



CITY OF YELLOWKNIFE

GOVERNANCE AND PRIORITIES COMMITTEE REPORT

Monday, June 12, 2023 at 12:05 p.m.

Report of a meeting held on Monday, June 12, 2023 at 12:05 p.m. in the City Hall Council Chamber. The following Committee members were in attendance:

Chair: Mayor R. Alty,
Councillor S. Arden-Smith,
Councillor G. Cochrane,
Councillor R. Fequet, (via teleconference)
Councillor B. Hendriksen,
Councillor C. McGurk, (12:10 p.m.)
Councillor T. McLennan,
Councillor S. Payne, and
Councillor R. Warburton.

The following members of Administration staff were in attendance:

S. Bassi-Kellett,
C. Caljouw,
C. MacLean,
W. Newton,
K. Thistle,
C. White,
G. White,
S. Woodward, and
S. Jovic.

<u>Item</u>	<u>Description</u>
1.	(For Information Only) Mayor Alty read the Opening Statement.
2.	(For Information Only) Councillor Cochrane and Councillor McGurk declared conflict of interest with item No. 6 on the agenda, a memorandum regarding whether to amend Tax Administration By-law No. 4207, as amended, to exempt the Makerspace YK's properties at 100 - 5001 Forrest Drive (Units 9-12, Plan 4655) from property taxation., as they are board members of the Makerspace YK.



(For Information Only)

3. Committee discussed the Housing Accelerator Fund application process. Administration noted that in the Federal Budget 2022 they announced \$4 billion in funding to launch the Housing Accelerator Fund. Administration further noted that the Fund is an application-based program with 1 application window in 2023. Administration noted that the program is intended to drive transformational change within the sphere of control of the local government regarding land use planning and development approvals. Administration further noted that the Fund's objective is to accelerate the supply of housing across Canada, resulting in at least 100,000 more housing units permitted than would have occurred without the program. Administration stated that the Housing Accelerator Fund aims to support lasting changes that will improve housing supply for years to come. Administration stated that while the program is 2023-26 the impacts are expected to last 10 plus years in the community. Administration further stated that the Housing Accelerator Fund provides incentive funding to local governments to boost housing supply across Canada. Administration noted that there is a short application window once the client portal opens for application intake.

Committee recommended that Council direct Administration to apply to the Housing Accelerator Fund (HAF) administered by Canadian Mortgage and Housing Corporation.

Committee noted that this matter will be discussed under New Business at that evening's Council Meeting.

(For Information Only)

4. Committee read a memorandum regarding whether to present By-law No. 5072, a by-law to open and name a roadway in Phase 2 of Engle Business District, for adoption.

Committee noted that Development of Phase 2 of the Engle Business District continues. Proper civic addresses will allow developers to have materials and equipment delivered without confusion and will ensure that emergency vehicles will be able to respond to emergencies without delay. When naming Engle Business District, Yellowknife City Council resolved to theme the subdivision after indigenous northern birds and name roadways within the subdivision after these birds. Roads within Phase 1 and 2 have already been named: Eagle Drive, Falcon Road, Kestrel Road, Owl Gate, and Merlin Road.

Committee noted that Council's policies, resolutions or goals include:
Motion #0097-07 That Council

1. Given that the Kam Lake bypass road is an extension of Deh Cho Boulevard, approve that the entire road be referred to as DEH CHO BOULEVARD;
2. Name the new Industrial Subdivision as the "Engle Business District";



3. Theme the Airport West Industrial Subdivision after indigenous northern birds and name roadways within the subdivision after these birds.

Street, Park & Trail Naming Procedure 260-S3, section 2:

Where street names in a neighbourhood or subdivision are based on a specific theme, the name of all new streets within the neighbourhood or subdivision shall be consistent with the theme.

Committee noted that applicable legislation, by-laws, studies or plans include:
Cities, Towns and Villages Act, SNWT 2003, c.22

Legislative

Section 86 of the *Cities, Towns and Villages Act* states that Council may, by by-law, provide for the naming or numbering of highways and the numbering of buildings.

Section 88 of the *Cities, Towns and Villages Act* states that Council may, by by-law, provide for the opening or closing of a road.

