

# THE CORPORATION OF THE CITY OF GRAND FORKS

## **BYLAW NO. 2114**

### **A Bylaw to Establish the Five-Year Financial Plan For the Years 2025 - 2029**

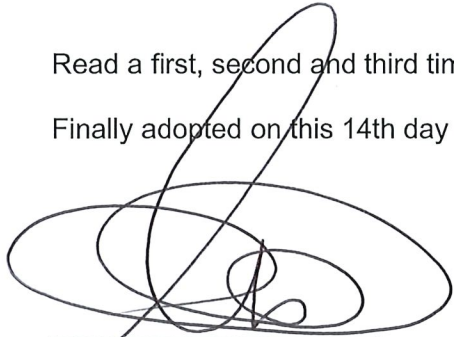
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The Council for the Corporation of the City of Grand Forks, in open meeting assembled, enacts as follows:

1. This bylaw may be cited, for all purposes, as the "Five Year Financial Plan Bylaw, 2025-2029, No. 2114".
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 2025 to 2029.
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 2025 to 2029.

Read a first, second and third time by the Municipal Council this 17th day of March, 2025.

Finally adopted on this 14th day of April, 2025.



Mayor Everett Baker



Corporate Officer Kevin McKinnon

### **CERTIFICATE**

I hereby certify the foregoing to be a true and correct copy of the "Five Year Financial Plan Bylaw, 2025-2029, No. 2114", as adopted by the Municipal Council of the City of Grand Forks on this 14th day of April, 2025.

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

**CORPORATION OF THE CITY OF GRAND FORKS  
5 Year Financial Plan Bylaw 2114  
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.

| <b>Revenue Source</b>    | <b>Amount</b>        | <b>% of Total Revenue</b> |
|--------------------------|----------------------|---------------------------|
| Property Value Taxes     | 4,727,400            | 15.6%                     |
| Parcel Taxes             | 5,826                | 0.0%                      |
| Fees and Charges         | 9,323,464            | 30.7%                     |
| Other Sources            | 11,204,410           | 37.0%                     |
| Proceeds from Borrowing  | 1,000,000            | 3.3%                      |
| Development Cost Charges | 711,121              | 2.3%                      |
| Reserve Funding          | 3,373,805            | 11.1%                     |
| <b>TOTAL</b>             | <b>\$ 30,346,026</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 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:

| <b>Property Class</b>    | <b>Rate Multiple</b> | <b>% of Property Value Tax</b> |
|--------------------------|----------------------|--------------------------------|
| 01 Residential           | 1.00                 | 57.9%                          |
| 02 Utilities             | 12.11                | 1.1%                           |
| 03 Supportive Housing    | 1.00                 | 0.0%                           |
| 04 Major Industry        | 11.21                | 21.0%                          |
| 05 Light Industry        | 3.18                 | 1.3%                           |
| 06 Business              | 2.41                 | 18.7%                          |
| 07 Managed Forest        | 3.00                 | 0.0%                           |
| 08 Recreation/Non Profit | 0.66                 | 0.0%                           |
| 09 Farm                  | 1.32                 | 0.0%                           |
| <b>TOTAL</b>             |                      | <b>100.0%</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.
- 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. 2114**  
**Schedule "B" Five Year Financial Plan 2025-2029**

