

City of Yellowknife

2015 Annual Report



CITY OF
YELLOWKNIFE

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Our Yellowknife *At a Glance*

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 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 employs over 200 staff who together, 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.

Find us:

yellowknife.ca





City of Yellowknife: *By the Numbers*

329 Development permits issued (13% increase from 2014)

496 Building permits issued for residential construction

103 Building permits issued for non-residential construction

\$73+ million Total estimated 2015 construction value (increase from estimated 2014 value of \$41.5 million)

15+ kilometers of public trails for use by residents

16 playgrounds

28 parks

11 sport fields

14 sport courts

6 outdoor skating rinks

4 off-leash dog areas

20,637 Population

\$69,660 Average personal income

\$149,656 Average family income

40,759 Visitors to Northern Frontier Visitor Centre

134,677 Hits to visityellowknife.com

Mayor's Message

2015 was brimming with activities and events around our City. This annual report highlights some of our accomplishments and their impact on our residents who decide to make Yellowknife their home and are part of its vibrant community.

Community engagement has been at the top of our agenda and we have worked hard to consult with residents on a variety of projects. To our delight we have received more input from you than ever before. This will help ensure our strategies will reflect priorities as we heard them from residents.

We have made access to services and information easier through enhancements to the City's website, and the development of several apps such as Click and Fix, and Ping Street. Through social media, we have celebrated our festivals and promoted local shopping with campaigns centered around #ykfestivals and the #ShopYk Passport program.

2015 has been an active year for construction development. We saw several major commercial developments take off in Yellowknife including the commencement of construction of a new hospital and hotel. On the housing market, developments are in full progress, most notably in Lakeshore Development near Kam Lake and on Twin Pine Hill.

Environmental impacts were addressed by replacing the Yellowknife Community Arena ice plant and installing a waste heat recovery system, eliminating 159 tonnes of carbon dioxide emissions annually. All single family dwellings in Yellowknife have now transitioned to a black cart program to collect waste, and we are at the midway point of the Green Cart program roll out, where every fall an additional neighbourhood receives their green bin to facilitate curbside composting.

Safety of residents continues to be a priority, and as a result of the 2014 fire season, we have invested in protecting our city by promoting awareness of the importance of Fire Smarting by homeowners. In addition, we carried out Fire Smarting initiatives in key public areas in the City.

Partnerships are crucial to the success of our community, and we find that the best way to invest in our city is to support those organizations that make our City home. In 2015, the City of Yellowknife was proud to award \$320,100 in core funding, and an additional \$97,900 in Special Grants to fantastic organizations that impact all of us on a daily basis.

I invite you to look back on 2015 in the annual report, and to get in touch with us. Visit us at City Hall or at one of our open houses, send us an email, and engage with us on our apps or other social media. As residents, you are our first priority and we like hearing from you.



Mayor Mark Heyck

Yellowknife City Council



Adrian Bell



Bob Brooks



Cory Vanthuyne



Dan Wong



Linda Bussey



Niels Konge



Phil Moon Son



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.



Council Goals & Objectives 2013 – 2016

GOAL 1

BUILDING A SUSTAINABLE FUTURE

Objectives:

- 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.

GOAL 2

STEWARDS OF OUR NATURAL AND BUILT ENVIRONMENT

Objectives:

- 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.

GOAL 3

ENHANCING COMMUNICATIONS & COMMUNITY ENGAGEMENT

Objectives:

- Celebrate community participation and volunteerism.
- Promote heritage, culture, arts and other unique characteristics of Yellowknife.
- Ensure transparency, accountability and reporting.

GOAL 4

CREATING AND SUSTAINING MEANINGFUL RELATIONSHIPS

Objectives:

- 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 ensuring open and accessible information flow and accessible decision making.
- Create an environment of mutual respect, open dialogue and teamwork.

Message from the City Administrator

On behalf of Administration, it is my pleasure to unveil the annual report of 2015. This annual report is the result of the synergy that happens when engaged citizens meet dedicated administration staff. As Senior Administrative Officer, it is my responsibility to provide administrative leadership to the Municipal Corporation and to continuously improve on how we deliver services to residents.

It is our priority to stimulate city growth while maintaining a unique home town feel, and we achieve this by listening to our residents and investing in partnerships with our various stakeholders. Transparency and trust are values that we live and work by, and we aim to achieve these by an open door policy at the City of Yellowknife. This openness is reflected in the many ways we reach out to residents: Through the extensive community consultation we undertook for the 2016 budget engagement, various surveys and open houses on a range of topics, through our active communications strategy, and through daily interaction on our social media posts.

2015 was the year of elections on all levels of government. On the municipal level, we can look back on an election that received much interest from residents, resulting in higher voter turnout than witnessed before in the City of Yellowknife. We welcome new and returning City Councillors to Council Chambers, and I as well as the entire administration look forward to working together for the next three years to make this City a great place to work, live and play.

Dennis Kefalas, P. Eng
Senior Administrative Officer



City of Yellowknife Administration

The City Administrator's Office has overall responsibility for the administration of the Municipal Corporation. This function includes developing corporate policy as well as providing policy advice to Council about the City's organization and operating procedures. Also part of the City Administrator's Office is the City Clerk's Office, Human Resources and Legal Services.

The City Administrator provides administrative leadership, coordinates interdepartmental activities, directs the implementation of Council approved policies, recommends a capital and current budget to Council on an annual basis and administers the appropriate policy controls to ensure that all City programs are delivered within the Corporate budget. In addition, the City Administrator also explores and develops new, more effective ways of administering City programs and is ultimately responsible for the smooth and efficient operation of the Municipal Corporation.

City of Yellowknife Administration Staff

Senior Administrative Officer – **Dennis Kefalas**

Director, Community Services – **Grant White**

Director, Corporate Services – **Jeff Dalley**

Director, Communications and Economic Development – **Nalini Naidoo**

Director, Planning and Development – **Jeffrey Humble**

Director, Public Safety – **Dennis Marchiori**

City Director, Public Works and Engineering – **Chris Greencorn**



Mandate: To improve the lives of people who live, work and visit here

Meet the City of Yellowknife



PHOTO: PAT KANE

Community Services

Community Services strives to foster a sense of community spirit unique to Yellowknife through the delivery of its programs and special events. It contains three divisions - Programs, Facilities, and Library - that together, provide diverse and high-quality recreation and leisure opportunities. 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, and administers a variety of grant programs and service contracts. Many capital upgrades and developments to the facilities are managed through Department resources. These projects ensure that City facilities continue to meet the needs of the community, achieve or exceed their full life expectancy, and attain a high level of energy conservation to reduce energy costs. The Department also works with partner agencies throughout the city to address homelessness.

Corporate Services

Corporate Services has four divisions: Financial Services; Taxation, Budgeting and Evaluation; Corporate Services and Risk Management; and Information Technology. 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 Mayor and Council, Senior Administration and the municipality that is typically associated with the role of chief financial officer.

Communications and Economic Development

Communications and Economic Development oversees economic development programs and all corporate communication including media relations. Their primary responsibility is to provide leadership to advance all strategic communication initiatives of the City. The Department has many initiatives that promote and enhance the local economy, draw investment to Yellowknife, enhance community engagement and work to bridge communication amongst all residents, groups, agencies and the City of Yellowknife.

Planning and Development

Planning and Development consists of two divisions: Planning and Lands, and Building Inspections. Together, they have a broad range of policy, regulatory, and program responsibilities. The Department administers the permitting process, as well as ensures planned development meets the requirements of local regulations. The Planning and Lands Division coordinates and facilitates the planning, development, and disposition of lands within the City of Yellowknife. This includes the preparation and realization of long-range land use plans, the provision of information and policy recommendations on land-related subject, and the administration of the Zoning By-law and all of the City's land-related transactions, including purchases, sales, leases, agreements and the by-laws required for each. The Building Inspections Division conducts inspections to maintain the safety and standards of all buildings within the City of Yellowknife.

Public Safety

Public Safety is responsible for providing several essential services to ensure residents are safe, healthy, and secure. This includes emergency services and dispatch such as fire and emergency response, ambulance, public education, Hazardous Materials Response (HAZMAT), and rescue services such as water/ice rescue and confined space rescue. In addition to emergency services, the Department is responsible for Municipal Enforcement and works to ensure that Yellowknife remains a safe, clean, enjoyable place to work, live, and visit by enforcing a number of by-laws and traffic laws. The Department also works to keep citizens safe by raising awareness of the importance of Emergency Preparedness and conducting Fire Smart activities as part of the City of Yellowknife's Wildfire Mitigation Plan.

