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2016 FINANCIAL PLAN TIMELINE

<i>Due Date(s)</i>	<i>Responsibility</i>	<i>Description of Activity</i>
In Progress	Department Heads	2016 Operating and Capital Budgets Five Year Financial Plan
December 14, 2015	CFO	Budget Schedule to Council
November 9, 2015	COTW	2016 Fee For Service Presentations
January 18, 2016	Council Workshop	Operations budget presentations by Managers Operating Revenues
January 27, 2016	Council Workshop	Capital budget presentations by Managers
February 22, 2016	Council Workshop	Review Operating & Capital Budgets
March 14, 2016	COTW Meeting	Introduce Financial Plan Bylaw
March 29, 2016	Regular Council Meeting	1 st , 2 nd and 3 rd reading 2016-2020 Financial Plan Bylaw
April 11, 2016	COTW Meeting	Introduce 2016 Tax Rates Bylaw
April 11, 2016	Regular Council Meeting	Adopt 2016-2020 Financial Plan Bylaw
April 25, 2016	Regular Council Meeting	1 st , 2 nd and 3 rd readings 2015 Tax Rates Bylaw
May 9, 2016	Regular Council Meeting	Adopt 2016 Tax Rates Bylaw

Council Workshops will be held at 10am in Council Chambers. All three will be advertised and open to the public for public consultation as per the Community Charter.

**Last updated February 22, 2016.



Settle down.

City of Grand Forks
2016 OPERATING EXPENSE SUMMARY

	2014 ACTUAL	2015 BUDGET	2015 YTD at Jan 15th, 2016	2016 BUDGET
GENERAL FUND				
Legislative Committees	5,787	51,098	14,083	15,000
Legislative	204,634	207,500	235,883	233,700
Administrative	620,056	448,500	445,641	455,500
Protective Services	36,533	38,760	49,789	38,760
Finance	302,135	334,460	253,067	320,000
Elections	14,143	5,000	5,000	8,200
Asset Management			10,785	
Wildlife Management				30,000
Communications	22,118	32,000	17,553	33,390
Fee For Service	273,900	238,400	238,900	238,400
City Events	7,160	10,000	12,369	10,000
Slag Remediation	4,238	6,000	17,074	
Bylaw Enforcement	65,534	125,600	78,248	108,000
Building Inspection Services	64,660	98,500	63,250	109,000
Engineering	108,754	176,000	133,183	178,000
Zoning & Planning	147,896	149,360	125,477	151,360
Economic Development	15,850	79,000	27,455	79,000
Contaminated Sites				10,000
Fire & Emergency	449,990	475,964	426,097	529,054
Public Works Admin	661,381	302,905	195,408	225,000
Solid Waste		186,000	181,746	186,000
Airport	156,368	151,500	217,904	160,000
Facilities	245,088	258,000	248,465	280,000
Roads	559,318	886,465	639,295	900,000
Parks & Cemetery	693,367	797,930	630,017	652,565
DEBT PAYMENTS		73,735		195,139
TRANSFER TO RESERVES				240,000
AMORTIZATION	948,827	991,000	907,472	991,000
TOTAL GENERAL FUND OPERATIONS	5,633,349	6,123,677	5,174,161	6,377,069
WATER FUND				
Ops	771,331	759,000	710,853	766,590
Transfer to Reserves		38,000	38,000	98,000
Amortization	139,521	191,650	191,574	193,200
TOTAL WATER OPERATIONS	910,852	988,650	940,427	1,057,790
ELECTRICAL FUND				
Operations	500,476	760,000	605,672	683,317
Electrical Purchases	3,085,071	3,269,000	3,146,228	3,414,353
Transfer to General	420,000	433,000	433,000	437,330
Transfer to Infrastructure Renewal Reserve				120,000
Amortization	40,854	42,000	40,936	42,000
TOTAL ELECTRICAL OPERATIONS	4,046,401	4,504,000	4,225,836	4,697,000
WASTE WATER FUND				
Ops	662,557	662,200	663,675	675,444
Debt	103,849	137,252	137,252	137,252
Transfer to Reserve		10,000	10,000	72,500
Amortization		162,500	162,337	165,750
TOTAL WASTE WATER OPERATIONS	766,406	971,952	973,264	1,050,946

