

Draft Budget 2020

Yellowknife Chamber of Commerce

November 5, 2019



Agenda

- Considerations
- Budget 2020 Process
- Capital Projects
- O&M Factors
- Budget Summary
- Potential Ratepayer Impact
- Mill Rate Ratios

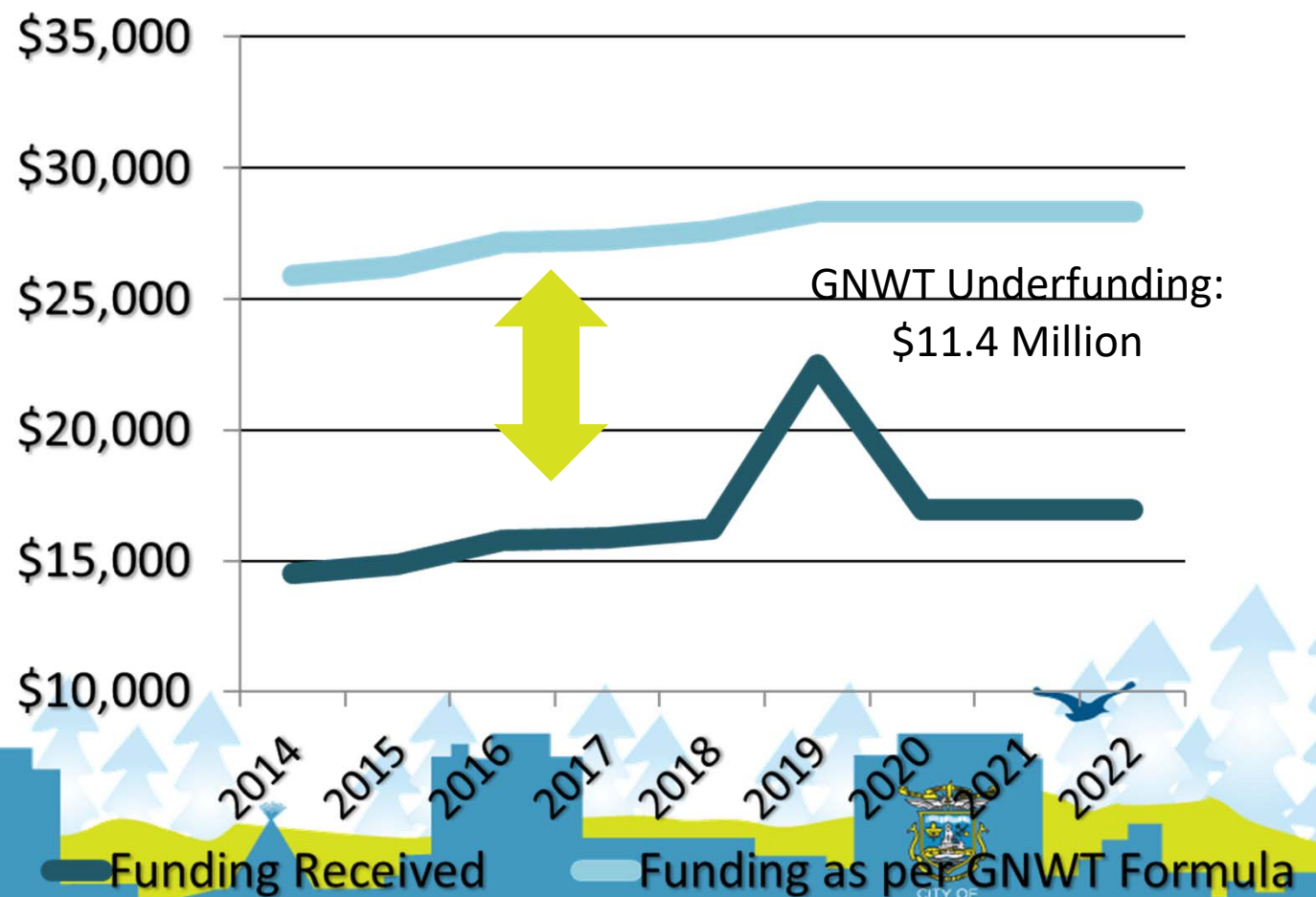
Considerations

- Growth
 - Infrastructure
 - Services and Programs
 - Requirements - Safety Regulations, Water License, Giant Mine
 - Expectations - Day Shelter/Social Issues, Homelessness Coordinator
 - Street Outreach Program, Homelessness Employment Program