Public Works and Engineering

Public Works and 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 delivers programs in three areas: Engineering, Works, and Solid Waste. The Engineering Division delivers and administers the City's capital works programs, which include major construction under the water and sanitation program (such as water treatment and sewage disposal facilities), the roads and sidewalks program (new road construction, paving and concrete work), the land development program and major and minor capital works for other City departments. The Works Division carries out the operations and maintenance programs which cover the delivery of basic municipal services, including: piped or trucked water and sewer services to all City residents, garbage collection, maintenance and repair of the City's roadways and sidewalks, and vehicle servicing for all City departments. The Solid Waste Division carries out the disposal of waste in accordance with regulations and facilitates recycling.



GFOA Award for Financial Statements

In 2015, the City of Yellowknife received the Canadian Award for Financial Reporting (CANFR) for the 16th 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, as set by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

The City of Yellowknife has received the Canadian Award for Popular Annual Financial Reporting Award Program nine times.

The Government Finance Officers Association established the Popular Annual Financial Reporting Awards Program (PAFR Program) in 1991 to encourage and assist state and local governments to extract information from their comprehensive annual financial report 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 and then to recognize individual governments that are successful in achieving that goal.



2015 *The Year in Review*

At the City of Yellowknife, we are consistently working together to make Yellowknife a great city to live, work and visit. Here is a snapshot of activities in 2015 and how we are working to do that:

Improving citizen engagement

- The City did extensive public consultation as part of the 2016 Budget Process. During the second half of 2015, the City invited Yellowknifers to provide input using various methods including public presentations, meetings, an online survey, email, OpenGov and several open houses. A total of 288 people completed the online survey, more than five times the number of responses received the previous year;
- Conducted multiple public and stakeholder consultation sessions for the Franklin Avenue and 50th Street corner area revitalization and rezoning of the Grace Lake South and Kam Lake area;
- Engagement with residents through an online survey and open house on the development of Hank Koenen Park. As part of the City's Harbour Plan, development of this new park on Back Bay commenced in 2015.

Providing enhanced online services

- YK Click & Fix, a free mobile app and communications platform for residents to report non-emergency issues. All questions by residents, as well as answers from the City are made public in order to maintain maximum transparency. In its first year, YK Click & Fix was downloaded 596 times and used 427 times to report issues;
- Ping Street, a free mobile app launched in October 2015 that provides residents with real-time access to helpful information and engaging tools including an events calendar and transit info. In 2015, Ping Street received a total of 11,378 page views by 441 unique users;
- Further enhancements to the City's online self-service tools. Residents can now use the Property Tax Calculator to calculate their taxes and display a breakdown on how the City uses those funds, as well as review history of taxes they have paid;
- Upgrades to City Explorer, an interactive map where users can find locations, features and addresses within the city quickly and easily, to make it more browser friendly and accessible on mobile devices. A total of 16,155 page views were registered in 2015 by more than 7000 users. The website received 1,148,942 views in 2015 showing that it is a highly used resource;
- Improvements made in communication process between client/building inspector resulted in 75% of online applications which reduced the processing time to an average of 5 days.

Help us plan for tomorrow Join our Budget Open House

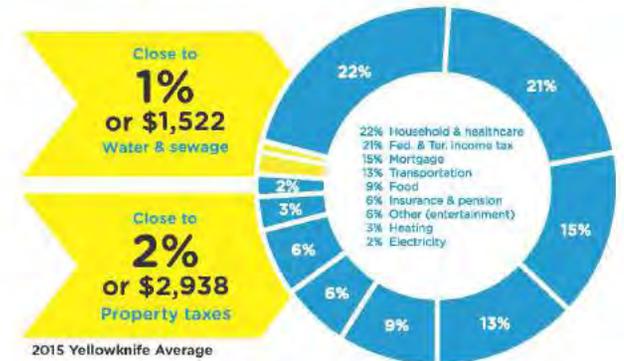
City Hall Council Chamber

Tuesday, November 17th 11:30 am - 1:30 pm
7:00 pm - 9:00 pm

Thursday, November 19th 11:30 am - 1:30 pm
7:00 pm - 9:00 pm

Average Expenditures for Yellowknife Homeowners

Source: Statistics Canada's Survey of Household Spending 2012/NWT Bureau of Statistics



BUDGET ENGAGEMENT

Broken Parking Meter? Pothole?
Overflowing garbage can?

REPORT IT WITH

CLICK & FIX CAMPAIGN

pingstreet

A free one-stop mobile application for City of Yellowknife services!

- ELECTIONS**
All the key details for the upcoming municipal election: dates, candidate listing and information for voters.
- EVENTS**
Calendar listings for events happening in Yellowknife.
- NEWS & NOTICES**
Stay up-to-date on the latest City of Yellowknife news.
- GARBAGE** (starting in November)
Schedule collection reminders into your calendars, and never miss a garbage day again!
- TRANSIT**
Locate nearby Yellowknife Transit bus stops and bus times.
- CLICK N FIX YK**
Report a problem directly to the City and attach a photo. Reports will be forwarded to the appropriate City department for follow up.
- FACEBOOK**
View the latest City of Yellowknife Facebook posts, even if you don't have Facebook!
- TWITTER**
Don't have Twitter? No problem, view all of the City of Yellowknife posts here.

Download **pingstreet** onto your tablets and smartphones using the App store. Watch the videos at yellowknife.ca.

communications@yellowknife.ca | 920-5600

Compost Sale



Solid Waste Facility
Saturday, September 13
12-5pm

Minimum charge	\$5.00
Small orders	\$0.25/kg
Large orders	\$0.10/kg or \$70/load

Bring your own containers! Payment is cash only.

The Centralized Compost Pilot Project has diverted 913 tonnes of organic material and produced over 450 tonnes of Black Gold Compost for resident and municipal gardens.

The City of Yellowknife is growing the Compost Project with a move to city-wide organics curbside collection over the next four years. This November, single family dwellings in the Range Lake area will be the first to receive organics curbside collection!



yellowknife.ca



P: 873-6019

E: compost@ecologynorth.ca

Thinking green

- A landmark environmental agreement for Giant Mine Remediation Project was signed between the City of Yellowknife and the Federal Government of Canada, The Government of the Northwest Territories, Yellowknives Dene First Nation, North Slave Métis Alliance and Alternatives North in June 2015;
- Investments to make City facilities more environmentally-friendly with the replacement of the Yellowknife Community Arena ice plant and installation of a waste heat recovery system;
- Working in partnership with Ecology North, the City expanded the curbside compost collection program to 750 homes in Old Town, Niven and School Draw Areas. This was accompanied by a public education campaign to encourage residents to compost. Since the implementation of the curbside organics program, approximately 176 tonnes of organics have been diverted from the landfill. Compost was also available for residents to purchase in the summer of 2015 from the central compost facility at the Yellowknife landfill;
- Design and construction of Phase 2 of the compost pad at the Solid Waste Facility;
- Promotion of home energy efficiency standards and regulations.

Keeping residents' safe

- Introduced the Wildland Fire Mitigation Project and invested in emergency structure protection kits, with guidance from the GNWT Department of Environment and Natural Resources (ENR). Each kit includes hoses, connections and sprinklers that could be deployed in neighbourhoods where wildland fires are approaching;
- Fire Smart Initiative: Over the 2015 summer, City crews conducted Fire Smart activities to mitigate the current and future risk of a wildland fire such as trimming branches, removing deadfall, pruning and clearing underbrush in public areas and partnered with ENR to promote how to Fire Smart your home and property. The Fire Division also worked with public educators to deliver fire safety education to schools, day homes and day cares;
- The implementation of a stand-alone dispatch service located within the Yellowknife Fire Division to provide professional and efficient service to residents.

