

# Budget 2026

## Laying the Groundwork

Governance and Priorities Committee

July 14, 2025



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# Agenda

- A Good Budget Process Explained
- Budget 2026 Context
- Budget 2026 Schedule
- Next Steps & Q&As

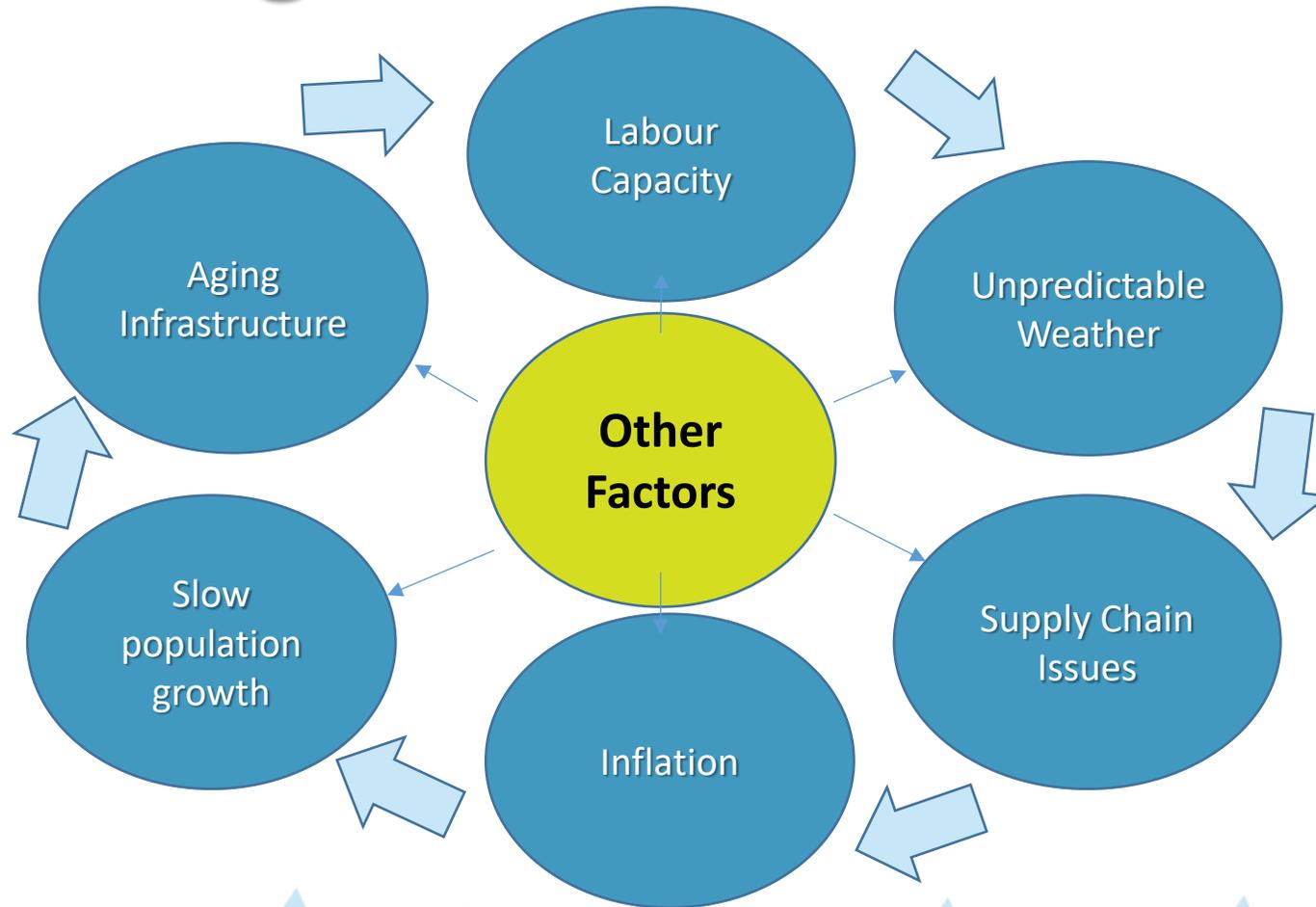
# A Good Budget Process.....