Section 88 of the *Cities, Towns and Villages Act* further states that prior to Third Reading to open, establish, close, widen, divert or dispose of a highway, Council shall cause public notice of the proposed by-law to be given at least two weeks in advance and hear any person claiming to be affected by the by-law who wishes to be heard.

Public Safety

Proper civic addresses will assist emergency response personnel in locating businesses within the municipality.

Consultation

Pursuant to the City's Street, Park, & Trail Naming Procedure, the Street, Park, & Trail Naming Committee, comprised of the City Clerk, Fire Chief, Manager of Planning and Lands, Director of Community Services and Director of Public Works and Engineering, met to discuss the naming of these roadways. Issues of configuration, public safety, addressing and history were all discussed in determining the recommendation presented for Council's consideration.

The Street, Park, & Trail Naming Committee is recommending that this road in Phase 2 of the Engle Business District be named after a predatory bird, in keeping with Phase 1 and 2, and note that the Northern Goshawk is a raptor found in the Northwest Territories.

In addition, Eagle Drive requires an extension to meet up with the new road.

Committee noted that when reviewing the list of potential street names, the Street, Park, & Trail Naming Committee took into consideration Council's motion to name the roads after indigenous northern birds. Phase 1 and 2 of the Engle Business District were named after



predatory birds of the Northwest Territories. It is therefore recommended that this road within Phase 2 remain in keeping as those roads in Phase 1 and 2, and be named after predatory birds of the Northwest Territories. In addition, Eagle Drive requires an extension to meet up with the new road.

Committee recommended that By-law No. 5072, a by-law to open and name a roadway in Phase 2 of Engle Business District as Goshawk Road, be presented for adoption.

5. Councillor Cochrane and McGurk declared conflict of interest and excused themselves from the meeting at 12:22 p.m.

(For Information Only)

6. Committee read a memorandum regarding whether to amend Tax Administration By-law No. 4207, as amended, to exempt the Makerspace YK's properties at 100 -5001 Forrest Drive (Units 9-12, Plan 4655) from property taxation.

Committee noted that on May 18, 2023, Makerspace YK (MSYK) submitted a tax exemption request for Units 9-12, Plan 4655.

MSYK is a registered society, incorporated under the *Societies Act of the Northwest Territories* in 2019. Its mandate is to build community around hands-on learning, shared space, and skill-building. MSYK currently operates three key spaces which are designed for use by members of the public: a woodshop (Shopspace), a multi-media art and event space (Artspace), and a digital fabrication laboratory (Hackspace).

The society had 34 members as of August 2022 and the membership numbers have not changed much as MSYK launched a pilot beta membership program in February 2023, and the current four- memberships tier option was rolled out in April 2023. They expect the membership numbers will increase once they roll out a membership drive and with more communications.

As of May 25, 2023, MSYK has provided orientations and training to 110 community members:

	Number of Members
Total Trained Users (Shopspace and Hackspace)	110
Shopspace Users	84
Hackspace Users	36
Artspace Users (most programs at Artspace do not require training)	15-30 weekly for beading circle and repair café programs.

In addition to regular services, MSYK has offered a variety of specialized workshops, as well as conventions and other events hosted by, or in collaboration with, other organizations.



Some of events brought in up to 100 people in a single day, for example, the Artist in Residence performances delivered in partnership with Folk on the Rocks in November 2022.

MSYK has eight volunteer board members who work together with volunteer community members to support the its operations. The total number of volunteers is about 18 and total volunteer hours are about 2,000 annually.

MSYK's financials are satisfactory, with sufficient grants to cover its expenditures for the last three fiscal years ended March 31, 2021 to March 31, 2023. According to its unaudited financial statements dated March 31, 2023, the majority of its revenues, totaling \$1 million, were from others orders of government and they accounted for 81% of the total revenues of \$1.3 million. These grants were to support the establishment of MSYK and the purchase of the building that it currently occupies. All grant funding ended March 31, 2023 or earlier. Moving forward, MSYK has to cover the majority of core operating expenses from membership and user fees, and the saving from facilities rentals, which cost over \$121,000 for the fiscal year ended March 31, 2023, as it now owns the properties.