Supporting business growth and economic development

- Business Improvement Districts: The City organized a public event to engage with the business community where two guest speakers came to Yellowknife to discuss the process of establishing a Business Improvement District;
- Whitehorse/Yellowknife Trade Mission: The City of Yellowknife worked in partnership with the City of Yukon to host this event. Business and government officials attended, as did members of the public;
- Dine Out: the City created a dine-out option to encourage events and conferences held in Yellowknife to take part in a signature dining experience in Yellowknife;
- Partnered with the YK Chamber and the NWT Business Development and Investment Corporation (BDIC) throughout the year to offer a range of training for small businesses;
- Actively involved in the preparation of information in the bid for Yellowknife to host the 2023 Canada Winter Games and served as representative on the Canada Winter Games Committee;
- Hosted business focus groups in March 2015 to get feedback from local business owners on how to best provide support to entrepreneurs.





Improving public transit

- Based on resident feedback, the City adjusted timing of new transit routes in January 2015. A public awareness campaign, “Yield to the Bus” was launched to encourage drivers to give transit buses the right of way when pulling away from transit stops;
- City staff worked with the organizers of Folk on the Rocks and the NWT Pride Festival to provide transit services for residents attending the scheduled activities, and free transit was provided on Car Free Day (September 22nd) and during the Christmas holidays (December 21st through January 3rd) to promote transit use;
- Introduced a monthly pass for use on Yellowknife’s Accessible Transit System (YATS) (previously only single ride and punch passes were available).

Promoting tourism growth

- Launched social media campaign, #ykfestivals, to promote local festivals;
- Launched Be a Tourist in Your Own Town to increase awareness and involvement of tourism offerings in the capital city;
- Published updated version of *Free Things to do in Yellowknife*, an information card aimed at tourists and placed at the Yellowknife airport and the Northern Frontier Visitors Centre;
- Worked with local artists to develop new “Made in Yellowknife” banners for Old Town.

Building and maintaining infrastructure

- The 2015 construction season saw the continuation of two of the largest projects in the City’s history: Northlands Infrastructure upgrades and upgrades to the Water Treatment Plant. City staff continued to implement the detailed design, and all residents were hooked up to the new infrastructure in November 2015;
- Completion of the reconstruction and beautification of 52nd Avenue and the installation of a bike lane/multi-use path;
- Provided design, engineering and management services on a variety of paving, construction and infrastructure projects as well as heightened resident safety through the ongoing maintenance of sidewalks, roads and traffic lights;
- Installation of new storm drains and culverts in various locations to assist with surface drainage.

Revitalizing the downtown core

- Food on Franklin: Initiated a regular Food on Franklin event in summer 2015 to bring people, food, music and art to the downtown;
- Continued engagement on the use of vacant lots in the downtown area to attract more foot traffic and business.

Housing and Commercial Development

- Ground-breaking of the new Stanton Territorial Hospital and Nova Hotel;
- Twin Pine Development: In 2015, Yellowknife saw the start of the development of 126 multi-family residential units at Twin Pine Hill;
- Lakeshore Development: Development of this single family modular home neighbourhood adjacent to Kam Lake was in full progress in 2015 and when complete in 2017, will add over 100 additional homes to the local housing market;
- Processed 496 residential permits and 103 non-residential permits for 40.5 mil residential and 32.6 mil non-residential construction value;
- Provided input and assistance on 'tiny house' development, requirements, and options.

Promoting healthy lifestyles and an active community

- Worked with various organizations to host more than 30 events including Canada Day celebrations, annual summer Garden Tour, community showcase and Municipal Enforcement Bike Rodeo;
- More than 700 recreation and leisure programs offered at the library, swimming pool, or general interest;
- Continuation of *Our Yellowknife* campaign that celebrates residents who care, contribute and help define our Capital City of the Northwest Territories;
- In January 2015, the City of Yellowknife's Public Library, in partnership with Government of the Northwest Territories' Department of Health and Social Services, hosted a community event called The Human Library: Let's Talk About Cancer! The event opened up communication around cancer and its impact on a person's life.



PHOTO: PAT KANE



PHOTO: PAT KANE



RUTH INCH MEMORIAL POOL



Strengthening Partnerships

- Worked with community partners to plan several events and encourage citizen participation, tourism and business such as the Ecology North Local Economies Gathering, the World Shore Lunch Championship, NWT Tourism Annual General Meeting and the Geoscience Forum.
- In 2015, the City of Yellowknife contributed \$418,000 to community organizations through our Core Funding and Special Grant programs.

Tenders, RFQs and Standing Offer Agreements by the City of Yellowknife in 2015

15 tenders at a total value of **\$6,136,277**

28 RFPs at a total value of **\$5,651, 437**

3 RFQs at a value of **\$95,435**

Completed 13 Standing Offer Agreements (SOA)

2016 Budget includes revenues of **\$66,849,000**, debt repayment of **\$1,460,000** and expenditures of **\$79,626,000** including Capital Investment of **\$20,492,000** and amortization of **\$12,837,000**

Election and Voter Turnout

In preparation of the 2015 municipal election, the City of Yellowknife adopted various methods to update its Municipal Voters list to increase voter turnout, with great success: 5,959 of 10,800 of eligible residents of Yellowknife cast their vote in the municipal election. This 55.2% voter turnout signifies an all-time record for the City of Yellowknife.

ELECTION YEAR	TURNOUT
2015	55.2%
2012	49%
2009	48%
2006	29%
2003	41.9%

Our Yellowknife campaign

Our Yellowknife campaign celebrates our residents who care, contribute and help define our Capital City of the Northwest Territories.

Our Yellowknife



Marie Speakman, Victim Services Worker

I am a member of the Délı̄ne First Nation and moved to Yellowknife with my family fifteen years ago. I am living a journey of sobriety for more than three decades and have lived through many hardships in my life time; overcoming lots of challenges based on those experiences. I help many people who have been affected by violence and injustice. There is a lot of appreciation from people here and all over. In my spare time, I enjoy attending church and am part of a Bible study. I watch a lot of National news and sometimes go to movies at the theatre.

yellowknife.ca

Our Projects: *An In-depth Look*

Environmental Agreement

A landmark environmental agreement for Giant Mine Remediation Project was signed between the City of Yellowknife and the Federal Government of Canada, the Government of the Northwest Territories, Yellowknives Dene First Nation, North Slave Métis Alliance and Alternatives North in June 2015. After being put on hold in 2013, negotiations restarted late 2014.

The outcome of the successful eight month negotiations was an independent oversight body which will overview all work done by the Giant Mine Remediation. The oversight body will provide guidance and independent advice on the Giant Mine Remediation Project and ensure Northerners have a direct voice on a broad range of matters concerning the remediation project. The City was particularly pleased with the outcome as this oversight body signifies increased access to information for residents.

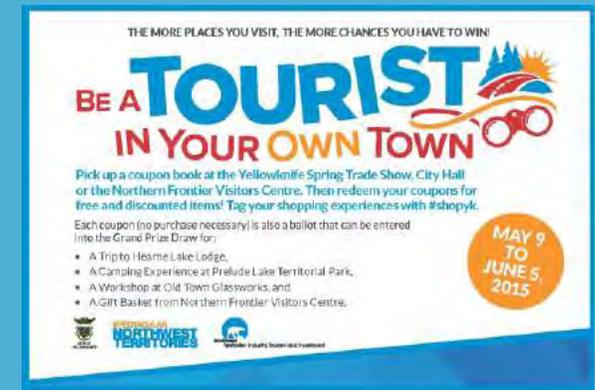
The oversight body will include representation from each of the signatories of the Agreement and will be housed in Yellowknife.

"The signing of the Environmental Agreement is a milestone in the history of our community's work on the Giant Mine Remediation Project. The Agreement celebrates a more collaborative approach to carrying out the remediation. We are particularly pleased there will be ongoing investment into a better solution, while working with our residents and other orders of governments to identify options and priorities."

- Mark Heyck, Mayor, City of Yellowknife

"Our Government remains committed to the health and safety of all Canadians and Northerners; that's why we are proud to sign the Environmental Agreement and take an important step forward towards the creation of an independent oversight body for the Giant Mine remediation project."

- Bernard Valcourt, Minister of Aboriginal Affairs and Northern Development



Tourism Promotion

Be a Tourist in Your Own Town

Launched in May 2015, in partnership with the Government of the Northwest Territories, Be a Tourist in Your Own Town encouraged residents to see and experience Yellowknife through the eyes of a tourist. Coupons could be redeemed for discounts, activities and free gifts at participating retailers, with a grand prize draw concluding the promotion. A total of 3086 ballots were collected.



