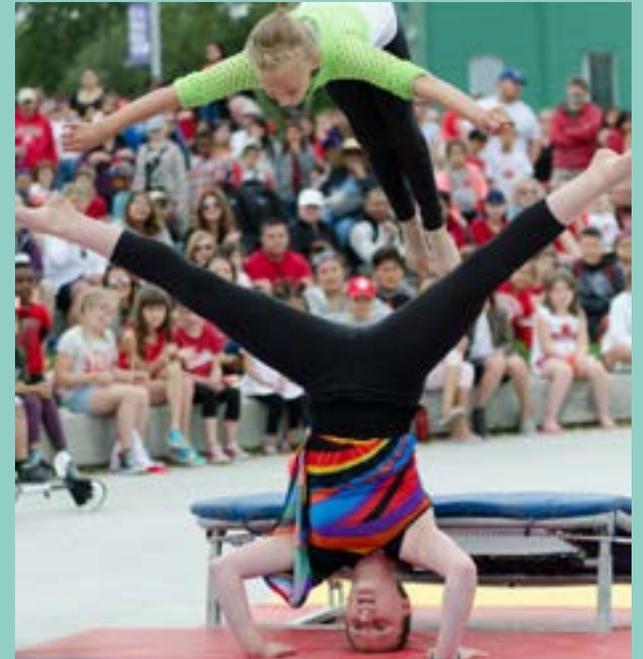
1. Work with Northwest Territories Tourism to market Yellowknife as a tourist destination;
2. Work to attract business tourism to Yellowknife;
3. Continue to work with Council to revitalize 50th Street and spur business development in the Downtown area and partner with the Planning and Development Department to engage in the 50th Street Revitalization project;
4. Work with the Government of the Northwest Territories to levy a hotel tax and establish a Destination Marketing Organization (DMO) for Yellowknife;
5. Develop innovative and engaging campaigns and channels to effectively communicate with city residents and businesses; and
6. Work with the Giant Mine Remediation Project to ensure maximum economic benefits accrue to residents.

YELLOWKNIFE CELEBRATES 50TH ANNIVERSARY AS A CAPITAL CITY & CANADA TURNS 150

CELEBRATIONS IN SOMBA K'E CIVIC PLAZA / PHOTO: RAY CHAISSON



PERFORMANCE BY THE YELLOWKNIFE GYMNASTIC CLUB / PHOTO: RAY CHAISSON



LITTER PATROL

CITY EMPLOYEES VOLUNTEER LUNCH HOURS TO KEEP OUR DOWNTOWN CLEAN / PHOTO: CITY OF YELLOWKNIFE



THE 33RD CITY OF YELLOWKNIFE BIKE RODEO / PHOTO: CITY OF YELLOWKNIFE



Promotions and Initiatives

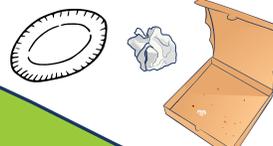
IN 2017, THE DOWNTOWN CORE WAS THE LAST NEIGHBOURHOOD TO RECEIVE GREEN CARTS, COMPLETING A FOUR YEAR PLAN TO COLLECT ORGANICS FROM ALL SINGLE FAMILY HOMES IN YELLOWKNIFE.



What goes in the kitchen catcher and green cart?

YES



<p>Yard Waste</p> <ul style="list-style-type: none"> Leaves & grass clippings Plant trimmings 	<p>Food Soiled Paper</p> <ul style="list-style-type: none"> Pizza boxes Napkins & facial tissues Wax-coated cardboard 	<p>Food Waste</p> <ul style="list-style-type: none"> Fruits & vegetables Dairy products Eggs & egg shells Fish & shellfish Bones, grease, fat & cooked meat Small amounts of raw meat (trimmings only) Bread, pasta, cereal, rice & flour Coffee grounds, filters & tea bags 
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*Use only certified compostable bags, newspaper, and/or brown paper bags to line the kitchen catcher and green cart.

CITY OF YELLOWKNIFE VOLUNTEER RECOGNITION EVENT - RECOGNIZING THE IMPORTANCE OF VOLUNTEERS AND THEIR CONTRIBUTION TO COMMUNITY DEVELOPMENT AND PROGRAMMING.



