

**Village of Haines Junction  
Committee of the Whole Meeting Minutes  
June 25, 2025**

**Present:**

Deputy Mayor Bushe  
Councillor Mackinnon  
Councillor McPhie  
Councillor Sundbo (via Zoom)  
Mayor Strand (via Zoom)

**Absent:**

CAO Fairbank

**Call to Order**

The meeting was called to order at 1:00 pm

**Acknowledgement of Champagne and Aishihik First Nations Traditional Territory**

Deputy Mayor Bushe acknowledged that we are on the traditional territory of the Champagne and Aishihik First Nations

**Closing of Meeting to the Public**

The meeting was closed to the public to discuss wastewater monitoring with One Yukon at 1:00 pm

**Reopening Meeting to the Public**

The meeting was reopened to the public at 1:19 pm

**Old Business**

Topic: Finance 201

- The following background documents were shared with the intention of providing as much information as possible about the current state of the Village's finances:
  - RTC Comprehensive Municipal Grant Update, initially shared with Council on February 26, 2025
  - 2024 Financial Statements, initially shared with Council on June 11, 2025
  - Village of Haines Junction Financial Analysis, initially shared with Council on June 11, 2025
- What problem are we trying to solve?
  - To build a common understanding of the relationship between asset management, staffing and service levels, and to situate this discussion within the context of the Village's financial situation to support Council's decision-making on the budget
  - To help Council get a better understanding of the Village's financial position
  - To inform Council's prioritization on the use of the Village's financial resources
  - To have a better understanding of the condition of the Village's capital assets and the costs to repair, maintain and replace
  - To consider the need for a risk matrix to assist with prioritization
- Why does it matter? Understanding the financial situation will help:
  - Identify resources that can be moved from unrestricted to restricted reserves
  - Ensure residents are getting good value from their tax dollars

- Identify whether resources are available to move forward on some of the big-ticket items that Council would like to address (e.g. decommissioning of the old pool and potentially the pump house, addressing the muffin, hiring a fire chief and other staff, emergency measures planning)
- Ensure Council is aware of financial implications and requirements of asset management e.g. what needs to be done now, and what can be deferred to a later date
- Ensure core services (e.g. water and sewer, fire, admin) are given priority when allocating resources by distinguishing between the financial obligations associated with core and discretionary services
- Asset Management & Long-Term Budgeting (PowerPoint presentation):
  - Asset Management Plans determine what it costs to maintain a status-quo level of service
  - A long-term budget defines what the Village can afford to invest in the current year and maintain moving forward.
  - Historical trends show that every 50 or 60 years, large investments are required to renew water and sewer assets – in Haines Junction, these assets were installed by YG in the 1970s and started being replaced within the past 7-8 years.
  - Other assets, such as buildings, vehicles, the landfill and the sewage lagoon, have unique maintenance and replacement timelines
  - The Village's reserves – both unrestricted and restricted – set aside funds for future maintenance and replacement of assets
  - The Village should be planning to balance the budget at the end of the year and not create additional surplus because we already have twice as much reserves as all other Yukon communities on average.
  - The ideal process:
    - Start with a fully developed asset management plan
    - Based on detailed risk assessments, prioritize 5-year capital planning
    - Make reserve allocations based on sustainable levels
    - Deliver services to the community through service level policy decisions
    - Set revenue (taxation, fees and service charges) to match needs
  - A basic asset management plan typically uses the replacement cost, divided by the lifespan, to inform what amount should be set aside each year. In 2014, this calculation was done for all of the Village's assets and found that \$2.2 million would need to be put aside every year to plan for the Village to bear the full cost of asset replacement. This represents approximately 66% of the Village's annual revenues.
  - Basic asset management plans also plan for growth.
  - Context for asset management:
    - Yukon receives \$1.5 Billion every year from the Government of Canada which equates to \$32,000/year/citizen (13 times the national average). Two-thirds of the Village's revenue comes from federal funding via Yukon government (via the Comprehensive Municipal Grant). In addition, approximately 90-95% of the Village's capital expenditures have historically been paid by Yukon government.
    - It is impossible to determine how much investment YG will continue to provide to communities moving forward however it is clear that Yukon communities will always be subsidized or they will cease to exist.