#ykfestivals

This social media campaign promoted local festivals and increased awareness of Yellowknife as a travel destination. Yellowknife festival-goers were invited to post on Twitter and Instagram using #ykfestivals for a chance to win. The campaign generated an online buzz with participants posting a total of 254 posts on Twitter and 232 posts on Instagram.





Yellowknife Community Arena Ice Plant Replacement and Heat Recovery Installation

The City of Yellowknife made investments to make two facilities more environmentally friendly, with the replacement of the Yellowknife Community Arena ice plant, and installation of a waste heat recovery system.

The first project phase, replacing the ice plant, was completed in 2015. The Ice Rink at the Multiplex was first to be connected in November 2015, in time for the start of the season. The Curling Club and Ruth Inch Swimming Pool will follow in early 2016, making the waste heat recovery system the primary heating system utilized for all three facilities. Heat from wood pellets and oil will be second and third options when necessary.

This project will extend the longevity of the facilities and displace approximately \$33,000 in pellets and \$76,000 in oil thus creating annual savings in the amount of \$109,000. The heat recovery system will also replace 159 tonnes of carbon dioxide emissions annually.

As demonstrated at the Multiplex, a refrigeration system with heat recovery would be able to cover the remaining heating requirements for this cluster of facilities, saving the City approximately \$165,000 annually in oil costs. This would essentially make the Yellowknife Community Arena, Ruth Inch Memorial Pool, and Curling Club carbon-neutral and completely powered by renewable energy.

Twin Pine Hill

PUBLIC TRAILS

Join us for a walk around Twin Pine Hill. As we walk, we want your ideas regarding trail routes, access and look-out points to support the design of an effective trail network for the area.

WALK-ABOUT TOURS:

February 24, 25, 27 from 12 - 2pm
Meet at **Sunlines Convenience Store**.
Bring walking boots and dress to be outside!



CHECK OUT THE MAP!



communications@yellowknife.ca | 867.920.5600

[Facebook](https://www.facebook.com/yellowknife.ca) [Instagram](https://www.instagram.com/yellowknife.ca) [YouTube](https://www.youtube.com/yellowknife.ca) yellowknife.ca

Twin Pine Development

In 2015, Yellowknife saw the start of the development of 126 multi-family residential units at Twin Pine Hill. The area is being developed and completion is expected in 2017. The City of Yellowknife engaged with residents on the addition of a public trail network to take advantage of the striking views in this new residential area.

Community Grants

Helping Non-Profit groups help our Community

The City of Yellowknife provides Special Grants for projects, events and programs for non-profit organizations to a maximum of \$10,000 per activity per organization, and 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 City of Yellowknife proudly supports community organizations. Together we are building a vibrant city!

"The Special Grant funding which the Yellowknife Farmers Market received in 2015 enabled our organization to increase our outreach in the community through the Yellowknife Food Charter, the Landshare Program and promotion!"

- Yellowknife Farmers Market President, Franco Giroux

Core Funding Recipients, 2015

Organization	Funding Level
Aurora Fiddlers Association	\$ 5,000
Canadian Championships Dog Derby	\$ 12,500
Ecology North	\$ 15,000
Folk on the Rocks	\$ 13,500
Food Rescue	\$ 10,000
Foster Family Coalition of the NWT	\$ 5,000
Northern Arts and Cultural Society	\$ 65,000
NorthWords NWT	\$ 3,500
NWT Disabilities Council	\$ 27,000
NWT SPCA	\$ 10,000
Snow King Festival	\$ 10,000
Special Olympics NWT	\$ 4,000
St. John Ambulance	\$ 9,000
Yellowknife Assoc. for Community Living	\$ 11,000
Yellowknife Golf Course Cooperative Ltd.	\$ 10,000
Yellowknife Guild of Arts & Crafts	\$ 5,000
Yellowknife Gymnastics Club	\$ 20,000
Yellowknife Marine Rescue Society	\$ 4,500
Yellowknife Playgroup Association	\$ 5,000
Yellowknife Seniors Society	\$ 55,000
Yellowknife Ski Club	\$ 20,000
Total	\$ 320,100

Special Grant Recipients, 2015

Organization	Funding Level
Canadian Parents for French	\$ 750
Food First Foundation	\$ 1,000
Long John Jamboree	\$ 10,000
Midnight Sun Fly In Association	\$ 7,500
MS Society of Canada AB/NT Branch	\$ 1,750
NWT Riders Association	\$ 3,000
North Slave Metis Alliance	\$ 8,000
NWT Breast / Health Breast Cancer Action	\$ 1,750
NWT Mining Heritage	\$ 3,500
NWT Pride	\$ 4,400
NWT Soccer Association	\$ 5,000
NWT Wellness Society	\$ 1,500
Old Town Community Association	\$ 6,000
Western Arctic Moving Pictures	\$ 7,500
Yellowknife Artists Run Community Centre	\$ 8,000
Yellowknife Climbing Club	\$ 4,500
Yellowknife Community Garden Collective	\$ 3,000
Yellowknife Farmers Market	\$ 10,000
Yellowknife Multisport Club	\$ 5,000
Yellowknife Shooting Club	\$ 1,500
Yellowknife Wasieleski Karate Foundation	\$ 750
Young Life of Canada	\$ 3,500
Total	\$ 97,900

We've restructured our Community Grant Program. The deadline to apply is January 11, 2016. For more information visit: www.yellowknife.ca

Photo credit: Angela Gowinski / Yellowknife Farmers Market



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Looking Ahead: *Departmental Goals & Objectives 2016-2019*

Community Services

GOALS

- 1 Robust recreational, cultural, educational, and informational opportunities;
- 2 Fair, equitable and accessible programs and services which promote participation for people of all ages;
- 3 Safe and comfortable recreation environments for participants and spectators;
- 4 Adaptable and responsive City services provided according to ever-changing trends and needs of the community; and
- 5 Expanded multi-purpose and multi-use recreation and leisure opportunities.

OBJECTIVES

- 1 Continue to work with committees of Council such as the Community Advisory Board on Homelessness, the Grant Review Committee, and the Combative Sports Commission to provide best possible service to the Community;
- 2 Ensure that 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 and leisure 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 programs, events, facilities and opportunities available for the public remain current, meaningful and relevant.

Communications & Economic Development

GOALS

- 1 A business-friendly city with a vibrant downtown;
- 2 Yellowknife is an attractive tourist destination;
- 3 A diversified economy with expanded education and job opportunities;
- 4 Engaged and informed residents; and
- 5 Communication and information provided to residents is accessible, accurate and timely.

OBJECTIVES

- 1 Work with the Northern Frontier Visitors Association and Northwest Territories Tourism to market Yellowknife as a tourist destination and provide customer service training to tourism operators to ensure Yellowknife is a great place to visit;
- 2 Work to attract business tourism to Yellowknife with groups such as northern mining companies, climate change events, and Circumpolar conferences, and work to identify and address infrastructure gaps that may have previously prevented large business audiences from holding events in 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; and
- 5 Develop innovative and engaging campaigns and channels to effectively communicate with city residents and businesses.

Corporate Services

GOALS

- 1 Accurate and timely taxation and financial information provided both internally and externally;
- 2 Reliable, sustainable, proactive information technology infrastructure;
- 3 Efficient, effective, and timely geomatics services;
- 4 Streamlined revenue collection processes; and
- 5 Established partnerships and excellent customer service.

OBJECTIVES

- 1 Prepare audited financial report annually;
- 2 Prepare multi-year budget document annually incorporating the asset management plans for next 10 years that 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.

Planning and Development

GOALS

- 1 Streamlined division operations with improved customer service;
- 2 Increased public awareness and appreciation of energy-efficient building standards;
- 3 Continued progress on implementation of key plans including the Smart Growth Development Plan, 2011 General Plan, Yellowknife Harbour Plan and Capital Area Development Plan;
- 4 Increased promotion and use of CityView Online Permitting system; and
- 5 Strategic acquisitions made through the Land Development Fund and in line with the Smart Growth Plan and the 2011 General Plan.

OBJECTIVES

- 1 Update specific section of Building By-law, Zoning By-law and Land Administration By-law to meet the City's goals and effectively convey this information to the public and developers;
- 2 Continue public input and planning work on the Capital Area Development Plan, Twin Pine Hill, Hordal Bagon, Grace Lake, Kam Lake, Niven Lake Phase VII, Niven V, Engle Business District, and Enterprise Drive;
- 3 Explore alternatives to complete the Eco-housing project;
- 4 Provide a framework and options for tiny home development in the City; and
- 5 Continue public engagement on 50th Street revitalization including the redevelopment of the 50/50 lot and the three lots adjacent Smart Bee and the Raven Pub.