As Per GFOA's National  
Advisory Council

- Incorporates a long-term perspective
- Establishes linkages to broad organizational goals
- Focuses on results and outcomes
- Engages Key Stakeholders
- Provides clear direction and signal to City Administration

**CRUCIAL TO AVOID MAKING COSTLY SHORT TERM DECISIONS**

# Budget 2026 Context



**A BALANCING ACT**

# Other Factors Influencing Budget 2026

➤ 2026 Work Plan

➤ Reserves and Debt Levels

➤ Corporate Modernization

➤ General Property Assessment

➤ Policy Renewal

# 2026 Work Plan

➤ Development of Master Transportation Plan

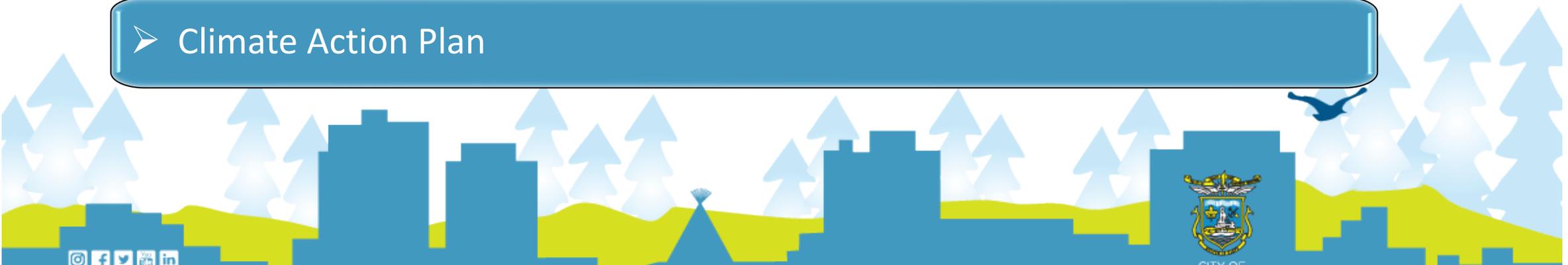
➤ Comprehensive Review of Community Plan

➤ Implementation of Asset Management Plan

➤ Municipal Elections

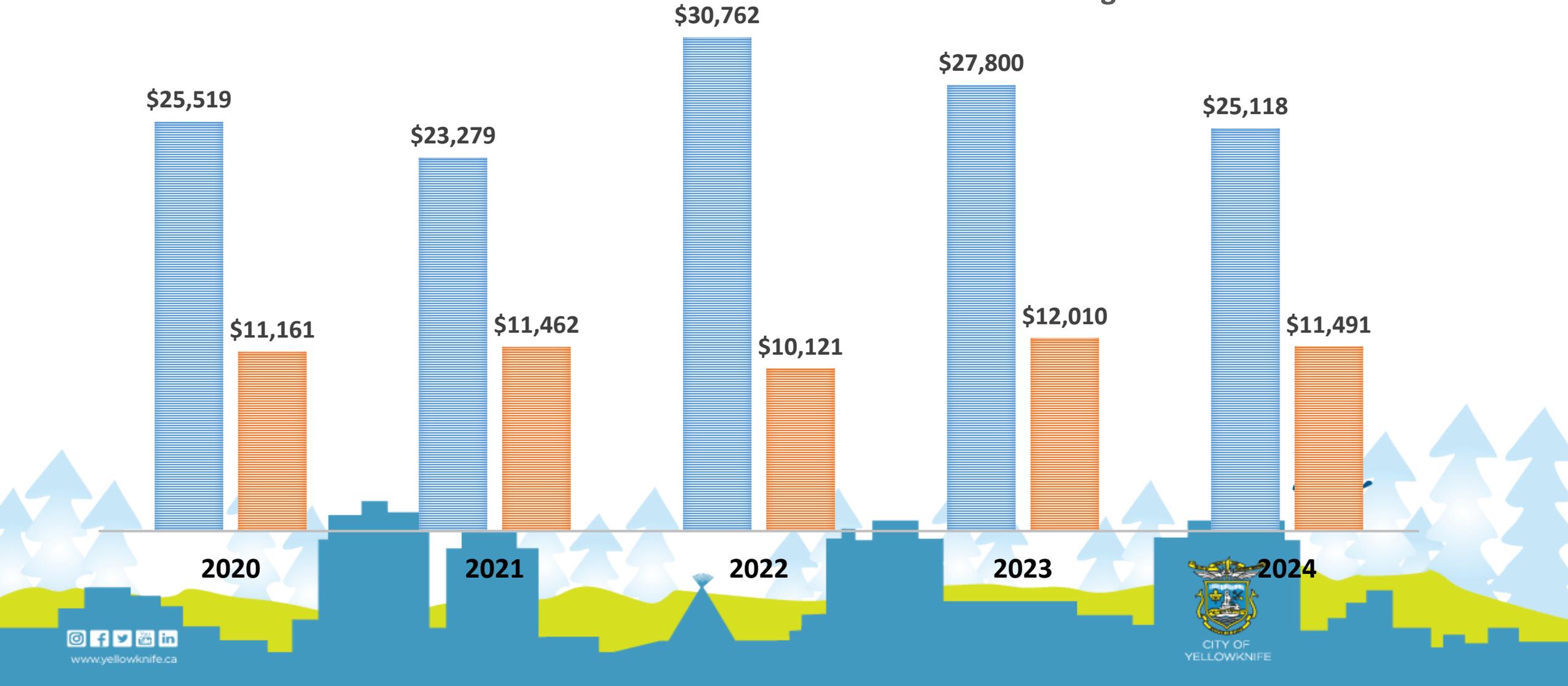
➤ Development of Water and Sewer Infrastructure Failure and Water Master Plan