OUR TRAILBLAZERS

2017 LAUNCHED A CAMPAIGN CELEBRATING YELLOWKNIFE WOMEN IN BUSINESS.

OUR TRAILBLAZERS

A range of talent, experience and skill in the boardroom and the classroom drove performance. Students show that boards with a variety of voices at the table achieve significantly better financial results as well as perform better on non-financial parameters. Members of the Student Council are leaders of tomorrow and as a diverse group they will ensure that a solid and thriving ground is laid for the next generation. They are pioneers with a vision worth being.

Our main goal as Student Council this year was to bring the school together as one. We organized regular workshops for all the grades together because we think it's important for all students to interact with each other and make friends wherever they are in grade 6 to 8.

Having representation from every grade, grade language, and gender in Student Council is important in order to successfully resolve any issues or problems in our school. A diverse council means a lot of work, interest and ideas. Not everyone has the same activities, and having different ideas helps us offer something for all students. We all bring something different to the table. When we don't agree, we talk about it and come to an agreement as a group. The president is in charge of the Student Council, and the Council is in charge of the school. There are a lot of ways a voice in which we do, and going to a meeting together.

Each Wilson McDonald Middle School, Yellowknife

STUDENT COUNCIL

Each Wilson McDonald Middle School, Yellowknife

We work a strong group this year, and I believe we left our mark on our school. I will bring on Student Council as a great experience for being the leadership team in the future, and I hope to have inspired others to do the same next year when some of us will be going off to high school. - Shana Gault, Student Council President



Powerful Insights, Real Results
 20% Increase in student participation in school activities
 40% Increase in student leadership roles
 16% Increase in student volunteer hours

Back Issues
 100% of all issues resolved
 100% of all issues resolved
 100% of all issues resolved

Working with You

CITY OF YELLOWKNIFE

807-862-5622 | www.cityofyellowknife.ca | yellowknife.ca

Financial Statements

Completed 2017 audited financial statements can be viewed at www.yellowknife.ca.

During 2017, the City recorded total revenues from all sources of \$78.17 million (2016 - \$78.89 million). Recorded expenses for the same period were \$64.92 million (2016 - \$61.76 million). The budgeted revenues were \$81.51 million with budgeted expenses of \$93.64 million. Financial highlights with details of revenues and expenses are presented below.

2017 Key Financial Highlights:

- The City had a strong financial year with all funds other than the Land Fund, coming in above budget. Higher user fee revenues and **lower than budgeted costs for salaries, wages and benefits, power and fuel** had positive impacts on the City's financial results. Lower than expected land sales resulted in the Land Fund not meeting budgeted projections.
- The City was able to **transfer \$1.2 million in municipal taxes from the General Fund to the Capital Fund** because operating expenses in the General Fund came in under budget. Salaries, wages and benefits were lower than budgeted largely due to staff vacancies, and power and fuel costs also came in under budget. The transfer to the Capital Fund will assist the City in meeting its ten year capital plan and **bring the General Fund balance** in line with the City's Stabilization Funds Policy.
- The City has received **\$16.3 million in federal funding under the Clean Water and Wastewater Fund (CWWF) and Public Transit Infrastructure Fund (PTIF) to update water and sewer and public transit infrastructure**. The terms of the funding agreements require the City to complete the infrastructure upgrades no later than March 31, 2019. 2017 saw significant infrastructure investment as a result of this funding and the City recognized \$8.2 million in government transfers related to capital under these agreements. The remaining infrastructure upgrades are expected to take place in 2018.
- In 2017 the **City expanded the compost pad located** at the Solid Waste Facility as part of a planned capital project. Work required to complete the expansion resulted in remediation of the land on which the compost pad is located. As a result, these costs **reduced the liability associated with landfill closure**. To reflect the cost of using capital funding for what resulted in remediation of part of the landfill, \$0.7 million was transferred from the Capital Fund to the Solid Waste Fund.

Consolidated Statement of Financial Position

	2017	2016	Change
Financial Assets	\$59,233,626	\$58,990,606	\$243,020
Liabilities	(65,894,293)	(68,360,991)	2,466,698
Net Financial Liabilities	(6,660,667)	(9,370,385)	2,709,718
Non-Financial Assets	292,602,845	282,058,651	10,544,194
Accumulated Surplus*	\$285,942,178	\$272,688,266	\$13,253,912

*Accumulated surplus represents the City's net worth and is mainly comprised of the City's capital assets.