Public Safety

GOALS

- 1 Efficient, competent, responsive emergency response;
- 2 Consistent, fair and timely by-law enforcement;
- 3 Educated public on fire safety and emergency prevention;
- 4 A safe community for residents and visitors; and
- 5 Continued partnerships developed as the City continues work toward positive change in relation to various social issues.

OBJECTIVES

- 1 Continue to provide comprehensive administration of City by-laws, territorial statutes and regulation governing the safe operation of motor vehicles, bicycles, snowmobiles and other mobile equipment;
- 2 Continue to work with other City Departments and government agencies to ensure that the City provides comprehensive services and programs to our residents, and provide support to other communities when possible, within a sound financial framework;
- 3 Provide responsive, professional, competent emergency aid and fire protection services;
- 4 Work with partners via public education and preparation to ensure that Yellowknife is ready in the rare case of a local emergency; and
- 5 Continue to work with other agencies to improve timeliness and effectiveness through training and other means.

Public Works and Engineering

GOALS

- 1 Effective management of solid waste with emphasis on public education of new technologies, recycling and composting;
- 2 Operational traffic control systems with improved detection of problem intersections;
- 3 High-quality, reliable potable water provided with efficient and responsible water waste disposal;
- 4 Cost-effective, safe, and reliable municipal transportation systems provided and promoted all year; and
- 5 A fleet of well- maintained vehicles and equipment.

OBJECTIVES

- 1 Work to implement the Community Energy Plan, the Community Waste Management Strategic Plan and the External Review of the Solid Waste Facility Operations and Processes;
- 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.);
- 3 Provide the community with potable water that meets or exceeds national standards and local requirements, and treat and dispose of water waste to meet or exceed requirements;
- 4 Remove snow from major thoroughfares and intersections before ice and snow accumulations cause the roadway to become unsafe, and 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 timely and cost-effective basis; provide priority maintenance to emergency vehicles.

Financial Statements

Complete 2015 financial statements can be viewed at www.yellowknife.ca.

During 2015, the City recorded total revenues from all sources of \$50.05 million (2014 - \$51.32 million). Recorded expenses for the same period were \$55.79 million (2014 - \$70.03 million). The budgeted revenues were \$50.17 million with budgeted expenses of \$57.67 million. Financial highlights with details of revenues and expenses are presented below.

Financial Highlights

Key financial highlights for 2015 are as follows:

- The 2014 financial statements were restated to record a \$16.1 million increase to the provision for landfill closure. A third party review of the landfill closure requirements and costs was completed after a regulatory body identified that the City's interim landfill closure and reclamation plan was missing certain requirements. The report identified that the liability was understated resulting in a prior period adjustment.
- Upgrades to the water and sewer infrastructure in Yellowknife Condominium Corporation No. 8 were substantially completed in 2015 resulting in the recognition of \$8.6 million in contributed tangible capital assets.
- The 2015 financial statements show an annual surplus of \$14.3 million compared to the restated annual deficit of (\$6.3) million in 2014.

Provision For Landfill Closure And Restatement Of Financial Statements

The City's landfill is currently comprised of two separate sites, known as the old landfill site and Cell A, both located within the same general area. In May 2015, a regulatory body identified additional closure requirements that were not included in the City's interim landfill closure and reclamation plan. The City had an independent review completed to determine the costs of closure and post-closure activities. The report incorporated the additional requirements identified by the regulatory body. The report indicated that the current liability recorded by the City for closure of the landfill was understated by \$16.1 million. The 2014 financial statements have been restated to reflect this cost. As a result of the restatement, the 2014 annual surplus (deficit) as shown on the consolidated statement of operations changed from \$9.7 million to (\$6.3) million and the accumulated surplus decreased from \$257.4 million to \$241.3 million.

Upgrades To Yellowknife Condominium Corporation No. 8 Water And Sewer Infrastructure

In May 2012 a Memorandum of Understanding (MOU) between the City and Yellowknife Condominium Corporation No. 8 (Northlands) was signed in order to facilitate the replacement of the water and sewer infrastructure owned by Northlands. The MOU led to a petition supporting a Local Improvement Charge (LIC) to allow the City to complete the water and sewer infrastructure upgrades on behalf of Northlands and recover the costs. By-law No.4696 authorizing the City to undertake local improvements for Northlands, with 100% of the total costs of the local improvements to be financed through a LIC, was passed in July 2012. The MOU stated that Northlands would turn over the new infrastructure to the City upon completion.

Replacement of the water and sewer infrastructure began in 2013 and the project was substantially completed in November 2015. The City recorded a contribution of tangible capital assets of \$8.6 million on the consolidated statement of operations in the current year. The \$8.6 million represents the transfer of ownership of the water and sewer infrastructure from Northlands to the City. As of December 31, 2015 the local improvement charge receivable was \$15.8 million. Remaining project costs to be incurred in 2016 are estimated at \$0.3 million.

A summary of the project costs and revenues is on the following page.

Yellowknife Condominium Corporation No. 8 Local Improvement Charge Receivable as of December 31, 2015:

Contracted Project Costs	\$15,587,499	Project costs incurred from January 2013 – December 31, 2015
Interest Expense	1,322,229	City borrowed \$15.8 million to finance project. This represents total interest paid up to December 2015.
Total Project Costs	16,909,728	
Less: Interest Revenue	(301,097)	City invested proceeds of debt over life of the project. This represents total interest earned on the invested funds.
Less: Payment from Northlands	(800,000)	Northlands paid \$0.8 million to apply against LIC receivable in December 2015
LIC Receivable	\$15,808,631	

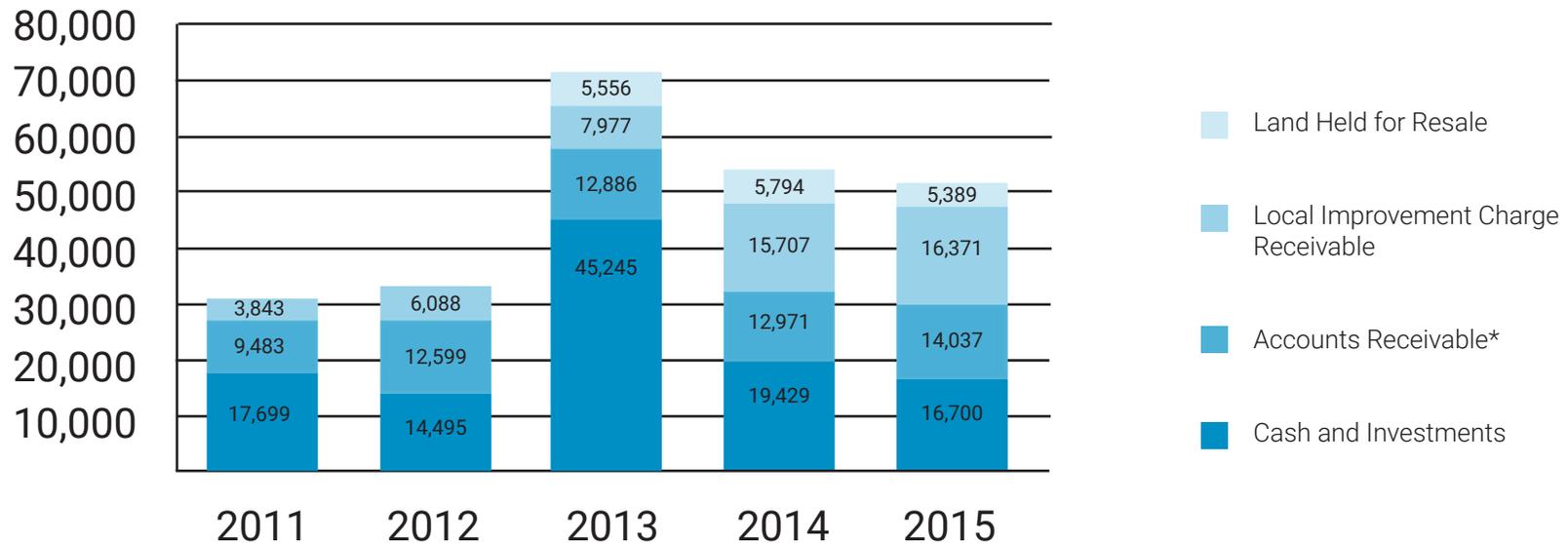
Breakdown of costs between Contributed Tangible Capital Assets and other project costs:

Contributed Tangible Capital Assets	\$8,598,616	Portion of costs that represent Tangible Capital Assets for the City
Other Costs	8,311,112	Replacement of water and sewer service connections (connection between City main and residence) which is the responsibility of the homeowner and interest costs.
Total Project Costs	16,909,728	

Consolidated Statement of Financial Position

Financial Assets

(in 000's)



*Includes grants receivable, taxes receivable, water and sewer receivable and other receivable.

