

THE CORPORATION OF THE CITY OF GRAND FORKS

BYLAW NO. 2097

A Bylaw to Establish the Five Year Financial Plan For the Years 2023 - 2027

The Council for the Corporation of the City of Grand Forks, in open meeting assembled, enacts as follows:

1. This bylaw may be cited, for all purposes, as the “Five Year Financial Plan Bylaw, 2023-2027, No. 2097”.
2. Schedule “A” attached hereto and forming part of this bylaw is hereby adopted as the Statement of Objectives and Policies for the Five Year Financial Plan for the years 2023 to 2027.
3. Schedule “B” attached hereto and forming part of this bylaw is hereby adopted as the Financial Plan schedule of proposed funding sources, expenditures, and transfers between funds for the years 2023 to 2027.

Read a first, second and third time by the Municipal Council this 27th day of March, 2023.

Finally adopted on this 17th day of April, 2023.

Mayor Everett Baker

Corporate Officer Daniel Drexler

C E R T I F I C A T E

I hereby certify the foregoing to be a true and correct copy of the “Five Year Financial Plan Bylaw, 2022-2026, No. 2097”, as adopted by the Municipal Council of the City of Grand Forks on this 17th day of April, 2023.

Corporate Officer of the Municipal Council of the
City of Grand Forks

**CORPORATION OF THE CITY OF GRAND FORKS
5 Year Financial Plan Bylaw 2097
Schedule "A" Statement of Objectives and Policies**

In accordance with Section 165 (3.1) of the Community Charter, the City of Grand Forks is required to include in the Five Year Financial Plan, objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the Community Charter;
2. The distribution of property taxes among the property classes, and
3. The use of permissive tax exemptions.

Funding Sources

Objective:

- For operations, to maintain annual increases to a level that approximates the annual increase in inflation unless a specific program or project is identified that requires tax revenue funding.
- For capital and fiscal, to review and address annually the long term needs for capital infrastructure.

Policies

- Ensure that property tax increases remain as stable as possible over time and within 2 percent above inflation.
- Increase utility rates consistently over time, between 3 and 4 percent, to fund the asset management capital reserves.
- Evaluate and set user fees and charges fairly for the services received.
- Set taxes, fees and charges to achieve full cost recovery, where appropriate, for operating costs.
- Periodically review fees and charges to ensure that they account for inflation and changes in the level of service provided.
- Encourage the use of alternate revenue resources instead of property taxes.

Revenue Source	Amount	% of Total Revenue
Property Value Taxes	\$ 4,300,530	13.3%
Parcel Taxes	5,826	0.0%
Fees and Charges	8,317,428	25.8%
Other Sources	17,671,225	54.9%
Development Cost Charges	500,000	1.6%
Reserve Funding	1,419,205	4.4%
TOTAL	\$ 32,214,214	100.0%

Distribution of Property Taxes

Objective:

- To ensure property taxes and rates are sufficient to meet the City's short and long-term needs.
- To ensure equity among the property classes by reviewing the ratios of property class allocations annually.

Policies:

- Conduct periodic reviews of taxes paid by individual classes.
- Consider tax shifts or redistributions only where a full comprehensive analysis and impact is undertaken.
- Where a tax shift is required, consider a gradual phase-in to allow the properties in the class to adjust their budgets accordingly.
- In establishing property tax rates, take into consideration:
 - The amount of property taxes levied as compared to other municipalities.
 - The property class conversion ratio as compared to other municipalities.
 - The tax share borne by each property class.
 - The tax ratios of each property classification.

The table below shows the proposed distribution of property tax revenue among the various classes, with the percentage of apportionment to each class being consistent with previous years:

Property Class	Rate Multiple	% of Property Value Tax
01 Residential	1.00	57.9%
02 Utilities	11.18	1.2%
03 Supportive Housing	1.00	0.0%
04 Major Industry	12.31	21.0%
05 Light Industry	3.37	1.3%
06 Business	2.61	18.6%
07 Managed Forest	3.00	0.0%
08 Recreation/Non Profit	0.93	0.0%
09 Farm	1.44	0.0%
TOTAL		100.0%

Permissive Tax Exemptions**Objective**

- Optimize the provision of charitable and not for profit services for the benefit of Grand Forks residents.
- Provide property tax exemptions as permitted under the Community Charter in a consistent and fair manner.
- Restrict the provision of exemption to those providing an extension to City services and minimize the impact on City revenues.
- Consider the development of a revitalization tax exemption program as a means of encouraging commercial investment and increasing the availability of housing in the community.