The Statement of Financial Position shows the **City's overall financial position has increased by \$13.3 million over the previous year**. This is primarily due to an increase in non-financial assets, which are largely comprised of tangible capital assets, as the City's investment in its infrastructure is out pacing depreciation. **The City's net financial liabilities position improved by \$2.71 million**, primarily due to a decrease in liabilities as a result of annual repayments on long-term debts.

ACCUMULATED SURPLUS

Total Reserves	\$9,441,437
Surplus	
Tangible Capital Assets (TCA)	291,189,428
Long-term Liabilities related to TCA	<u>(18,482,958)</u>
Net Investment in TCA	272,706,470
Net Surplus	<u>3,794,271</u>
Accumulated Surplus	<u>\$285,942,178</u>

Investment in tangible capital assets makes up 95.4% of the balance in the accumulated surplus with reserves and net surplus making up the remaining 3.3% and 1.3% respectively.

SIGNIFICANT TRENDS

	Average Annual Change	2017	2016	2015	2014	2013
Financial Assets	20.3%	\$59,233,626	\$58,577,730	\$52,496,980	\$53,900,667	\$71,663,549
Liabilities	29.3%	<u>65,894,293</u>	<u>68,360,991</u>	<u>71,709,808</u>	<u>77,242,398</u>	<u>59,389,367</u>
Net Financial Assets (Liabilities)		<u>(\$6,660,667)</u>	<u>(\$9,783,261)</u>	<u>(\$19,212,828)</u>	<u>(\$23,341,731)</u>	<u>\$12,274,182</u>

The City went from a net asset position of \$12.2 million in 2013 to a net liability position of (\$23.3) million in 2014, a change of \$35.5 million. \$19.1 million of the \$35.5 million change is due to financing the construction of the water treatment plant to meet the City's current and future needs. The remaining \$16.1 million is a result of the increase to the landfill closure liability.

Net financial liabilities have declined over the past three years as a result of debt repayment and operating surpluses. In 2018, the City expects to see the net financial liabilities position improve; however, this is not expected to continue due to planned borrowing in 2019 and 2020 to finance the construction of a new aquatics centre and replacement of the City's submarine intake line.

	Average Annual Change	2017	2016	2015	2014	2013
Reserves	26.0%	\$9,441,437	\$9,929,042	\$7,507,410	\$6,063,846	\$4,891,871

The City allocates funds to reserves to meet future operating and capital requirements. **Over the past five years, reserves have increased on average by 26.0% per year.** This is primarily due to an increase in the Major Community Facility Reserve, which was almost depleted at the end of 2012, an increase in the Mobile Equipment Reserve as a result of delays in equipment purchases and the establishment of the Revitalization Initiative Reserve in 2016 to support revitalization initiatives within targeted areas of the City.

Going forward, the City expects to see a decline in the reserves balance as the Revitalization Initiative Reserve is expected to be drawn down with no plan to maintain this reserve into the future.

Consolidated Statement of Operations

	Average Annual Change	2017	2016	2015	2014	2013
Municipal Taxes	3.0%	\$27,085,170	\$26,085,847	\$25,633,511	\$25,371,852	\$23,587,839
User Fees and Sale of Goods	5.4%	20,907,983	19,304,147	18,039,197	17,713,239	16,615,457
Other*	(2.6%)	<u>3,658,559</u>	<u>4,568,435</u>	<u>4,153,150</u>	<u>4,189,418</u>	<u>4,540,208</u>
Regular Operating Revenue		51,651,712	49,958,429	47,825,858	47,274,509	44,743,504
Government Transfers						
Government of Canada	39.1%	14,422,421	5,510,698	5,024,659	7,050,579	10,283,404
Government of the Northwest Territories	1.74%	<u>10,694,656</u>	<u>10,825,713</u>	<u>10,546,264</u>	<u>10,207,142</u>	<u>10,133,534</u>
		25,177,077	16,336,411	15,570,923	17,257,721	20,416,938
Land Sales	24.6%	1,403,000	7,602,219	1,778,849	3,697,117	4,335,237
Contributed TCA	-	-	<u>4,989,553</u>	<u>8,598,616</u>	-	-
Total Revenue		<u>\$78,171,789</u>	<u>\$78,886,612</u>	<u>\$73,774,246</u>	<u>\$68,229,347</u>	<u>\$69,495,679</u>

*Includes Development Levies, Licenses and Permits, Fines, Penalties and Cost of Taxes, Investment Income and Franchise Fees.