According to its Executive Director, it will take at least this year for the organization to be more financially sustainable due to COVID-related issues that delayed the renovations for more than a year and subsequently delayed opening to the public.

Committee noted that Council's policies, resolutions or goals include:
Property Tax Exemption Criteria for Societies Policy (Council Motion # 0073-18)

Committee noted that applicable legislation, by-laws, studies or plans include:

1. *Property Assessment and Taxation Act*; and
2. Tax Administration By-law No. 4207, as amended.

Legislative

Property Tax exemptions are governed by the *Property Assessment and Taxation Act* (PATA), the City's Tax Administration By-law No. 4207, as amended, and Council's Property Tax Exemption Criteria for Societies Policy (Council Motion # 0073-18).

Section 4 of PATA identifies several types of properties exempted from taxation by virtue of ownership and/or land use. Section 74(1) grants Council the right to enact a By-law to exempt other properties that meet the criteria identified in Section 74(2); these criteria include land used by societies incorporated under the *Societies Act*. The City enacted Tax Administration By-law No. 4207 for this purpose and the By-law, as amended, lists organizations that are currently exempt from paying property taxes. Initially these exemptions were granted on a case-by-case basis without a standard set of criteria on which to base the evaluation, so in 2018 the Property Tax Exemption Criteria for Societies Policy was developed to improve transparency by establishing a set of common standards for evaluating tax exemption requests; it was adopted by Council in March of 2018.



Financial Considerations

The properties' current total assessed value is \$539,210, with an assessment class of 103, Commercial. Based on the final 2023 mill rates, the 2023 total tax levy for the properties is \$7,203.85 in municipal taxes and \$1,596.06 in school taxes, for a total of \$8,799.91.

If the requested tax exemption is granted, in 2023 the City will forgo \$7,203.85 in municipal tax revenue from this property, adding to the \$309,200 in exemptions already authorized for 2023 in the Tax Administration By-law and bringing the municipal tax exemption total to \$316,403.85, which represents 0.88% of the City's total tax revenue of \$35,814,000.

Committee noted that based on their application, MSYK meets the criteria set out in the Section 74(2) of *PATA* and included in the Property Tax Exemption Criteria for Societies Policy:

- a. *The organization must be a society incorporated under the Societies Act.*
MSYK is an incorporated society under the *Societies Act*.
- b. *The property must not be used as a residence.*
MSYK does not use the property as a residence.

Based on their application, MSYK also meets all the criteria identified by the City of Yellowknife and included in the Property Tax Exemption Criteria for Societies Policy:

- a. *The organization must be a non-profit organization in good standing with the Registrar of Societies and the City.*

MSYK's application states that it is a non-profit organization. MSYK is in good standing with the Registrar of Societies. As of June 2, 2023, its accounts with the City are current.

- a. *The organization must support a municipal purpose by providing:*
- b. *Social and community services to the General Public; or*

MSYK's applications states that "Its vision is to empower and provide a space for individuals to gain confidence, build practical skills and grow creatively so that we can build a stronger, more resilient, and vibrant community together. We deliver our mandate through programming and public access to our facility which houses a fully-outfitted wood workshop, digital fabrication space (Hackspace), and multimedia art and event space (Artspace)."

- a. *Arts and cultural activities of demonstrable benefit to the General Public and that can be reasonably considered to provide a unique extension of municipal arts and cultural services; or*

MSYK'S applications states that "it offers a wide range of skill-building activities and workshops. They include traditional crafts as well as woodworking, digital tools, and fine arts. We also plan to host a seasonal "Maker's Market" as a venue for artists, artisans and craftspeople to sell their work."



It also states that “MSYK is a space that brings together Yellowknife’s art and cultural community, offering a hub for learning, building, and practicing creative ventures. Our facility and programming together create new opportunities for Yellowknife’s local artists and craftspeople to practice, teach, collaborate and share their work.”

Under the Pillar 2 – Spaces and Places of the City of Yellowknife Arts & Culture Master Plan (September 2022), the report suggests “new spaces such as the Yellowknife tourist Centre and Makerspace YK also provide opportunities to explore for use by and for arts & culture.” The report recommends that the City “Explore formal partnership opportunities with existing non-City owner space (e.g. Makerspace YK), for City-led programming and/or to meet artist’s near-term needs. It also recommends that the City “Explore methods to incentivize private business to rent space to artists.”