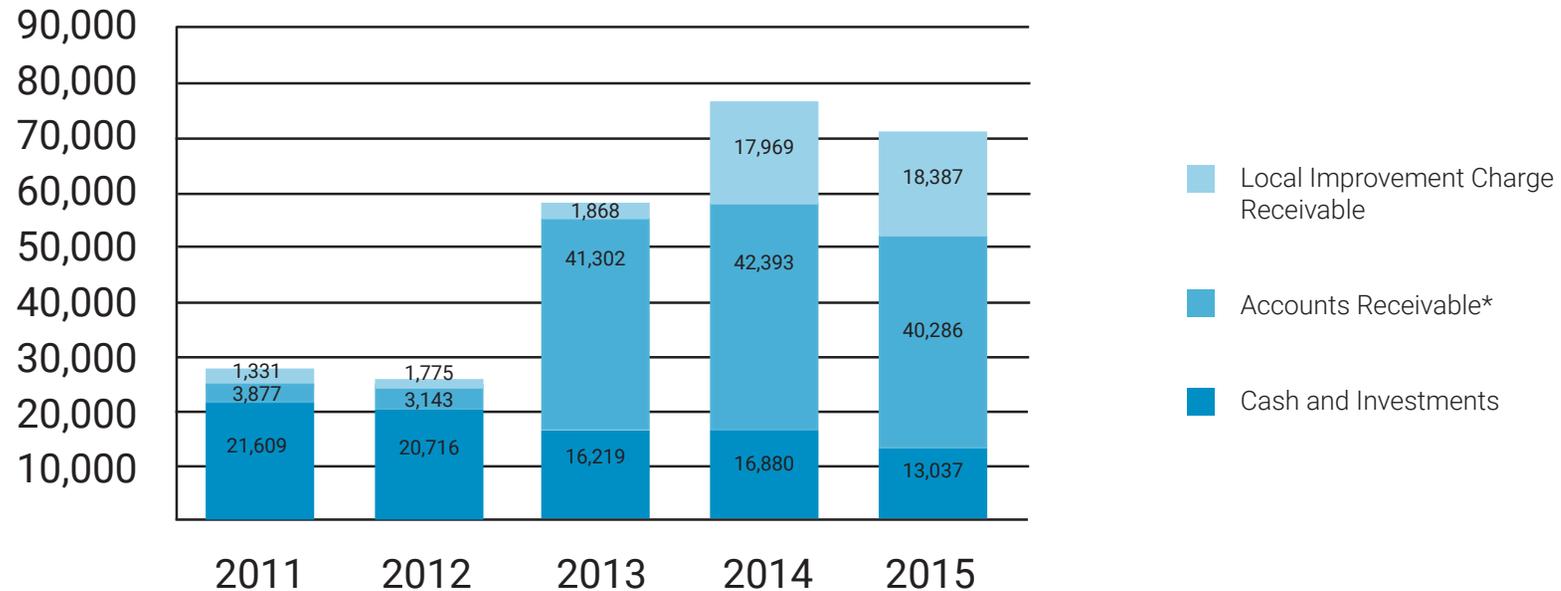
The City's financial assets are comprised of cash and investments, accounts receivable, local improvement charge receivable and land held for resale. Financial assets decreased \$1.4 million (2.6%) from the previous year primarily due to a decrease in cash and investments. Financial assets increased significantly in 2013 primarily as a result of an influx of cash from debt proceeds for loans taken out to finance the construction of the water treatment plant and the water and sewer infrastructure upgrades in Northlands. A local improvement charge receivable was also recorded for upgrades to properties in Niven Lake Subdivision and for the work completed on the water and sewer upgrades in Northlands.

Financial assets decreased in 2014 as the cash from the debt proceeds was used to pay for the project discussed above. The decrease in cash and investments was partially offset by an increase in the local improvement charge receivable.

Going forward, the City expects financial assets to decline as the local improvement charge receivable is recovered.

Financial Liabilities

(in 000's) (restated)



*Includes accounts payable and accrued liabilities, wages and compensated absences payable, retirement benefits liability, school taxes payable, deposits payable and deferred revenue.

The City's financial liabilities are comprised of accounts payable, long-term debt and provision for landfill closure. Financial liabilities decreased \$5.5 million (7.2%) from the previous year primarily due to repayment of long-term debt and a decrease in accounts payable.

Financial liabilities increased significantly in 2013 primarily as a result of long-term debt borrowed to finance the construction of the water treatment plant and the water and sewer infrastructure upgrades in Northlands.

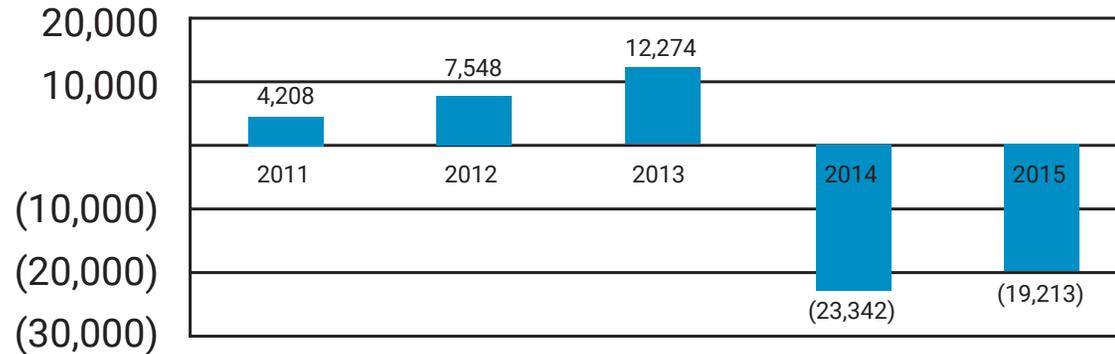
There was another significant increase in financial liabilities in 2014 primarily as a result of an increase to the provision for landfill closure. The 2014 financial statement numbers were restated to record the increase of \$16.1 million to the provision for landfill closure.

Accounts payable have declined over the past five years primarily due to a decrease in deferred revenue as deferred gas tax funding was used to partially finance the construction of the water treatment plant.

Going forward, the City expects financial liabilities to decline as long-term debt is repaid.

Net Financial Assets (Liabilities)

(in 000's) (Restated)

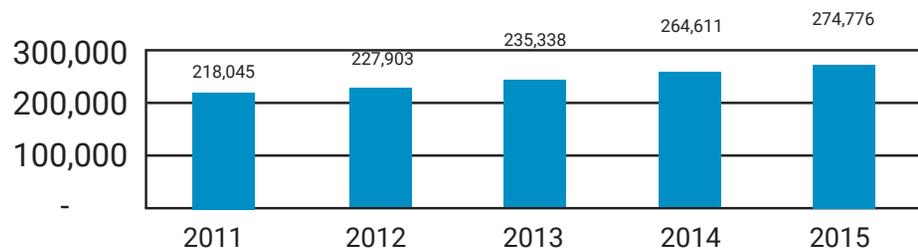


The City went from a net asset position of \$12.2 million in 2013 to a net liability position of (\$23.3) million in 2014, a change of \$35.5 million. \$19.1 million of the \$35.5 million change is due to financing the construction of the water treatment plant to meet the City's current and future needs.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

Net financial liabilities are (\$19.2) million at December 31, 2015. The \$4.1 million reduction in net liabilities from the previous year can be explained by a repayment of long-term debt of \$2.1 million and net reduction of other obligations as a result of the annual surplus. Going forward, the City expects to see an improvement in the net financial liabilities position.

