

The City of Yellowknife (City) Budget identifies how the City will allocate resources to meet the needs of Yellowknife residents and businesses through municipal programs, services, and long-term investments in infrastructure. The document includes financial information for the previous year, budget and forecast amounts for the current year, and the recommended budget allocations for each of the next three years.

Each year, starting in mid-May, the draft budget for the following year is discussed and revised to reflect new and updated information and plans, and feedback provided by Council and the public. Council deliberates the budget in early December, and must adopt a consolidated budget reflecting all funds prior to the end of each calendar year.

The Budget consolidates seven Funds:

- **Capital Fund:** This fund supports capital projects related to the delivery of services and programs, including infrastructure like parks, arenas, sidewalks, underground pipes, and technology.
- **General Fund:** This is used for activities not accounted for in other funds. These costs are recovered through municipal property taxes, user fees, and grants from other levels of government. Each of the other funds contributes an administration fee to this fund to pay for costs associated with billing and collection of revenues.
- **Land Development Fund:** This fund is used for acquiring, developing, and disposing of municipal lands. It covers costs associated with planning and design, land appraisal and surveying, engineering and constructing infrastructure, and the sale of lands, as well as utility infrastructure on public right-of-way in new development areas and subdivisions until it is accepted by the City.
- **Reserve Fund:** This is money set aside for specific future uses. Examples include the Samuel Colley Donation Reserve that provides for the Yellowknife Public Library, and the Heritage Reserve.
- **Service Connection Failure Assistance Fund:** This fund is used

for the repair and maintenance of water supply and sewage lines from City mains to customer buildings.

- **Solid Waste Management Fund:** This fund pays costs associated with collecting and processing the community's garbage and recycling, including the operation of the landfill and the baling facility. These costs are recovered through user fees.
- **Water and Sewer Fund:** This fund pays the costs of supplying, processing, and distributing potable water, as well as collecting, treating and disposing of sewage. These costs are recovered through charges.

### The City of Yellowknife Organizational Structure

The City of Yellowknife is organized into **Departments** and **Divisions**. There are seven Departments: Administration, Community Services, Corporate Services, Economic Development and Strategy, Planning and Development, Public Safety, and Public Works & Engineering. These Departments consist of Divisions, reflecting the work that they do. For example, the Department of Planning and Development has two Divisions: Planning and Lands and Building Services.

The Divisions are sometimes further subdivided into **Programs**. A Program is a specific public service within a Division that aims to accomplish a specific service or regulatory program. Programs are further divided into **Activities**, which reflect efforts of the Department to achieve program objectives. For example, Fleet Repair and Maintenance is a program within the City Garage Division of the Department of Public Works & Engineering.

City Council establishes public policies that determine levels of services. A policy is a plan or guiding principle that sets parameters for decisions and actions. Every Council, at the beginning of its four year term, also sets goals, objectives and priorities.

Administration establishes operations and maintenance services and

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and capital projects based on Council's Goals and Objectives. Goals are long-term targets, while objectives are specific and measurable results of activities that bring the City closer to its goals.

In creating this document, the following assumptions were used:

- Projected population figures are based on the GNWT's Bureau of Statistics population projections.
- Property tax revenue is calculated using Administration's best estimation of construction during these periods.
- Expenditures are based on Administration's best estimate of the costs of providing the same level of services, using a series of indices.

### Definitions

**Accrual Basis Accounting:** Revenues and expenses are accounted for at the time they are incurred (instead of when cash is spent or received)

**Assessed Valuation:** A value placed on property (land and building) for the purpose of allocating property taxes

**Budget:** A document which identifies how much money will be needed to provide programs and services and how the City will allocate money over the next three years

**Budget Policy:** A framework for the planning and programming of budgets and funding, related to revenues, spending and debt management

**Consumer Price Index (CPI):** A statistical description of price levels provided by Statistics Canada and used as a measure of the increase in the cost of living (i.e. economic inflation)

**Debt Service:** Money paid to reduce a financial obligation entered into by the City

**Deficit:** When expenses (money out) are greater than revenue (money in) over the budgeted period

**Evergreen Strategy:** A practise which aims to replace 25% of the City's information technology infrastructure each year

**Expenditure:** Money spent by the City on a particular project, program or service

**Fiscal Year:** The 12 months which the year's budget covers. In the City's case, this is the calendar year from January 1 to December 31

**Formula Funding:** Money transferred to the City by the territorial government, according to a specific formula

**Full-time Equivalent Position (FTE):** A part-time position expressed as the equivalent of a full-time position. For example, a casual Administrative Assistant who works three weeks full-time during a year would be equivalent to 0.06 of a fulltime position

**Function:** A group of related activities aimed at accomplishing a major service or regulatory program (e.g. public safety)

**Gas Tax Refund Program:** A federal program, administered through the GNWT, which provides a partial rebate on gasoline taxes to communities for environmentally friendly programs

**Generally Accepted Accounting Practices (GAAP):** The uniform minimum standards for financial accounting and recording

**GNWT:** Government of the Northwest Territories (GNWT), the territorial government which governs the City through legislative acts and regulations.

**GFOA:** Government Finance Officers Association of the United States and Canada

**Infrastructure:** Roads, buildings, water and sewer systems, parks, trails, and information technology hardware and software



**Levy:** Property tax revenues that support government activities

**Mill Rate:** The mechanism through which property taxes are allocated among property owners. All commercial and residential properties are assigned a mill rate, which is then multiplied by the Assessed Valuation (see definition) to determine the amount of property tax to be paid for that property

**Object of Expenditure:** A classification that details a cost (e.g. office, labour, and operations and maintenance)

**O&M:** Operating and Maintenance

**Program:** A series of activities which deliver something to residents that the City is responsible for, such as recreational programs, maintenance of roads and sidewalks, or providing public safety

**Services:** Paid for through taxes, such as property taxes and user fees (e.g. water, wastewater, solid waste management, recreation, fire protection)

Tangible Capital Expenditure: Investments that:

- Acquire or improve a major asset
- Provide a benefit for more than one year
- Require a significant expenditure (of \$50,000 or more)

Examples include the planning, acquisition and installation of items such as land, buildings, and equipment

User Charges: Payment of a fee by the user of a specific service provided by the City, such as water and sewer services or access to recreational facilities

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