- b. Recreational services to the General Public that can reasonably be considered an extension of municipal recreational services.*

The application does not address this criteria.

- c. The organization’s use of the property must provide services for and/or support to City residents without restriction.*

The MSYK application states “Generally our programs and services have no restrictions as we try to cater to as many groups as possible. For some programs, particularly those in the woodshops, there may be some age restrictions (14+, unless accompanied by a guardian) due to the high-risk nature of the equipment. Some programs and workshops may cost a fee, but we can offer sliding scale payment options for those who request it.”

- d. The organization’s use of the property must be consistent with municipal policies, plans, by-laws, codes and regulations.*

The City is not aware of any property use by MSYK that is inconsistent with municipal policies, plans, by-laws, codes and regulations.

- e. The organization must not disparage others.*

The MSYK application states that MSYK does not disparage others and “the key values of the organization include inclusivity to ensure all members of the community feel welcome and that the spaces/ programs are accessible”

- f. The organization must show evidence of ongoing, active volunteer involvement.*

The MSYK application states the organization has eight volunteer board members who work together with other volunteer community members to support its operations. The total number of volunteers is about 18 contributing approximately 2,000 volunteer hours annually.

- g. The organization must present proof of financial responsibility and accountability.*



The MSYK application included the financial statements for 2022 and 2023 and its filing with the Corporate Registry of Government of Northwest Territories was current as of March 31, 2022.

- h. The organization must own the property it is applying for property tax exemption on and operate on that property.*

MSYK owns and operates the properties on which the exemption is being sought.

Committee recommended that:

1. Council, pursuant to Section 74 of the *Property Assessment and Taxation Act (PATA)*; Section 15 of Tax Administration By-law No. 4207, as amended; and Council's Property Tax Exemption Criteria for Societies Policy, approve the request from the Makerspace YK for a property tax exemption for the land and improvements for Units 9-12, Plan 4655 (100 - 5001 Forrest Drive).
2. That By-law No. 5073, a by-law to amend Tax Administration By-law No. 4207, as amended, to exempt the Makerspace YK Units 9-12, Plan 4655 (100 - 5001 Forrest Drive) from property tax exemption, be presented for adoption.

(For Information Only)

7. Councillor Cochrane and McGurk returned to the meeting at 12:40 p.m.

(For Information Only)

8. Committee read a memorandum regarding whether to coordinate the next General Assessment in 2024.

Committee noted that the *Property Assessment and Taxation Act (PATA)* requires the City to maintain an Assessment Roll that records the assessed values of all properties within its boundaries. The Assessor updates this information on an ongoing basis using a variety of means including permitting data, visual observations, and site inspections.

PATA also requires that a General Assessment be conducted at least every ten years. During a General Assessment the Assessor must re-assess every property, using updated baseline information. This is a significant undertaking but ensures that assessed values remain current and consistent across the City.

Historically the City conducted General Assessments every four years, but due to the cost and workload attempted to reduce their frequency. This resulted in a seven-year span between the 2006 and 2013 General Assessments. During this time, significant changes occurred in the Kam Lake area and some parts of the Niven Lake neighbourhood, resulting in significant increases in the assessed land values of these properties and substantial property taxation increases for the impacted ratepayers. In reaction to this, Council directed Administration to "increase the frequency of General Assessments to every 5 years, pending annual budget deliberations and approval."



Accordingly, a General Assessment was conducted in 2018. It resulted in assessment updates across all properties and areas of the city, thus maintaining the consistency and fairness of both the assessed values and the resulting distribution of property tax responsibility.

In July of 2019 Council authorized Administration to enter into a ten-year contract for Assessment Services. This contract provides access to the services of two Assessment companies, and includes two General Assessments.

A General Assessment was anticipated in 2023, however the primary assessor is unable to complete the work this year. The City sought out services to complete the General Assessment from the secondary company but due to the short notice they are unavailable because of prior commitments. Administration also reached out to the Department of Municipal and Community Affairs within the Government of the Northwest Territories as they provide assessment services for all other tax-based communities in the territory, but they too are unable to provide resources to complete the General Assessment this year. Therefore, the next General Assessment will take place in 2024.