- It is not in Canada's national security interest to allow Yukon (Northern) communities to disappear.
  - Compared to our peers, Haines Junction has the best financial standing
- Resources and Spending:
  - Reserves \$8.88 M
  - Gas Tax (CCPF) \$4.95M +~\$500k/year
  - Operating Surplus (O&M Revenue less O&M Expenses) \$1.26M (current annual)
  - Surplus (after capital and projects) \$474k (note last year there was >\$350k in O&M budget slippage due to vacant positions and conservative budget estimates)
  - *Recommendation:* Maintain reserve levels, do not increase them (see Financial Sustainability Report for additional information).
- 2025 Draft Budget Expenses:
  - Repair and replacement \$1.9M (\$1.67 CCBF) (see details in PowerPoint)
  - New tangible assets \$300k
  - Services and programs \$150k
  - Outside funding \$50k
  - *Recommendation:* Use gas tax funds which have historically been underutilized.
- 2025 Staffing Considerations:
  - In 2016 there were 15 positions in Public Works. In 2024, there were 11 positions in Public Works
  - SWMF Attendant \$75k/year
  - Director of Protective Services (Fire Chief) est \$130k/year
  - Summer student program ~\$14k per student or \$9k with grant (starting 2026)
  - Entry level Rec position (approved but not filled)
- Village of Haines Junction Mid-Term Financial Projection:
  - The spreadsheet presented data on key the following key indicators from 2017 to 2025, with projections to 2030
    - O&M Revenue
    - O&M Expenses
    - O&M Surplus
    - Net Financial Assets
  - The spreadsheet also presented data on current reserve balances and reserve spending by year
  - Figures for annual spending on capital assets from all funding sources, vs spending on capital assets from the Village's own fund were compared from 2017 to 2025.
  - A comparison of revenues and property tax rates to other Yukon communities was also provided
- 2025 Draft Budget – Simplified
  - The four-year draft capital and projects budget was discussed, noting the Village's Asset Management Plan won't be ready to support this year's budgeting process
  - Council requested a detailed briefing on each item within the budget to support their decision making that explains why the item has been brought forward and why it is a priority e.g. relationship to asset management, risk assessment, service level policy discussions etc.
  - If you don't increase taxes over time, you are effectively decreasing taxes because expenses creep up so the level of service must go down.

- This is true if there is no growth (which there has been in Haines Junction), and if property assessments are static (YG does update their assessments periodically).
- This also is less of an issue when a municipality is not spending all its budget, as has been the case in Haines Junction.
- Haines Junction is not in the position of having to decide whether to increase taxes or reduce service levels because of its healthy financial position and relatively low level of service across the board relative to other communities.
- *Recommendation:* Move towards a balanced budget.
- *Recommendation:* Prioritize applying for Yukon and Federal funding opportunities. For example, a Rec position could bring in multiple times its salary in funding if their job description included funding applications. There is a lot of funding from the Federal government right now for municipalities to encourage housing development. Responding to these funding opportunities allows our community to keep pace with other communities.
- *Recommendation:* Currently, there is no need to raise property taxes from a revenue generation perspective. But taxation can be instituted for other reasons. For example, there is still the issue to consider of instituting a vacant lot tax to encourage the (re)development of vacant lots. These revenues (alongside outside funding opportunities) could be put towards economic development, encouraging tourism and supporting business.
- *Pool & Recreation Centre:*
  - When complete it will require ongoing O&M to staff and operate
  - Ideally a facility specific replacement reserve should be established in partnership with CAFN
  - In 2018 O&M for the KZA designed pool (ambitious in scope) was estimated to be \$1m/yr (before any revenue generation from the facility)
  - Working with CAFN on a cost-sharing agreement for O&M
- Council directed staff to bring the SWMF position forward to the June 25 Regular Council Meeting for decision.

Topic: Fire Chief Staffing Options

- This discussion was deferred to the July 9 Council meeting

**Adjournment**

The meeting was adjourned at 4:15 pm.

  
Mayor Diane Strand

  
CAO David Fairbank

