

# THE CORPORATION OF THE CITY OF GRAND FORKS

## BYLAW NO. 2045-A2

### A Bylaw to Amend the Five Year Financial Plan For the Years 2018 - 2022

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Whereas pursuant to Section 165 of the *Community Charter*, "Five Year Financial Plan Bylaw, 2018-2022, No. 2045" was adopted on April 9, 2018, and

Whereas the financial plan may be amended by bylaw at any time;

Now therefore the Council of 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 "2018-2022 Financial Plan Amendment Bylaw, No. 2045-A2".
2. Five Year Financial Plan Bylaw, 2018-2022, No. 2045 is hereby amended for the year 2018 only, as set out in Schedules "A", "B" and "C" attached to and forming part of this bylaw.

Read a first, second and third time by the Municipal Council this 24th day of June 2019.

Finally adopted on this 15<sup>th</sup> day of July, 2019.

\_\_\_\_\_  
Mayor Brian Taylor

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Corporate Officer Daniel Drexler

## C E R T I F I C A T E

I hereby certify the foregoing to be a true copy of the "2018-2022 Financial Plan Amendment Bylaw No. 2045-A2 as adopted by the Municipal Council of the City of Grand Forks on this 15<sup>th</sup> day of July 2019.

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

**CORPORATION OF THE CITY OF GRAND FORKS  
5 Year Financial Plan Amendment Bylaw 2045-A2  
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 polices 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

- After an initial correction period, 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 sources instead of property taxes.

Revenue Source	Amount	% of Total Revenue
Property Value Taxes	\$ 3,922,261	21.1%
Parcel Taxes	161,047	0.9%
Fees and Charges	8,214,471	44.1%
Other Sources	4,143,101	22.2%
Proceeds from Borrowing	643,739	3.5%
Reserve Funding	1,535,863	8.2%
<b>TOTAL</b>	<b>\$ 18,620,482</b>	<b>100.0%</b>

**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 2018 distribution of property taxes rates among the different classes is as follows:

Property Class	Rate Multiple	% of Property Value Tax
01 Residential	1.00	54.95%
02 Utilities	8.17	1.38%
04 Major Industry	8.85	21.58%
05 Light Industry	2.93	1.45%
06 Business	2.39	20.60%
08 Recreation/Non Profit	0.80	0.03%
09 Farm	1.08	0.01%
<b>TOTAL</b>		<b>100.00%</b>

**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.

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**  
**5 Year Financial Plan Amendment Bylaw No. 2045-A2**  
**Schedule "B" Amended Five Year Financial Plan 2018-2022**

	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
<b>Revenues</b>					
Property Taxes	\$ 3,805,740	\$ 3,918,660	\$ 4,036,220	\$ 4,157,307	\$ 4,282,026
Parcel and Frontage Taxes	161,047	161,226	161,226	5,826	5,826
Grants in Lieu of Taxes	16,626	17,661	18,191	18,737	19,299
Percentage of Revenue Tax	99,895	104,000	104,000	104,000	104,000
Sales of Services and User Fees	8,214,471	7,939,156	8,165,690	8,399,021	8,639,352
Grants	1,763,412	1,039,537	1,054,534	1,069,670	1,084,946
Other Revenues	2,379,689	412,300	412,300	412,300	412,300
<b>Total Revenues</b>	<b>16,440,880</b>	<b>13,592,540</b>	<b>13,952,161</b>	<b>14,166,861</b>	<b>14,547,749</b>
<b>Expenses</b>					
Purchases for resale	3,806,024	3,560,216	3,631,420	3,704,049	3,778,130
General Government	1,137,070	1,371,728	1,398,163	1,425,126	1,452,628
Protective Services	1,440,421	1,004,218	970,553	935,143	953,646
Transportation Services	1,308,015	1,225,341	1,249,848	1,274,845	1,300,341
Environmental & Health Services	245,383	240,868	245,685	250,599	255,611
Public Health Services	45,435	86,519	88,249	90,014	91,814
Planning and Development	327,647	406,768	404,173	411,726	419,430
Parks, Recreation and Cultural Services	2,448,566	1,298,771	1,317,520	1,309,645	1,329,152
Water Services	663,709	787,508	803,258	819,323	835,709
Electrical Services	521,200	688,167	701,930	715,969	730,288
Wastewater Services	702,991	714,477	728,767	743,342	758,209
Amortization	1,724,781	2,102,562	2,185,260	2,209,366	2,239,255
Debt Interest	134,259	188,987	163,262	161,015	160,926
<b>Total Expenses</b>	<b>14,505,501</b>	<b>13,676,130</b>	<b>13,888,088</b>	<b>14,050,162</b>	<b>14,305,139</b>
<b>Surplus (Deficit) for the year</b>	<b>\$ 1,935,379</b>	<b>\$ (83,590)</b>	<b>\$ 64,073</b>	<b>\$ 116,699</b>	<b>\$ 242,610</b>
<b>Adjusted for non-cash items</b>					
Amortization	1,724,781	2,102,562	2,185,260	2,209,366	2,239,255
<b>Total Cash from Operations</b>	<b>\$ 3,660,160</b>	<b>\$ 2,018,972</b>	<b>\$ 2,249,333</b>	<b>\$ 2,326,065</b>	<b>\$ 2,481,865</b>
<b>Adjusted for Cash Items</b>					
Proceeds from Borrowing	643,739	-	-	-	-
Capital Expenditures	(2,965,986)	(2,344,000)	(2,259,000)	(2,639,000)	(2,429,000)
Proceeds on Disposal of Assets	239,374	-	-	-	-
Gain on Disposal of Assets	(59,315)	-	-	-	-
Debt Principal Repayments	(357,405)	(373,961)	(328,837)	(213,837)	(181,656)
Transfer from Reserves	1,535,863	2,344,000	2,259,000	2,639,000	2,429,000
Transfer to Reserves	(2,754,488)	(1,600,000)	(1,900,000)	(2,100,000)	(2,300,000)
Transfer from/(to) Operating Surplus	58,058	(45,011)	(20,496)	(12,228)	(209)
	<b>\$ (3,660,160)</b>	<b>\$ (2,018,972)</b>	<b>\$ (2,249,333)</b>	<b>\$ (2,326,065)</b>	<b>\$ (2,481,865)</b>
<b>Financial Plan Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**CORPORATION OF THE CITY OF GRAND FORKS**  
**5 Year Financial Plan Amendment Bylaw No. 2045-A2**  
**Schedule "C" - Amended Five Year Financial Plan 2018-2022**