Committee noted that Council's policies, resolutions or goals include:

#0331-14 That Council direct Administration to increase the frequency of General Assessments to every 5 years, pending annual budget deliberations and approval.

Committee noted that applicable legislation, by-laws, studies or plans include:

1. *Property Assessment and Taxation Act* R.S.N.W.T. 1988, cP-10.

Legislative

The City's Program Authority Agreement for Property Assessment with the GNWT requires the City to collect and maintain assessment data for the City of Yellowknife, for the purposes of allocating property taxation responsibility, as specified in the *Property Assessment and Taxation Act*.

The *Property Assessment and Taxation Act* requires the City to conduct a General Assessment at least once every ten years.

Financial Considerations

Periodic General Assessments are required to ensure assessed values are based on current information and remain consistent across all property types and neighbourhoods. They do not impact the total property taxation revenue.

The existing services contract includes two General Assessments over the life of the contract. They can be undertaken in 2024 and 2028, with no financial impact.



- (For Information Only)
9. Committee read a memorandum regarding Procurement - 2022 Contract File Summary and Local Spending reports.

Committee noted that on May 24, 2016, Council Motion #0132-16 directed Administration to produce an annual report listing all contracts awarded. Administration also committed to bringing forward an annual report of local spending.

Contract File Summary

Appendix A contains a summary of the City's contract files handled through the Procurement Division in 2022. It provides basic information on the result of each contract file, including the procurement process used, the name of the contractor, the location of the contractor, a brief description of the goods or services that were acquired, and the total value of each resulting contract.

Local Spending

The report on local spending compares local spending to non-local spending for the twelve-year period from 2011 to 2022. For the purpose of this report, local companies are defined as those having a local presence in Yellowknife: they have offices or storefronts, employees, and generally participate in the local economy and conduct regular business in Yellowknife.

The City's Local Procurement Policy, adopted by Council on February 12, 2018, states that the City will target to spend at least 85% of its total annual expenditures locally. The City utilizes this policy to strategically target and increase spending with Yellowknife businesses. In 2022, local expenditures accounted for 88.18% of the City's total spending, which was a slight increase on the ratio of local expenditures (87.89%) in 2021.

The City of Yellowknife is unable to procure goods and services under the guidelines set forth in the GNWT's 'Business Incentive Policy', as this system of adjusting bids is a specific exclusion which the GNWT holds. It was grandfathered from the Agreement on Internal Trade, and has carried forward to the Canada Free Trade Agreement. There are common law legal risks associated with the disclosure and application of a local preference policy, and these risks increase along with the value of the procurement in question.

Methodology

The first step in the analysis of the data is to exclude all payroll, debt, and tax expenditures. Therefore, Workers' Safety and Compensation contributions, loan payments, pension fund contributions, health coverage contributions and school board tax allocations are totaled and shown in the Excluded column of the chart seen on page 3.

Goods and services that are not available in Yellowknife and have been procured from suppliers located outside Yellowknife are included as Non-local expenditures. These goods and services include but are not limited to: specialty vehicles and equipment; software maintenance and support; traffic light equipment; ice rink and swimming pool equipment



and maintenance; specialized consulting services, recruiting expenses; and chemicals used in municipal operations. These non-local expenditures also include many requests for goods and services which were posted as competitive bids (tenders or requests for proposals) open to the public, but for which the City did not receive successful bids from local suppliers.

Report Findings

Local vs Non-local Spending (2011-2022)

	Excluded	Local	Non-local	% Local
2011	\$16,567,843.84	\$36,825,603.67	\$6,469,733.37	85.06%
2012	\$13,290,922.45	\$43,706,456.95	\$7,767,149.46	84.91%
2013	\$18,673,512.57	\$42,684,472.40	\$5,464,015.04	88.65%
2014	\$17,563,875.40	\$49,207,822.77	\$30,365,194.84	61.84%
2015	\$19,844,106.87	\$29,194,215.49	\$14,178,374.29	67.31%
2016	\$21,572,942.20	\$35,399,837.50	\$7,083,328.39	83.33%
2017	\$18,320,555.40	\$44,628,494.29	\$7,191,647.19	86.12%
2018	\$18,347,649.95	\$39,200,229.82	\$5,168,195.77	88.35%
2019	\$19,340,813.38	\$33,725,115.90	\$5,009,772.27	87.07%
2020	\$19,844,599.17	\$34,286,543.02	\$5,501,893.59	86.17%
2021	\$19,832,792.77	\$34,627,814.59	\$4,769,374.51	87.89%
2022	\$20,085,429.67	\$44,899,618.95	\$6,018,691.49	88.18%