Future



Funding Shortfalls (000s)

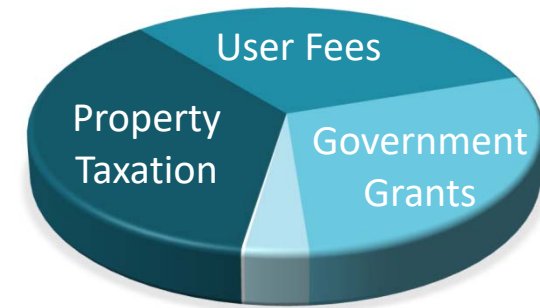


Revenues

- Property Taxation

$$\frac{\text{Required Revenue from Property Taxation}}{\text{Total Assessed Value of Taxable Properties}}$$

= Mill Rate



$$\text{Mill Rate} * \text{Assessed Value} = \text{Tax Bill}$$



Assessment

Year	Total Taxable Assessment	Change in Assessment	Change in Tax Rate
2014	\$2,975,442,740	43.76%	3.11%
2015	\$3,023,397,320	1.61%	0.00%
2016	\$3,079,641,720	1.86%	0.00%
2017	\$3,151,950,770	2.35%	1.22%
2018	\$3,195,009,190	1.37%	1.40%
2019	\$3,847,820,760	20.43%	1.44%
2020	\$3,867,630,750	0.51%	TBD