Non-Financial Assets

(in 000's)



The City's non-financial assets are comprised of **tangible capital assets (99.6%)** and **inventories, prepaid expenses and deferred expenses (0.4%)**. Non-financial assets increased by \$10.2 million (3.8%) over the previous year primarily due to tangible capital asset additions.

Net **tangible capital asset additions** were \$21.6 million and included:

- \$2.0 million for ice plant upgrades at YK Arena
- \$4.4 million for the Water Treatment Plant
- \$1.6 million on road and sidewalk improvements
- \$2.8 million on general water and sewer upgrades
- \$8.6 million for Northlands water and sewer infrastructure upgrades
- \$2.2 million on other capital improvements.

Going forward, the City expects to see an increase in non-financial assets as it continues to invest in infrastructure.

Accumulated Surplus

(in '000's)	2015	2014 (Restated)	2013	2012	2011
Investment in TCA	\$252,204	\$240,645	\$209,844	\$225,107	\$214,820
Reserves	7,507	6,064	4,892	3,164	2,306
Net Surplus (Deficit)	(4,148)	(5,440)	32,876	7,180	5,127
	\$255,563	\$241,269	\$247,612	\$235,451	\$222,253

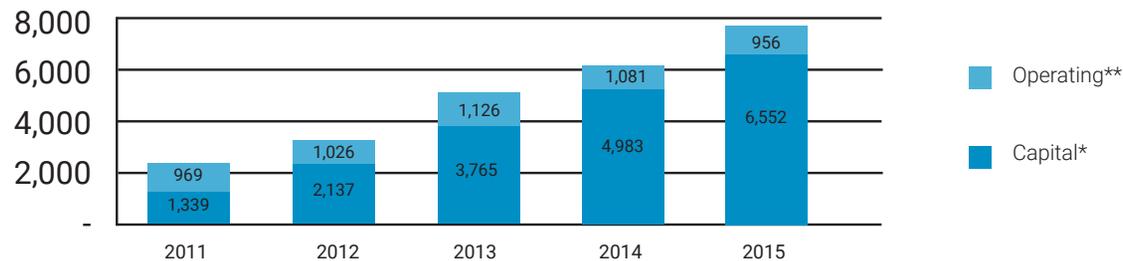
***Comprised of surplus (deficit) from all funds.**

98.7% of the City's accumulated surplus has already been spent through investment in tangible capital assets with the remaining 1.3% of the balance comprised of reserves and net deficit. The prior year restatement of \$16.1 million to increase the liability for the landfill closure has put the City in a net deficit position.

Going forward, the City expects to see a decrease in the net deficit position by generating annual operating surpluses.

Reserves

(in 000's)



*Includes the Information Technology Reserve, Mobile Equipment Reserve and the Major Community Facility Reserve.

**Includes the Waterfront Development Reserve, Downtown Development Reserve, Heritage Reserve, Samuel Colley Donation Reserve and the Twin Pine Hill Trail Reserve.

The City allocates funds to reserves to meet future operating and capital requirements. There has been little change in the operating reserves over the past five years. The capital reserves have increased by \$5.2 million over the past five years. This is primarily due to an increase in the Major Community Facility Reserve which had a negative balance of (\$0.7) million in 2011 and has a balance of \$2.8 million as of the end of 2015. The Mobile Equipment Reserve has increased by \$1.4 million which is primarily due to delays in equipment purchases.

Consolidated Statement of Operations

Overall, revenue increased 8.1% over the previous year. This is primarily a result of the contributed tangible capital assets of \$8.6 million related to the water and sewer upgrades in Northlands. If the contributed tangible capital assets revenue was excluded from the analysis, 2015 revenue would have been 4.5% lower than the previous year.

Municipal taxes were 1% higher in 2015 than the previous year as a result of assessment growth as there was no increase in the tax rate.

User fees, licences and permits were 3.3% higher in 2015 than the previous year primarily due to an increase in fees for water and sewer, emergency response and transit services, and an increase in development permit revenue due to increased level of construction.

Continued on page 34

Revenues - Prior Year Comparison

(in '000's)	2015	2014	Variance	% change
Municipal Taxes	\$25,634	\$25,372	\$262	1.0%
User Fees, Licences and Permits	19,829	19,205	624	3.3%
Government Transfers - Operating	449	351	98	27.8%
Government Transfers - Capital	15,122	16,907	(1,784)	(10.6%)
Land Sales	1,779	3,697	(1,918)	(51.9%)
Contributed Tangible Capital Assets	8,599	0	8,599	N/A
Other *	2,363	2,698	(335)	(12.4%)
	\$73,775	\$68,230	\$5,545	8.1%

*Other includes investment revenue, fines and penalties, and franchise fees.

Government transfers – operating were 27.8% higher in 2015 than the previous year primarily due to new funding for water and sewer services from the GNWT.

Government transfers – capital were 10.6% lower in 2015 than the previous year primarily due to a decrease in Gas Tax funding as the previous year included recognition of Gas Tax funding that had been carried forward in deferred revenue.

Land sales were 51.9% lower in 2015 than the previous year because the City introduced purchase incentives for lots in the Engle Business district in 2014 which resulted in increased sales in that area.

Other revenue is 12.4% lower in 2015 than the previous year primarily due to a decrease in investment income as the level of investments held by the City has declined with the completion of the water treatment plant and the local improvements for Northlands.

Revenue - Comparison to Budget

(in '000's)	2015	2014	Variance	% change
Municipal Taxes	\$25,634	\$25,585	\$49	0.2%
User Fees, Licences and Permits	19,829	19,368	461	2.4%
Government Transfers - Operating	449	421	28	6.5%
Government Transfers – Capital	15,122	14,468	654	4.5%
Land Sales	1,779	2,415	(636)	(26.3%)
Contributed Tangible Capital Assets	8,599	0	8,599	N/A
Other *	2,363	2,383	(20)	(0.8%)
	\$73,775	\$64,640	\$9,135	14.1%

*Other includes investment revenue, fines and penalties, and franchise fees.

Revenues were 14.1% higher than budgeted. The increase is primarily a result of the **contributed tangible capital assets**. If the **contributed tangible capital assets** revenue was excluded from the analysis, 2015 revenue would have been 0.8% higher than budgeted.

User fees, licences and permits were 2.4% higher than budgeted primarily as a result of increases to emergency response and transit fees.

Government transfers – operating were 6.5% and **Government transfers – capital** were 4.5% higher than budgeted as the City was able to secure additional funding during the year.

Land sales were 26.3% lower than budgeted as sales in the Engle Business district were lower than anticipated.

Revenue - 5 Year Trend (excludes Contributed Tangible Capital Assets)

(in '000's)	2015	2014	2013	2012	2011
Municipal Taxes	\$25,634	\$25,372	\$23,588	\$23,415	\$22,309
User Fees, Licences and Permits	19,829	19,205	18,433	17,747	16,458
Government Transfers - Operating	449	351	291	500	314
Government Transfers – Capital	15,122	16,907	20,126	15,013	16,400
Land Sales	1,779	3,697	4,335	9,885	4,203
Other *	2,363	2,698	2,723	2,327	2,373
	\$65,176	\$68,230	\$64,496	\$68,887	\$62,057

*Other includes investment revenue, fines and penalties, and franchise fees.

Municipal taxes generally increase with growth and tax rate increases. Increases in 2013 and 2015 were related to growth as there was no increase in the tax rates. Increases in 2012 and 2014 were a combination of growth and tax rate increases.

User fees, licences and permits have generally increased due to rate increases.

Government transfers – capital will fluctuate from year-to-year based on the capital projects in progress. 2013 and 2014 were higher because Gas Tax funding carried forward in deferred revenue was recognized against eligible expenditures for construction of the water treatment plant.

Land sales will fluctuate from year to year based on the lots available for sale. In 2011 and 2012, a significant number of lots became available in Niven and Kam Lake respectively (Grace Lake and Enterprise Extension) which resulted in higher sales. Since 2012 there has been little development and new lots have not come on the market. The City has been introducing purchase incentives since 2014 to promote sales of available land. New lots are expected to become available for sale in 2016.

Other revenue has been relatively stable with the exception of 2013 and 2014 which were higher as a result of increased investment income. Investment income was higher as the proceeds from debt received in 2013 for the water treatment plant and Northlands upgrades were invested. As these projects have been completed, investments have declined and investment income has returned to normal levels.