Analysis

Over the past twelve years, of the more than \$573,000,000 spent by the City of Yellowknife, over \$468,000,000, or 81.69%, was expended locally. From 2011 to 2013, and again from 2016 through 2022, the City's average level of local spending exceeded 85% in each and every year.

2014 and 2015 local spending percentages were lower than normal because they include large payments to the non-local vendor awarded the contract for the Water Treatment Plant. These numbers do not reflect the main contractor's expenditures on local sub-trades, so the actual level of local spending would have been somewhat higher than the stated ratio suggests.

Excluded and Non-Local

A more in-depth look at both Excluded and Non-local spending was requested (for future reports) by Council during discussion of the 2016 report.

Excluded

As noted above, these expenditures are excluded from the Local Spending analysis:



2022 Excluded Items

Receiver General	\$20,439.75	Manulife	\$21,641.59
TD Canada Trust	\$3,447,192.39	City YK Employee Rec	\$11,802.89
WSSC	\$580,400.00	PSAC Social Justice Fund	\$2,730.75
NEBS Group Insurance	\$1,335,032.30	NEBS Pension Fund	\$3,218,590.42
YK Sep. Education Dist.	\$4,628,599.52	YK Education District 1	\$6,819,000.06

Payroll expenditures are not included as the purpose of the report is to show how the City spends discretionary funds processed through its payables system. Payroll related expenses (health benefits, union dues and pension allotments) are also excluded from the report because, even though they are processed through the City's payables system, they are considered employee costs and therefore not discretionary. However, if these payroll expenses are considered discretionary spending, the total local spending increases to \$50,090,256.65 , and the local spending ratio rises to 89.27%.

Non-Local

The chart below identifies some of the significant expenditures included in the \$6.02 million of non-local spending on products or services not available locally. These total \$3,248,570.13. If these items are removed from the original analysis, the total value of non-local spending drops to \$2,770,121.36, and the local spending ratio increases to 94.19%.

2022 Spending on Goods or Services Not Available Locally

Chemicals	\$145,260.77	Specialized Equipment	\$475,995.70
Specialized Services	\$832,462.70	Ice Rink & Pool Equipment/Maint.	\$509,222.41
IT Services/Software	\$1,094,398.08	Firefighting Equipment	\$191,230.47

If the payroll related expenses identified above are included, AND the expenditures on goods or services not available locally are removed from the analysis, the local spending ratio increases to 94.76%.

Committee noted that Council's policies, resolutions or goals include:

Council Goal: Delivering efficient and accountable government

Council Goal: Growing and diversifying our economy

Council Motion #0132-16 That Administration be directed to produce an annual report listing all contracts awarded.

Local Procurement Policy

(For Information Only)

2. Committee accepted for information a memorandum regarding Water and Sewer Rates Review Public Consultation.



Committee noted that the City of Yellowknife's water and sewer services rate structure has been in place since the 1990's and no longer reflects the complexities of current service delivery realities.

This became particularly apparent in late 2016 when a new water delivery service contract unexpectedly resulted in substantial increases in charges incurred by commercial users on trucked services. In response, in early 2017 Council directed Administration to undertake an analysis of water rates and bring forward recommendations, and to adjust bulk rate charges for high volume users of trucked services until the recommendations were presented.

The bulk rate changes were implemented at that time, and remain in effect. However, COVID and capacity challenges delayed the analysis until 2021, at which time the City used a competitive bidding process to select and engage InterGroup Consultants to review and analyse the City's water and sewer utility rate structure and to provide recommendations for adjustments in the context of industry best practices.