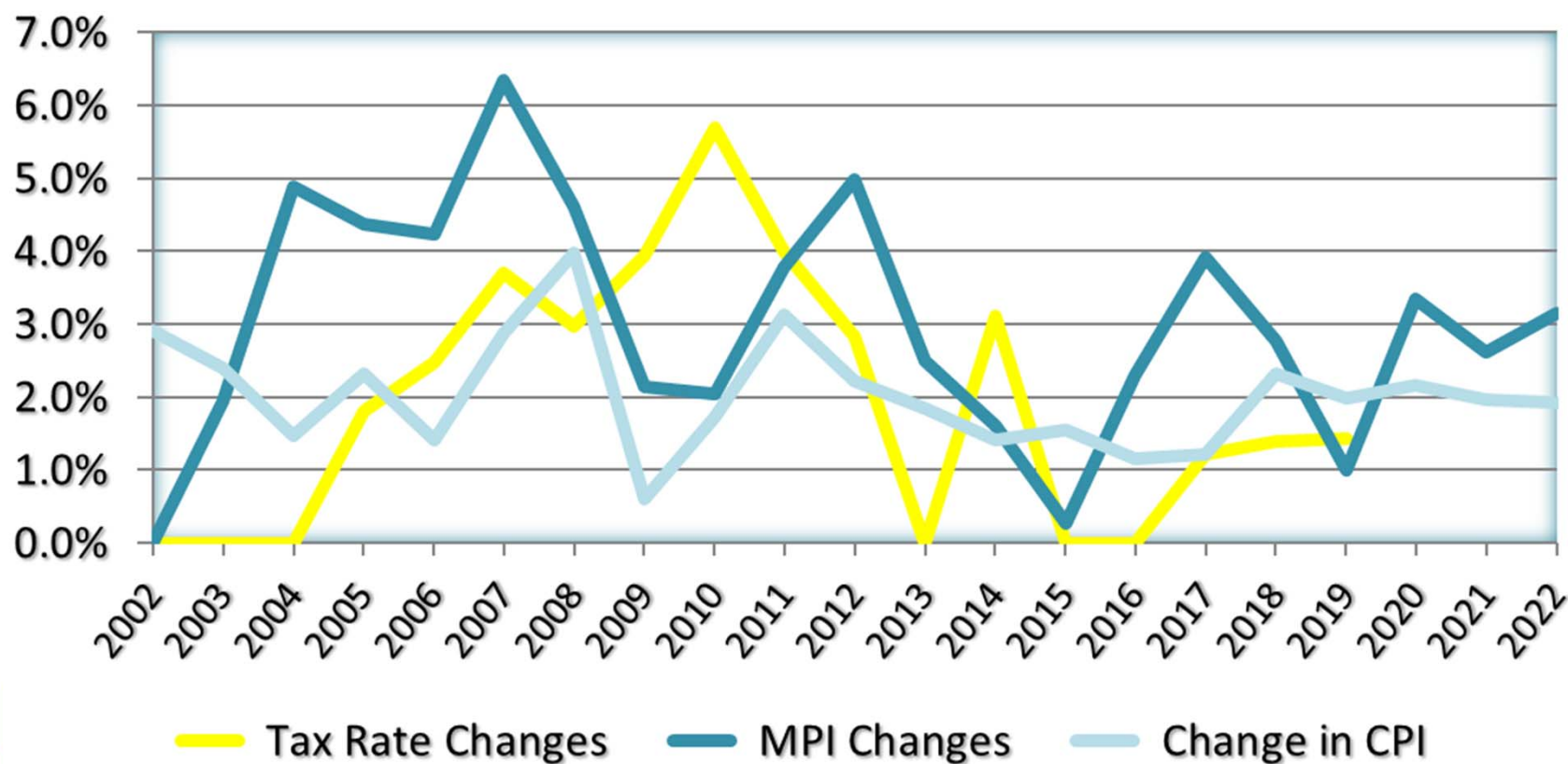
Inflation

- Municipal Price Index
 - Goods and services needed to run a municipality
 - E.g. wages, heating fuel, electricity, and vehicle operating costs
- Consumer Price Index
 - Items in a typical consumer's shopping basket
 - E.g. food, shelter, furnishings, clothing, transportation

Inflation

53.72%

36.55%



Considerations

*Cities, Towns
and Villages Act*

*City of Yellowknife
Budget Policy*



Considerations

- Growth
- Maintenance
- Future
- Funding Shortfall
- Assessment Base
- Inflation
- Balanced Budget
- Staff Resources

Council's Goals and Objectives

Budget 2020 Process

- Council Goals and Objectives
- Action Plan
- Budget Policy

Budget 2020 Process

- Background Information
 - Fees and Charges
 - Information Technology Evergreen Strategy
 - Fleet Management
 - Priorities Survey
 - Capital Projects

Budget 2020 Process

- Public Consultation
 - Open Invitation
 - Priorities Survey
 - Public Presentations
 - Public Feedback

2020 Capital Projects

Accessibility Implementation	\$584,000
Aquatic Centre	\$9,610,000
Asset Management	\$300,000
Backup Power Liftstations	\$100,000
City Hall Space Study	\$75,000

2020 Capital Projects

City Hall Upgrades	\$367,450
Columbarium	\$100,000
Community Energy Plan	\$120,000
Council Chambers Audio Visual	\$185,000
Email Management Solution	\$90,000

2020 Capital Projects

FDM Software	\$87,000
Fire Hall Backup Power Generation	\$120,000
Fleet Management	\$1,326,150
Flooring Replacement (Library, Arenas, Curling Club)	\$150,000
Information Technology Infrastructure Renewal	\$337,000

2020 Capital Projects

Lagoon Control Structures	\$250,000
Multiplex Ice Plant Upgrades	\$595,000
Multi-Purpose Asphalt Surface – Hall Crescent Park	\$52,000
Parker Park Field Outfields	\$87,000
Parking Structure Feasibility Study	\$75,000



2020 Capital Projects

Paving Program	\$3,680,000
Pump Replacement Program	\$100,000
Self-Contained Breathing Apparatus	\$225,000
Sewage Force Main Upgrades	\$250,000
Submarine Drinking Water Line Replacement	\$1,000,000

2020 Capital Projects

Tommy Forrest Ball Park	\$200,000
Traffic Light Upgrades	\$90,000
Trail Enhancement and Connectivity	\$450,000
Water and Sewer Infrastructure Replacement	\$3,650,000