|                                         | <b>2025</b>          | <b>2026</b>         | <b>2027</b>         | <b>2028</b>         | <b>2029</b>         |
|-----------------------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
|                                         | <b>Budget</b>        | <b>Budget</b>       | <b>Budget</b>       | <b>Budget</b>       | <b>Budget</b>       |
| <b>Revenues</b>                         |                      |                     |                     |                     |                     |
| Property Taxes                          | \$ 4,585,273         | \$ 4,722,831        | \$ 4,864,516        | \$ 5,010,451        | \$ 5,160,765        |
| Parcel and Frontage Taxes               | 5,826                | 5,826               | 5,826               | -                   | -                   |
| Grants in Lieu of Taxes                 | 35,211               | 36,267              | 37,355              | 38,476              | 39,630              |
| Percentage of Revenue Tax               | 106,916              | 106,916             | 106,916             | 106,916             | 106,916             |
| Sales of Services and User Fees         | 9,323,464            | 9,438,869           | 9,555,623           | 9,674,149           | 9,794,476           |
| Grants                                  | 10,651,537           | 1,507,102           | 3,328,013           | 2,388,632           | 1,303,773           |
| Development Cost Charges                | 711,121              | -                   | -                   | -                   | -                   |
| Other Revenues                          | 552,873              | 426,146             | 430,706             | 435,357             | 440,101             |
| <b>Total Revenues</b>                   | <b>25,972,221</b>    | <b>16,243,957</b>   | <b>18,328,955</b>   | <b>17,653,981</b>   | <b>16,845,661</b>   |
| <b>Expenses</b>                         |                      |                     |                     |                     |                     |
| Purchases for resale                    | 3,871,260            | 3,928,504           | 3,986,607           | 4,045,581           | 4,105,440           |
| General Government                      | 1,754,517            | 1,755,316           | 1,837,835           | 1,865,260           | 1,893,096           |
| Protective Services                     | 1,333,499            | 1,353,502           | 1,373,805           | 1,394,412           | 1,415,328           |
| Transportation Services                 | 1,173,585            | 1,186,114           | 1,203,906           | 1,216,890           | 1,230,068           |
| Environmental & Health Services         | 305,518              | 310,101             | 314,753             | 319,474             | 324,266             |
| Public Health Services                  | 104,372              | 105,938             | 107,527             | 109,140             | 110,777             |
| Planning and Development                | 1,088,551            | 733,926             | 662,835             | 590,677             | 517,437             |
| Parks, Recreation and Cultural Services | 1,644,995            | 1,652,345           | 1,676,935           | 1,696,818           | 1,717,000           |
| Water Services                          | 804,946              | 817,020             | 829,275             | 841,714             | 854,340             |
| Electrical Services                     | 1,007,757            | 1,022,873           | 1,038,216           | 1,053,789           | 1,069,596           |
| Wastewater Services                     | 933,865              | 947,873             | 962,091             | 976,522             | 991,170             |
| Amortization                            | 2,363,667            | 2,516,509           | 2,534,597           | 2,563,333           | 2,548,545           |
| Debt Interest                           | 156,107              | 156,107             | 160,484             | 158,379             | 156,287             |
| <b>Total Expenses</b>                   | <b>16,542,639</b>    | <b>16,486,128</b>   | <b>16,688,866</b>   | <b>16,831,989</b>   | <b>16,933,350</b>   |
| <b>Surplus (Deficit) for the year</b>   | <b>\$ 9,429,582</b>  | <b>\$ (242,171)</b> | <b>\$ 1,640,089</b> | <b>\$ 821,992</b>   | <b>\$ (87,689)</b>  |
| <b>Adjusted for non-cash items</b>      |                      |                     |                     |                     |                     |
| Amortization                            | 2,363,667            | 2,516,509           | 2,534,597           | 2,563,333           | 2,548,545           |
| <b>Total Cash from Operations</b>       | <b>\$ 11,793,249</b> | <b>\$ 2,274,338</b> | <b>\$ 4,174,686</b> | <b>\$ 3,385,325</b> | <b>\$ 2,460,856</b> |
| <b>Adjusted for Cash Items</b>          |                      |                     |                     |                     |                     |
| Proceeds from Borrowing                 | 1,000,000            | -                   | -                   | -                   | -                   |
| Capital Expenditures                    | (15,554,744)         | (2,095,500)         | (4,604,500)         | (3,121,330)         | (1,600,000)         |
| Debt Principal Repayments               | (157,789)            | (168,250)           | (170,355)           | (172,447)           | (174,823)           |
| Transfer from Land Sales Reserve        | 993,402              | -                   | -                   | -                   | -                   |
| Transfer from Capital Reserves          | 2,384,403            | 93,300              | 746,800             | 399,900             | 150,000             |
| Transfer to Capital Reserves            | (656,845)            | (525,647)           | (535,673)           | (535,673)           | (535,673)           |
| Transfer to / (from) Surplus            | 198,324              | 421,759             | 389,042             | 44,225              | (300,360)           |
|                                         | <b>(11,793,249)</b>  | <b>(2,274,338)</b>  | <b>(4,174,686)</b>  | <b>(3,385,325)</b>  | <b>(2,460,856)</b>  |
| <b>Financial Plan Balance</b>           | <b>-</b>             | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>            |