CAPITAL EXPENDITURES - 2018		FUNDED FROM							
		RESERVES			Climate Action	Slag	DEBT	GRANTS	OTHER
Description	Fund	Amount	Capital Equipment	Land Sales	Gas Tax				
<b>2017 Carry Forward Projects</b>									
Silver Kettle Sidewalk	General	154,687							
Public Works Fuel Tanks	General	11,073							
Public Works Upgrades	General	19,486							
Public Works - 22nd Street	General	573,349					573,349		
Wayfaring Signs	General	11,250						11,250	
Airport AWOS Upgrade	General	33,921							25,441
Expo Sign changes	General	11,996							
Flood Plain Mapping & Risk Assessment	General	27,340						11,996	
5 tonne Dump Truck	Fleet	220,062	220,062						15,706
Holder Replacement	Fleet	6,948	6,948						
Electrical Voltage Conversion	Electrical	545,615	545,615						
CCTV Sewer Camera	Sewer	45,457				3,546			7,091
Wastewater Treatment Plant UV	Sewer	10,637				36,844			
Headworks Grinder	Sewer	36,844							
Wastewater Treatment Plant Upgrades	Sewer	645,507	109,736						535,771
Sewer Phasing Plan	Sewer	78,500	13,345						65,155
5th Street Watermain Replacement	Water	15,551				15,551			
West Side Fire Protection	Water	65,538					70,390		(4,852)
<b>Subtotal 2017 Carry Forward Projects</b>		<b>2,513,761</b>	<b>874,056</b>	<b>272,467</b>	<b>40,390</b>	<b>15,551</b>	<b>643,739</b>	<b>649,164</b>	<b>(4,852)</b>
<b>2018 New Projects</b>									
Data Collection Equipment	General	5,339							
Ball Diamond Rebuild to baseball specs	General	9,789							
LED Street Lighting	General	10,300				10,300			
Public Works Upgrades	General	38,591							
Replace Crosswalks in City Core	General	47,472				47,472			
Central Ave Sidewalk Replacement	General	28,447	28,447						
Bridge Approach Paving	General	18,789				18,789			
SolarNow Solar Panel Installation	General	32,500						18,768	
IT & Office Equipment	General	13,899							13,899
Flood Plain Risk Management & Protection	General	53,072							
Fleet replacement	Fleet	19,314	19,314						
Annual Emergency Repair Fund	Various	112,806							61,369
Shared Property (strata, trailers) Water Meters	Water	21,869				21,869			
Water service upgrade - City Park, 7th St., etc...	Water	4,097							
Airport Water Main Looping	Water	14,542							
Sewer Main Relining	Sewer	1,215							
Lift Station Pumps	Sewer	17,344							
Granby River Force Main Crossing	Sewer	2,840							
<b>Subtotal 2018 New Projects</b>		<b>452,225</b>	<b>192,955</b>	<b>-</b>	<b>98,430</b>	<b>18,768</b>	<b>-</b>	<b>66,804</b>	<b>75,268</b>
<b>TOTAL CAPITAL EXPENDITURES</b>		<b>2,965,986</b>	<b>1,067,011</b>	<b>272,467</b>	<b>40,390</b>	<b>113,981</b>	<b>643,739</b>	<b>715,968</b>	<b>70,416</b>