2021 Capital Projects

Accessibility Implementation	\$581,000
Aquatic Centre	\$28,830,000
Arts and Culture Master Plan	\$75,000
Asset Management	\$255,000
Backup Power Liftstations	\$350,000



2021 Capital Projects

Columbarium	\$150,000
Community Energy Plan Projects	\$2,620,000
Firehall Bathroom Expansion	\$185,000
Fleet Management	\$1,335,000
Information Technology Infrastructure Renewal	\$336,000

2021 Capital Projects

Lagoon Sludge Removal	\$2,000,000
Multiplex Ice Plant Upgrades	\$170,000
New Landfill Design	\$350,000
Paving Program	\$3,550,000
Pump Replacement Program	\$100,000

2021 Capital Projects

Range Lake Trail Upgrades	\$210,000
RIMP Building Structural Assessment	\$75,000
Sewage Force Main Upgrades	\$4,175,000
Submarine Drinking Water Line Replacement	\$1,000,000
Traffic Light Upgrades	\$90,000

2021 Capital Projects

Water and Sewer Infrastructure Replacement	\$3,650,000
Website Upgrade	\$50,000
Wireless Infrastructure	\$75,000



2022 Capital Projects

Accessibility Implementation	\$567,000
Aquatic Centre	\$9,610,000
Asset Management	\$280,000
Community Energy Plan Projects	\$120,000
Fleet Management	\$1,300,000

2022 Capital Projects

Information Technology Infrastructure Renewal	\$350,000
Lagoon Sludge Removal	\$2,000,000
Paving Program	\$2,760,000
Pump Replacement Program	\$100,000
SCBA Compressor and Fill Station	\$80,000



2022 Capital Projects

Sewage Force Main Upgrades	\$4,220,000
Submarine Drinking Water Line Replacement	\$1,000,000
Traffic Light Upgrades	\$90,000
Water and Sewer Infrastructure Replacement	\$4,590,000



Capital Project Summary (000s)

2019	2020	2021	2022
\$17,625	\$24,255	\$52,212	\$29,067

O&M

- Operations and Maintenance (O&M)
 - Associated with daily operations
 - E.g. wages, materials, fuel, power, maintenance, insurance

O&M

- Inflation and Increments
- Utility Costs
- Tax Relief
- Payroll and Leave Solution
- Webcasting
- Public Transit Contract
- Professional Development
- Human Resources Policies
- Water Rates Study
- Automated Ticket Writer
- Parks Material
- Library Self-Checker

O&M

- Fire Hall Equipment
- MED Equipment
- Social Issues
- Homelessness Coordinator
- Street Outreach
- Homelessness Employment