Government transfers, land sales and contributed tangible capital assets have been shown separately as they vary significantly from year to year.

COMPARISON TO PRIOR YEAR

Overall, **revenue decreased by 0.9% from the previous year**; however, regular **operating revenue increased by 3.4%**. **Municipal taxes increased by 3.8% as a result of assessment growth and an increase in the tax rate of 1.2%**. User fees and sale of goods were 8.3% higher than the previous year due to an increase in water and sewer revenues and developer contributions. **Other revenue decreased by 19.9% as a result of a decline in development permit revenue.**

There was a significant increase in government transfers from the previous year as a result of funding from the federal government under the CWWF and PTIF programs. Land sales decreased significantly from the previous year as 2016 had higher than expected sales in the Engle Business District and new residential lots were introduced onto the market. There were no contributed tangible capital assets in 2017.

SIGNIFICANT TRENDS

Municipal taxes generally increase with assessment growth and tax rate increases. Increases in 2013, 2015 and 2016 were related to assessment growth as there was no increase in the tax rates. The increases in 2014 and 2017 were a combination of assessment growth and tax rate increases. Going forward, the City expects to see municipal taxes continuing to increase as a result of assessment growth and small annual tax rate increases.

User fees and sales of goods have generally increased due to rate increases. The City expects this trend to continue as rates are adjusted to keep up with increasing costs.

Other revenue has remained relatively stable over the past five years and is expected to remain so. Fluctuations are mainly a result of the level of construction activity within the community.

Government transfers will fluctuate from year-to-year based on the capital projects in progress and the funding available from higher levels of government. In 2018, the City expects government transfers to remain consistent with 2017 levels as work continues under the CWWF and PTIF funded capital projects.

Land sales fluctuate from year to year based on the lots available for sale and the market demand for land. In 2016 new residential lots and a limited number of industrial lots came available for sale which resulted in higher sales. Purchase incentives introduced by the City in 2014 also had a positive impact on 2016 sales. **In 2018, the City expects land sales to be higher than 2017 as more industrial lots in the Engle Business District become available for sale.**

EXPENSES

	Average Annual Change	2017	2016	2015	2014	2013
General Government	3.4%	\$5,286,567	\$4,755,295	\$5,361,171	\$4,987,080	\$4,287,415
Community Services	4.3%	11,443,788	10,821,865	10,461,071	10,367,658	10,047,479
Corporate Services	5.2%	5,934,378	5,822,662	5,586,246	5,405,857	5,329,928
Mayor and Council	2.1%	576,277	578,292	527,261	550,574	506,313
Planning & Development*	(1.1%)	1,369,253	1,457,037	1,120,607	1,435,609	1,371,976
Public Safety	5.7%	7,306,981	7,179,455	6,507,940	6,083,406	5,960,764
Public Works & Engineering	2.7%	11,148,323	10,459,800	10,663,170	10,255,616	10,064,694
Solid Waste Facility**	(0.7%)	2,485,249	2,654,945	2,562,565	2,823,291	2,655,433
Water and Sewage	7.1%	12,961,386	12,138,081	11,237,486	11,050,093	10,445,499
Interest on Long-term Debt	71.0%	<u>615,103</u>	<u>659,647</u>	<u>706,544</u>	<u>757,752</u>	<u>462,970</u>
Regular Operating Expenses	4.3%	59,127,305	56,527,079	54,734,061	53,716,966	51,128,471
Land Development	-	753,788	1,591,018	639,054	217,199	1,792,725
Landfill Closure and Post-Closure	-	348,877	595,999	417,926	16,100,119	93,549
Minor Capital	-	<u>4,687,907</u>	<u>3,047,278</u>	<u>3,689,253</u>	<u>4,537,902</u>	<u>4,619,541</u>
		<u>\$64,917,877</u>	<u>\$61,761,374</u>	<u>\$59,480,294</u>	<u>\$74,572,153</u>	<u>\$57,334,399</u>

*Land Development costs were removed and shown below regular operating expenses.

