

THE CORPORATION OF THE CITY OF GRAND FORKS

BYLAW NO. 2108

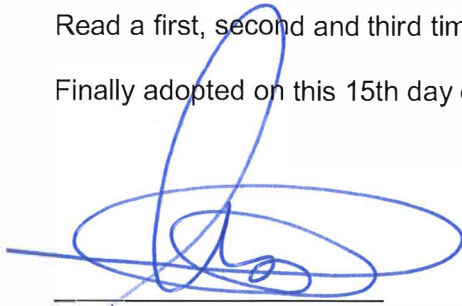
A Bylaw to Establish the Five Year Financial Plan For the Years 2024 - 2028

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, 2024-2028, No. 2108".
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 2024 to 2028.
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 2024 to 2028.

Read a first, second and third time by the Municipal Council this 25th day of March, 2024.

Finally adopted on this 15th day of April, 2024.



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, 2024-2028, No. 2108", as adopted by the Municipal Council of the City of Grand Forks on this 15th day of April, 2024.



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

**CORPORATION OF THE CITY OF GRAND FORKS
5 Year Financial Plan Bylaw 2108
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

- 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	\$ 4,473,185	12.9%
Parcel Taxes	5,826	0.0%
Fees and Charges	8,880,413	25.6%
Other Sources	18,220,903	52.5%
Proceeds from Borrowing	1,000,000	2.9%
Development Cost Charges	803,795	2.3%
Reserve Funding	1,327,504	3.8%
TOTAL	\$ 34,711,626	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	58.0%
02 Utilities	12.07	1.0%
03 Supportive Housing	1.00	0.0%
04 Major Industry	11.66	21.0%
05 Light Industry	3.41	1.3%
06 Business	2.58	18.7%
07 Managed Forest	3.00	0.0%
08 Recreation/Non Profit	0.68	0.0%
09 Farm	1.28	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. 2108
Schedule "B" Five Year Financial Plan 2024-2028

	2024	2025	2026	2027	2028
	Budget	Budget	Budget	Budget	Budget
Revenues					
Property Taxes	\$ 4,325,729	\$ 4,455,501	\$ 4,589,166	\$ 4,726,841	\$ 4,868,646
Parcel and Frontage Taxes	5,826	5,826	5,826	5,826	-
Grants in Lieu of Taxes	34,483	35,517	36,583	37,680	38,811
Percentage of Revenue Tax	112,973	112,973	112,973	112,973	112,973
Sales of Services and User Fees	8,880,413	8,988,968	9,099,114	9,210,909	9,324,294
Grants	17,447,831	2,995,840	2,055,159	968,900	982,300
Development Cost Charges	803,795	-	-	-	-
Other Revenues	773,072	418,813	422,933	427,133	431,418
Total Revenues	32,384,122	17,013,438	16,321,754	15,490,262	15,758,442
Expenses					
Purchases for resale	3,827,212	3,883,795	3,941,227	3,999,520	4,058,688
General Government	1,741,476	1,742,080	1,824,401	1,851,624	1,879,256
Protective Services	1,220,357	1,238,662	1,257,243	1,276,102	1,295,243
Transportation Services	1,320,505	1,335,238	1,355,266	1,370,519	1,386,002
Environmental & Health Services	300,328	304,833	309,405	314,046	318,757
Public Health Services	106,050	107,641	109,256	110,895	112,558
Planning and Development	1,120,592	692,894	621,188	548,406	474,532
Parks, Recreation and Cultural Services	1,467,103	1,470,822	1,492,690	1,509,810	1,527,187
Water Services	778,356	790,031	801,881	813,909	826,118
Electrical Services	975,894	990,532	1,005,390	1,020,471	1,035,778
Wastewater Services	903,070	916,616	930,365	944,320	958,485
Amortization	2,339,940	2,539,618	2,597,264	2,640,992	2,623,703
Debt Interest	131,732	165,712	162,249	159,536	156,794
Total Expenses	16,232,615	16,178,474	16,407,825	16,560,150	16,653,101
Surplus (Deficit) for the year	\$ 16,151,507	\$ 834,964	\$ (86,071)	\$ (1,069,888)	\$ (894,659)
Adjusted for non-cash items					
Amortization	2,339,940	2,539,618	2,597,264	2,640,992	2,623,703
Total Cash from Operations	\$ 18,491,447	\$ 3,374,582	\$ 2,511,193	\$ 1,571,104	\$ 1,729,044
Adjusted for Cash Items					
Proceeds from Borrowing	1,000,000	-	-	-	-
Capital Expenditures	(20,689,605)	(4,447,500)	(3,253,830)	(1,572,000)	(1,550,000)
Debt Principal Repayments	(129,687)	(160,005)	(158,814)	(161,527)	(164,269)
Transfer from Land Sales Reserve	315,000	-	-	-	-
Transfer from Capital Reserves	1,012,504	1,396,348	1,063,278	1,105,000	150,000
Transfer to Land Sales Reserve	(176,880)	-	-	-	-
Transfer to Capital Reserves	(286,253)	(270,000)	(270,000)	(270,000)	(270,000)
Transfer to/from Surplus	463,474	106,575	108,173	(672,577)	105,225
	(18,491,447)	(3,374,582)	(2,511,193)	(1,571,104)	(1,729,044)
Financial Plan Balance	-	-	-	-	-