O&M

Asset Management Leader

Grant Writer

Manager, Economic Development

Water and Sewer Maintainer

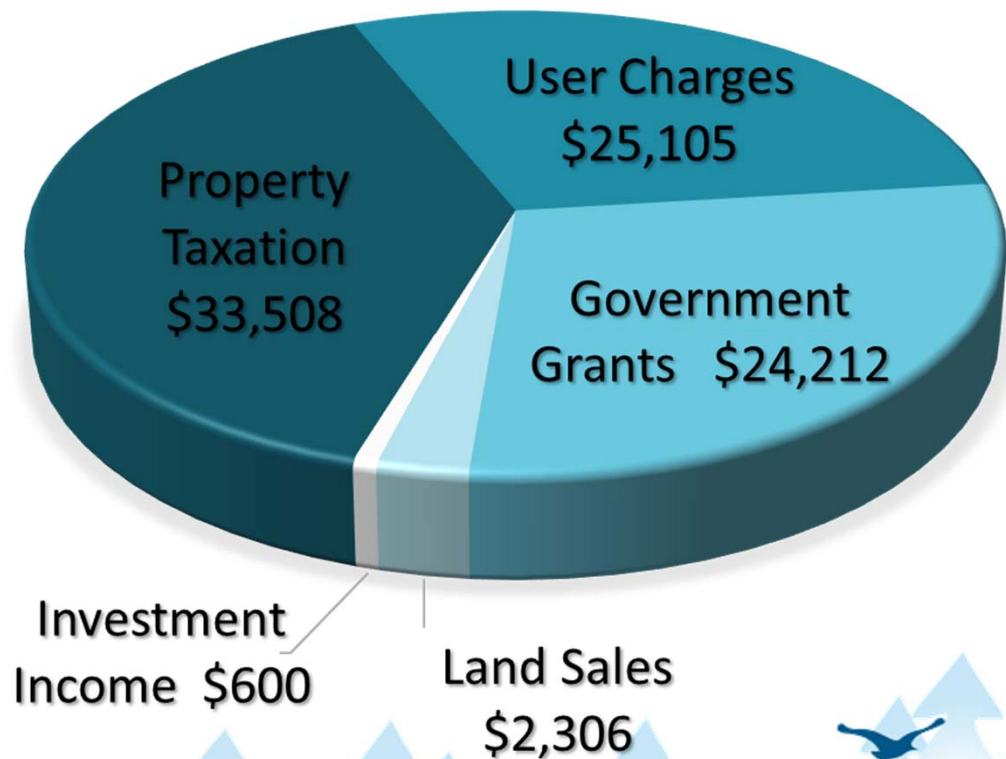
Booking Clerk

Administrative Assistant - Council

Revenues

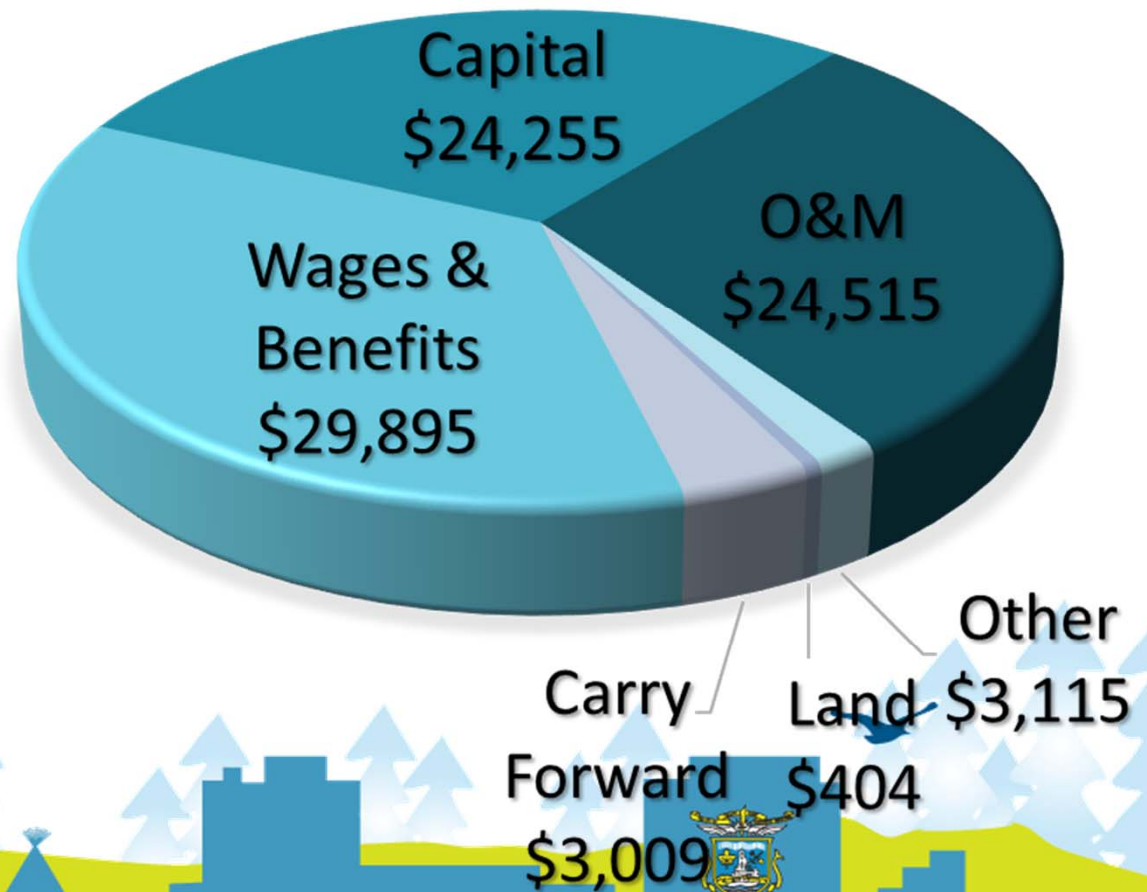
Where does the money
come from? (000s)