Policies

- Grand Forks residents must be primary beneficiaries of the organization's services and the services provided must be accessible to all members of the public.
- In guiding and approving permissive tax exemptions, Council will take into consideration:
 - Not-for-profit occupiers of City property for the duration of their occupancy.
 - Land and improvements surrounding a statutorily exempt building for public worship.

CORPORATION OF THE CITY OF GRAND FORKS
Five Year Financial Plan Bylaw No. 2097
Schedule "B" Five Year Financial Plan 2023-2027

	2023	2024	2025	2026	2027
	Budget	Budget	Budget	Budget	Budget
Revenues					
Property Taxes	\$ 4,159,355	\$ 4,284,136	\$ 4,534,163	\$ 4,666,543	\$ 4,802,894
Parcel and Frontage Taxes	5,826	5,826	5,826	5,826	5,826
Grants in Lieu of Taxes	33,010	34,000	35,020	36,070	37,152
Percentage of Revenue Tax	108,165	108,165	108,165	108,165	108,165
Sales of Services and User Fees	8,317,428	8,339,571	8,397,921	8,505,951	8,615,552
Grants	17,119,825	4,504,261	2,961,740	2,019,958	932,700
Development Cost Charges	500,000				
Other Revenues	551,400	360,110	315,855	317,633	319,448
Total Revenues	30,795,009	17,636,069	16,358,690	15,660,146	14,821,737
Expenses					
Purchases for resale	3,558,766	3,611,322	3,664,667	3,718,812	3,773,769
General Government	1,710,624	1,560,601	1,583,264	1,606,267	1,629,614
Protective Services	1,232,407	1,215,369	1,233,600	1,252,104	1,270,885
Transportation Services	1,289,664	1,303,933	1,323,492	1,338,269	1,353,268
Environmental & Health Services	276,804	280,956	285,170	289,448	293,790
Public Health Services	98,360	94,760	96,181	97,624	99,088
Planning and Development	1,213,510	604,670	509,910	436,058	361,099
Parks, Recreation and Cultural Services	1,383,033	1,377,403	1,397,869	1,413,568	1,429,501
Water Services	687,982	698,302	708,777	719,409	730,200
Electrical Services	960,359	974,764	989,385	1,004,226	1,019,289
Wastewater Services	832,310	844,795	857,467	870,329	883,384
Amortization	2,087,336	2,180,923	2,263,169	2,266,294	2,277,708
Debt Interest	111,545	111,545	172,400	168,376	165,267
Total Expenses	15,442,700	14,859,343	15,085,351	15,180,784	15,286,862
Surplus (Deficit) for the year	\$ 15,352,309	\$ 2,776,726	\$ 1,273,339	\$ 479,362	\$ (465,125)
Adjusted for non-cash items					
Amortization	2,087,336	2,180,923	2,263,169	2,266,294	2,277,708
Total Cash from Operations	\$ 17,439,645	\$ 4,957,649	\$ 3,536,508	\$ 2,745,656	\$ 1,812,583
Adjusted for Cash Items					
Proceeds from Borrowing	-	-	1,300,000	-	-
Capital Expenditures	(18,628,955)	(5,641,924)	(4,534,000)	(2,849,329)	(1,360,000)
Debt Principal Repayments	(115,420)	(115,420)	(176,068)	(175,438)	(178,547)
Transfer from Land Sales Reserve	156,690	-	-	-	-
Transfer from Capital Reserves	1,262,515	1,214,300	1,081,800	634,900	150,000
Transfer to Capital Reserves	(773,704)	(358,782)	(1,148,500)	(296,400)	(300,400)
Transfer to/from Surplus	659,229	(55,823)	(59,740)	(59,389)	(123,636)
	(17,439,645)	(4,957,649)	(3,536,508)	(2,745,656)	(1,812,583)
Financial Plan Balance	-	-	-	-	-