The process stalled briefly in 2022, but has recently resumed and is now at the public consultation stage. To this end, InterGroup analysts will be meeting with key stakeholders to obtain their feedback and working with the City's communications team to obtain resident feedback to through the PlaceSpeak engagement tool.

The three-week consultation period will run from June 12th, 2023 to July 4th, 2023, with the goal of providing the final report and recommendations to Council in the fall of 2023.

Committee noted that Council's policies, resolutions or goals include:

#0058-17

That Council direct Administration:

1. To undertake an analysis of water rates within the context of Council's priorities (Community Sustainability and Strengthen and Diversify the Economy) and return prior to the end of 2017 with analysis on the financial implications and recommendations going forward.
2. To, in the interim, charge the "bulk rate" as prescribed in the Fees and Charges By-law for water consumption above 15,000 litres for customers on trucked water with adjustments retroactive to January 1, 2017 until a full analysis of trucked water rates and recommendations is presented.

Committee noted that applicable legislation, by-laws, studies or plans include:

1. Fees and Charges By-law No. 4436, as amended.
2. Water and Sewer Services By-law No. 4436, as amended.

(For Information Only)

10. Councillor Arden-Smith moved,
Councillor Cochrane seconded,



That Committee move in camera at 1:00 p.m. to discuss a memorandum regarding whether to appoint someone to fill a vacant position on the Audit Committee.

MOTION CARRIED UNANIMOUSLY

(For Information Only)

11. Committee discussed a memorandum regarding whether to appoint someone to fill a vacant position on the Audit Committee.

(For Information Only)

12. Councillor Arden-Smith moved,
Councillor Hendriksen seconded,

That Committee return to an open meeting at 1:02 p.m.

MOTION CARRIED UNANIMOUSLY

13. **Committee read a memorandum regarding whether to appoint someone to fill a vacant position on the Audit Committee.**

Committee noted that there is a vacancy on the Audit Committee.

It is the practice of the City to advertise all committee vacancies. The City advertised the vacancy, specifying that it be filled by a member of the community with considerable experience in the operation and management of a large entity in the City's newsletter and the City's website.

Committee noted that Council's policies, resolutions or goals include:

Council Goal #2 Delivering efficient and accountable government.

Motion #0459-96: "The following policy be adopted with respect to appointments to municipal boards and committees:

- i) The maximum consecutive years that an individual may serve on any one board or committee is six.
- ii) Individuals who have served the maximum six-year period on one municipal board or committee shall be eligible to be appointed to another board or committee.
- iii) No individual shall be precluded from serving concurrent terms on more than one municipal board or committee.
- iv) Notwithstanding that an individual appointee has served less than six years on a particular board or committee, Council may, after the expiration of the first or subsequent terms of that appointee, advertise for applicants to fill a vacancy on that board or committee.



- v) Notwithstanding clause (i.) of this policy, should the City receive no applications to fill a vacancy on any particular board or committee, the six year maximum limitation may, at the discretion of City Council, be waived.

Committee noted that applicable legislation, by-laws, studies or plans include:

1. *Cities, Towns and Villages Act*, and
2. Audit Committee By-law No. 4217, as amended.

Consistency

The Audit Committee has recommended staggered terms for Committee members.

Legislation

Audit Committee By-law No. 4127 requires outside members to reside in Yellowknife and be independent from City Council, management, auditors, legal counsel and major contractors. Section 4.a.ii(4) states that the currently vacant position must be filled by a member of the community with considerable experience in the operation and management of a large entity.

Procedural Considerations

The Audit Committee helps to enhance the auditor's real and perceived independence by providing an intermediary link between the auditor and Council. The Audit Committee limits the reliance Council must place on the technical expertise of the independent auditor.

Committee noted that the Audit Committee is intended to function with a full complement of six members. Having the term of a new member expire in three years will conform to the staggered term recommendation.

Committee recommends that Council appoint Nathan Ensing, a member of the community with considerable experience in the operation and management of a large entity, pursuant to Audit Committee By-law No. 4127, to serve on the City of Yellowknife (City) Audit Committee for a three-year term commencing June 27, 2023 and ending June 26, 2026.

MOVE APPROVAL

14. The meeting adjourned at 1:02 p.m.