Revenues
\$85,731



Expenditures

Where does the money go?
Expenditures
\$85,193



Potential Ratepayer Impact

Service	Revenues	2020	2021	2022
Solid Waste Management	Water Bill Tipping Fees	3%	3%	3%
Water and Sewer	Water Bill	3.5%	3.5%	3%
Facilities and Programs	User Pay	3%	3%	3%

Potential Tax Impact

	<i>Assessed Value</i>	<i>2019 Municipal Taxes</i>	<i>2020 Municipal Taxes</i>	<i>Annual Change</i>	<i>Monthly Change</i>
2020 Tax Rate Change 8.48%	\$250,000	\$1,325	\$1,438	\$113	\$9
	\$450,000	\$2,385	\$2,588	\$203	\$17
	\$650,000	\$3,445	\$3,738	\$293	\$24

Next Steps

- November 4th – 25th
 - Written Q&A
- November 18th
 - Public presentations to Council
- December 2nd, 3rd, 4th, 5th
 - Draft Budget review by Council
- December 9th
 - Budget adoption by Council

Mill Rate Ratio

Assessed values

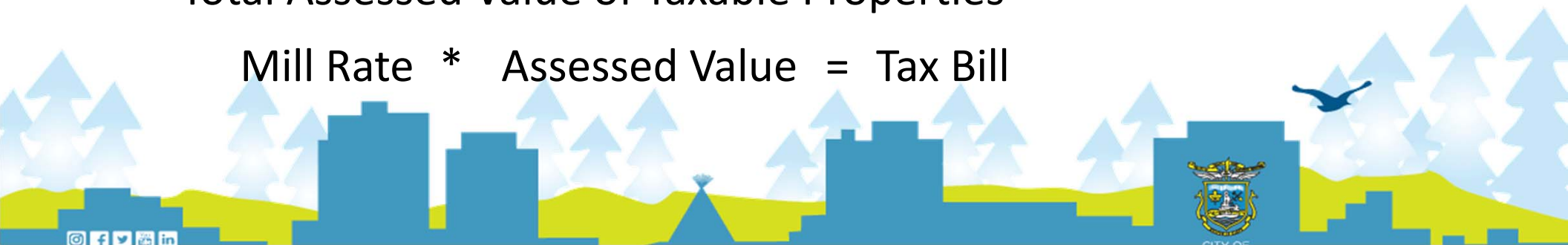
Land + Improvement = Total Assessment

Σ Total Assessments = Total Assessed Value of Taxable Properties

Mill rate

$$\frac{\text{Required Revenue from Property Taxation}}{\text{Total Assessed Value of Taxable Properties}} = \text{Mill Rate}$$

$$\text{Mill Rate} * \text{Assessed Value} = \text{Tax Bill}$$



Mill Rate Ratio

<i>Property Class</i>	<i>2019 Mill Rate</i>
Residential	5.30
Multi-Residential	6.03
Commercial and Industrial	12.00
Mining and Quarrying	14.81
High-Density Parking	6.82
Agricultural	5.36



Mill Rate Ratio

$$\frac{\text{Commercial Mill Rate}}{\text{Residential Mill Rate}} = \text{Mill Rate Ratio}$$

$$\frac{12.00}{5.3} = 2.26$$

$$\text{Residential: } \$500,000 * 5.30 / 1000 = \$2,650$$

$$\text{Commercial: } \$500,000 * 12.00 / 1000 = \$6,000$$

$$\frac{\$6,000}{\$2,650} = 2.26$$

Questions?