Expenses

Expenses - Prior Year Comparison

(in '000's)	2015	2014 (Restated)	Variance	% change
Administration*	\$2,969	\$3,448	\$(479)	(13.9%)
Amortization	11,480	10,791	689	6.4%
Contracted and General Services	10,528	10,789	(261)	(2.4%)
Grants	415	418	(3)	(0.8%)
Interest on Long-Term Debt	707	758	(51)	(6.8%)
Land Expenses	639	217	422	194.2%
Landfill Closure and Post-Closure	418	16,100	(15,682)	(97.4%)
Minor Capital	3,689	4,538	(849)	(18.7)%
Salaries, Wages and Benefits	23,883	22,784	1,099	4.8%
Utilities	3,695	3,593	102	2.9%
Vehicle Operations & Maintenance	1,058	1,135	(77)	(6.8%)
	\$59,481	\$74,571	\$(15,090)	(20.2%)

*Administration includes bad debt, bank charges and short-term interest, construction and maintenance supplies, (gain) loss on disposal of TCA, insurance, office and administrative supplies, professional services and transfers to other organizations.

Overall, expenses decreased 20.2% from the previous year. This is primarily a result of a decrease in the **landfill closure and post-closure** expense. The 2014 financial statements were restated to increase the provision for landfill closure which resulted in an expense of \$16.1 million. The 2015 **landfill closure and post-closure** expense is based on the landfill capacity used in 2015 and significant fluctuations in the expense from year to the year are not expected going forward.

If the **landfill closure and post-closure** expense is excluded from the analysis, expenses would have been 1.0% higher than the previous year.

Administration expenses were 13.9% lower in 2015 than the previous year primarily due to a net gain on disposal of tangible capital assets versus a net loss in 2014. The decrease was partially offset by higher professional fees and office expenses.

Amortization was 6.4% higher in 2015 than the previous year as the expense continues to increase as the City's investment in tangible capital assets continues to grow.

Land expenses were 194.2% higher in 2015 than the previous year as the land inventory sold had higher development costs. The cost of land development varies significantly based on the area it is located.

Minor capital expenses were 18.7% lower in 2015 than the previous year as overall capital expenditures decreased.

Salaries, wages and benefits expenses were 4.8% higher in 2015 than the previous year primarily due to annual pay increases of 3% per the collective agreements and a decrease in vacant positions.

Expenses - Comparison to Budget

(in '000's)	2015	Budget	Variance	% change
Administration*	\$2,969	\$2,780	\$(189)	(6.8%)
Amortization	11,480	11,389	(91)	(0.8%)
Contracted and General Services	10,528	11,595	1,067	9.2%
Grants	415	418	3	0.8%
Interest on Long-Term Debt	707	707	0	0%
Land Expenses	639	1,008	369	36.6%
Landfill Closure and Post-Closure	418	94	(324)	(344.6%)
Minor Capital	3,689	3,496	(193)	(5.5%)
Salaries, Wages and Benefits	23,883	24,293	410	1.7%
Utilities	3,695	4,472	777	17.4%
Vehicle Operations & Maintenance	1,058	915	(143)	(15.6%)
	\$59,481	\$61,167	\$1,686	2.8%

*Administration includes bad debt, bank charges and short-term interest, construction and maintenance supplies, (gain) loss on disposal of TCA, insurance, office and administrative supplies, professional services and transfers to other organizations. Actual expenses were lower than budgeted expenses by 2.8%.

Administration expenses were 6.8% higher than budgeted due to higher professional fees and office expenses.

Contracted and general service expenses were 9.2% lower than budgeted due to several factors. The SCFA program did not complete as many repairs, IT communication infrastructure and maintenance costs were lower as the communication infrastructure project was only completed part way through the year, contracted costs for water delivery and transit were below budget, shipping costs for recyclables declined due to decreased recyclable sales and costs for public relations and tourism development were not as high as projected.

Land expenses were 36.6% lower than budgeted as the inventory value of the land sold was below the cost budgeted.

Landfill closure and post-closure expenses were 344.6% higher than budgeted as the budget number was based on previous closure requirement assumptions and not the recent report on the landfill closure and post-closure costs and activities.

Utilities expenses were 17.4% lower than budgeted primarily due to lower fuel costs.

Vehicle operations and maintenance expenses were 15.6% higher than budgeted as the number of repairs required for vehicle and fleet equipment was higher than expected.

Expenses - 5 Year Trend

(in '000's)	2015	2014 (Restated)	2013	2012	2011
Administration*	\$2,969	\$3,448	\$3,025	\$3,101	\$2,942
Amortization	11,480	10,791	10,491	8,942	8,933
Contracted and General Services	10,528	10,789	10,427	9,506	9,307
Grants	415	418	412	419	449
Interest on Long-Term Debt	707	758	463	113	152
Land Expenses	639	217	1,493	4,041	1,504
Minor Capital	3,689	4,538	4,620	3,466	5,413
Salaries, Wages and Benefits	23,883	22,784	22,129	21,721	20,946
Utilities	3,695	3,593	3,210	2,938	2,928
Vehicle Operations & Maintenance	1,058	1,135	971	997	1,128
Expenses before Landfill Closure and Post-Closure	59,062	58,471	57,241	55,244	53,702
Landfill Closure and Post-Closure	418	16,100	94	444	79
	\$59,481	\$74,571	\$57,335	\$55,688	\$53,781

*Administration includes bad debt, bank charges and short-term interest, construction and maintenance supplies, (gain) loss on disposal of TCA, insurance, office and administrative supplies, professional services and transfers to other organizations.

The four-year average annual increase in **expenses before landfill closure and post-closure care** is 2.4% and this is primarily due to general inflation.

Amortization expense has increased annually as the City's investment in tangible capital assets continues to grow.

Interest on long-term debt increased in 2013 as the City borrowed funds during the year to build the water treatment plant and complete the infrastructure upgrades in Northlands.

Land expenses fluctuate from year to year based on the number of sales as well as the value of the land inventory sold. Land inventory value varies significantly depending on what area the land is located. Some of the land available for sale has required significant development before it could be sold while other parcels of land required minimal development.

Minor capital expenses 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.

Significant fluctuations in the **landfill closure and post-closure** expenses are not expected going forward. Annual expenses are expected to be similar to 2015 results.

Annual Surplus

The annual surplus of \$14.3 million is \$10.8 million higher than budgeted. The large variance is primarily due to the **contribution of tangible capital assets** of \$8.6 million for the Northlands water and sewer infrastructure upgrades. If the **contributed tangible capital assets** were removed, the annual surplus would be \$5.7 million which is \$2.2 million higher than budgeted. Of the 2015 annual surplus, \$11.6 million was invested in tangible capital assets, \$1.4 million was designated to reserves and \$1.3 million was contributed to the net deficit.

Summary of Funds

	Opening Fund Balance	Annual Surplus (Deficit)	Closing Fund Balance
General Fund	\$4,517,567	\$465,752	\$4,983,319
Land Development Fund	1,465,598	1,125,190	2,590,788
Solid Waste Management Fund	(17,295,070)	665,433	(16,629,637)
Water and Sewer Fund	(617,835)	(517,000)	(1,134,835)
Capital Fund	6,646,390	(678,513)	5,967,877
Service Connection Failure Assistance Fund	(156,882)	230,531	73,649
	(\$5,440,232)	\$1,291,393	(\$4,148,839)

The **General Fund** is in a healthy position with the closing fund balance equal to 15% of budgeted expenditures (net of expenses related to investment in tangible capital assets) which is in-line with the City's Stabilization Funds policy.

The **Land Development Fund** is in a healthy position with the ending balance being higher than projected primarily due to the interfund transfer to the Capital Fund being much lower than budgeted as a result of capital project delays.

The **Solid Waste Management Fund** has a large deficit balance as a result of the \$16.1 million increase to the provision for landfill closure in the restated 2014 financial statements. The 2015 annual increase was higher than budgeted because the transfer to the General Fund was reduced from \$310,000 to \$0 given the large deficit balance in the fund and the healthy position of the General Fund.

The **Water and Sewer Fund** continues to struggle although the net decrease was lower than budgeted. As a result of ongoing improvements to water meter reading accuracy, it is expected that the position of this fund will start to improve.

The **Capital Fund** is in a healthy position with the ending balance being higher than projected primarily due to a delay in capital projects that will be completed in the subsequent year.

The **SCFA Fund** improved its position from the previous year due to a decline in water and sewer service connection repairs.



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