➤ Climate Action Plan



# 2024 Debt and Reserves

■ Long Term Debt ■ Reserves



# Modernization Initiatives

➤ Organization Review

➤ Information Technology Audit

➤ Records and Information Management Audit and Review

➤ Water and Sewer Rate Structure Review

➤ Enterprise Resource Planning (ERP) and 3-1-1 (CRM)

➤ New User-Friendly Website

# General Assessment (1).....

- Under PATA, the City has 10 years between General Assessment
- Annual Assessment assesses any changes to the land which affect its value on a yearly basis in between General Assessments.
- Council Motion in 2014 (#0031-14) to conduct General Assessment every 5 years.
- General Assessment year following Council Motion #0031-14 was in 2018.
- General Assessment is currently underway and will be completed in the next few months.



# General Assessment (2).....

➤ 2018-2025 = 7 Years in between General Assessments

➤ 7 years of mix Economic climate

➤ Current forecasts = moderate growth but persistent challenges of high interest rates, inflation and global uncertainty

➤ State of the Economy and overall market conditions influences property values and assessments

➤ Expecting an increase in the assessment values once the General Assessment is completed in the coming months

➤ Increases in Assessed Values do not automatically mean tax increases

# Policy and Bylaw Renewal...

➤ Emerging Issues Reserve (EIR) Policy

➤ Investment Policy

➤ Mill Rate Policy

# Emerging Issues Reserve (EIR) Policy

➤ Intended to set out the objectives and requirements for providing funding in emergencies or other unforeseen catastrophic events

➤ Objective 1: Provide clarity on funding availability during Emerging Issues

➤ Objective 2: Help deal with the financial impact of such events

➤ \$3.5M earmarked currently in the General Fund

➤ Memo to GPC on 08 September 2025

# Investment Policy

➤ Current Investment Policy By-Law No. 4499, last amended in May 2011

➤ Purpose: To ensure that all funds received/held by the City are invested to provide optimal returns.

➤ Need to revamp By-Law after 14 years

➤ Should the scope be expanded?

➤ Allocations of Generated Investment Income = Downtown initiatives (2/5); Contingency for organizational (in)efficiencies (1/5); Maximum available for property tax reduction (2/5)

➤ Memo to GPC on 22 September 2025

# Mill Rate Policy

Presentation in GPC  
May 26/2025

“Intended to set the philosophical approach that Council and Administration can use as a guide to set property taxes, including the strategy behind mill rate ratios and the way the property tax burden is distributed.”

- Mill Rate Policy: In favor of either the Fixed Share Approach or Tax Ratio Approach
  - High-Density Parking: Unanimously in favor of eliminating this class
  - Derelict Buildings: No decision at this time
  - Vacant Lands: No clear consensus except a City wide scoping
- Memo to GPC on 06 October 2025

# Budget 2026 Schedule



Deliberations 1-4<sup>th</sup>  
December

**December**  
Budget Deliberations

**December**  
Budget Approval

**January - February**  
2024 Budget Approval  
2024 Work Plan

December 08<sup>th</sup>

November  
24<sup>th</sup>

**November**  
Draft Document  
Public Presentations  
Written/Posted Q&A

November  
3<sup>rd</sup>

**March - April**  
2023 Audited FS

# Budget 2026 Schedule

**October**  
3<sup>rd</sup> Quarter Variance  
Seek property tax objectives  
Results of public submissions &  
Admin Recommendations

**May-June**  
Mill Rates ratios  
Mill Rate By-laws

Tax Rate @  
5.86%

**September**  
Evaluation of public  
submissions

**August**  
Budget Submissions  
deadline by Public  
Council Proposals  
2<sup>nd</sup> Quarter Variance

**July**  
Initial Capital Projects  
List

# Summary:

➤ **Reserves and Debts:** The City needs to re-evaluate its debt servicing and reserve levels, with a focus on ensuring long-term financial stability amid economic pressures like inflation and high interest rates.

➤ **Modernization Initiatives:** City continues to make efforts to adopt modern technologies and streamlining processes to improve service delivery, enhance operational efficiency, and provide a better experience for residents.

➤ **General Assessment Impact:** While moderate growth is projected, higher property values are expected. However, economic uncertainties may influence overall impacts. To keep taxes the same or tax increases at marginal levels there will be a need to adjust the mill rates downward.

➤ **Policy Changes:**

**Emerging Issues Reserve (EIR):** Framework for emergency and unforeseen funding needs.

**Investment Policy:** Modernizing policy to maximize returns and their strategic use.

**Mill Rate Policy:** Guiding philosophy for property tax strategy and burden distribution.

# Thank You



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