**Landfill Closure and Post-Closure costs were removed and shown below regular operating expenses.

Land development and minor capital costs have been shown separately as they vary significantly from year to year. Landfill closure and post-closure costs have been shown separately due to that large restatement of the landfill closure and post-closure liability in 2014.

COMPARISON TO PRIOR YEAR

Overall, expenses increased 5.1% from the previous year with regular operating expenses increasing by 4.6%. The increase in regular operating costs is primarily a result of an increase in contracted and general services and salaries, wages and benefits costs.

Land development costs decreased significantly from the previous year as can be expected with a decline in land sales. The landfill closure and post-closure expense was lower than previous year as the City was able to utilize the old landfill site for the majority of the construction waste in 2017 resulting in less usage of the new landfill cells. Minor capital was higher than previous year, which can be expected given the increase in capital related expenditures.

SIGNIFICANT TRENDS

On average, the City's regular operating expenses have increased by 4.3% per year over the last five years. This trend is expected to continue as costs continue to rise due to general inflation and salaries, wages and benefits costs rise due to annual pay increases as negotiated in the collective agreements and the introduction of new full time positions as required.

The water and sewage, public safety and corporate services functions have seen the largest average annual increases in costs. Construction of a new water treatment plant has resulted in an increase in operating costs under the water and sewage function. An increase in service demands under public safety has resulted in higher operating costs. Expanded services by way of additional information technology infrastructure is the primary reason for the increase seen under corporate services.

Land development costs will continue to fluctuate from year to year based on land sales. In 2018, the City anticipates higher land development costs as it is expected that there will be an increase in land sales.

Significant fluctuations in the landfill closure and post-closure expenses are not expected going forward. The 2018 expense is expected to be comparable to that seen in 2016.

Minor capital expenses will continue to fluctuate from year to year and are influenced by both the level of capital expenditure as well as the type of capital projects taking place. In 2018, minor capital expenses are expected to be comparable to 2017 levels.

FUTURE OUTLOOK

Yellowknife is a vibrant, welcoming and inclusive community that enjoys high service levels and an excellent quality of life. To continue to provide these levels of service and meet the expectations of its residents, the City must continue to address the challenges it faces related to the community's limited tax base, increasing costs of providing services and the need to continue addressing aging infrastructure. As well, the City recognizes from the 2017 Citizen Survey and other feedback, that the City faces growing citizen expectations to address social issues in the community. All of these pressures coexist with concerns about Yellowknife's cost of living.

A key issue impacting the City is the fact that NWT community governments are underfunded by the Government of the Northwest Territories (GNWT) to the tune of \$40 million annually. Of this \$40 million shortfall, which the GNWT identified and acknowledges, **the City is underfunded \$11 million each year.** This has a huge impact on the City's ability to deliver services and infrastructure. The City continues to pressure the GNWT to consider its fiscal allocations to better support strong communities and a diversified economy, as well as develop a plan to close the funding gap.

The City anticipates its debt burden will increase by up to \$54 million by the end of 2020 as borrowing will be required to finance the construction of a new aquatic centre and the replacement of the submarine intake line. The increase in debt will limit the City's ability to borrow for large capital expenditures in the future and may impact the City's credit rating. The City's current Aa2 rating benefits from a history of positive operating outcomes supporting predictable operating cash flow generation, solid governance and management policies and a developed institutional framework for municipalities in the Northwest Territories. These positive factors are balanced against the City's narrow economic base and current debt burden.

The City is always looking for ways to increase its revenues, diversify the economy and attract new residents. The 2018 budget approved a two year term staff position to seek out government and private funding opportunities. The City will continue to lobby the GNWT in 2018 to enact legislation that allows the City to implement an accommodation levy. Implementation of an accommodation levy would have a direct positive impact on the tourism sector in Yellowknife.

The City will continue to monitor key economic indicators, sources of revenue and spending levels as part of its sound fiscal approach. The City is in a strong financial position with healthy reserve balances and a solid strategic plan that culminates into a forecasted three year operating and 10 year capital plan.



CITY OF YELLOWKNIFE