GENERAL	2014	2015 BUDGET	2015 Actual	2016 BUDGET
Property Taxes	2,906,566	3,047,841	3,033,732	3,369,352
1% in lieu and franchise fee	157,276	168,840	168,840	188,364
Parcel Taxes	85,034	85,034	85,356	234,817
Airport	72,027	62,470	158,096	64,120
Garbage Fees	202,311	200,000	197,023	196,000
Cemetery	32,672	26,000	20,879	19,500
Campground	46,055	39,000	48,658	45,000
Rezoning, subdivision	10,500	1,000	2,250	1,000
CWOs	8,287			
Business licenses	30,700	30,000	30,400	30,000
Building permits	28,523	25,000	9,197	10,000
Interest & Penalties	116,384	97,500	105,088	98,000
Building rentals & leases	101,697	100,853	103,262	101,853
Rural Fire recovery	241,559	245,700	236,199	240,000
Slag revenue	235,063	235,000	246,721	235,000
Small Communities Operating Grant	315,310	475,000	501,925	465,000
Contribution from Electrical	420,000	433,000	433,000	437,330
Investment Income	44,946	28,300	46,155	36,300
Grants & Donations	24,176		36,795	
Victim Assistance funding	35,560	35,560	50,434	35,560
Miscellaneous				86,220
	5,114,646	5,336,098	5,514,010	5,893,416
TOTAL GENERAL FUND:				
WATER	827,560	825,000	835,000	864,590
ELECTRICAL	4,201,632	4,573,000	4,224,978	4,612,647
WASTEWATER	804,673	798,041	819,452	1,155,420
TOTAL REVENUES	10,948,511	11,532,139	11,393,440	12,526,072

City of Grand Forks
 20 year Capital Reserve Plan
 Yearly to Cap AM Reserves:

	2016	Increase in Electrical Rates	\$	120,000		
		Increase in Tax Rates	\$	40,000		
		Increase in Water Rates	\$	98,000		
		Increase in Sewer Rates	\$	72,500		
		Wage Savings	\$	200,000		
		Slag Revenues	\$	235,000	\$	765,500
Reserve Balance at YE 2016			\$	<u>3,541,182</u>		
	2017	Increase in Electrical Rates	\$	140,000		
		Increase in Tax Rates	\$	80,000		
		Increase in Water Rates	\$	196,000		
		Increase in Sewer Rates	\$	217,500		
		Wage Savings	\$	350,000		
		Slag Revenues	\$	235,000		
		Interest	\$	17,706	\$	1,236,206
Reserve Balance at YE 2017			\$	<u>4,777,388</u>		
	2018	Increase in Electrical Rates	\$	160,000		
		Increase in Tax Rates	\$	120,000		
		Increase in Water Rates	\$	392,000		
		Increase in Sewer Rates	\$	435,000		
		Wage Savings	\$	550,000		
		Slag Revenues	\$	235,000		
		Interest	\$	23,887	\$	1,915,887
Reserve Balance at YE 2018			\$	<u>6,693,275</u>		
	2019	Increase in Electrical Rates	\$	160,000		
		Increase in Tax Rates	\$	120,000		
		Increase in Water Rates	\$	392,000		
		Increase in Sewer Rates	\$	435,000		
		Wage Savings	\$	550,000		
		Slag Revenues	\$	235,000		
		Interest	\$	33,466		
Reserve Balance at YE 2019			\$	<u>8,618,741</u>		
	2020	Increase in Electrical Rates	\$	160,000		
		Increase in Tax Rates	\$	120,000		
		Increase in Water Rates	\$	392,000		
		Increase in Sewer Rates	\$	435,000		
		Wage Savings	\$	550,000		
		Slag Revenues	\$	235,000		
		Interest	\$	43,094		
Reserve Balance at YE 2020			\$	<u>10,553,835</u>	5 year balance	
Reserve Balance at YE 2025			\$	21,498,330	10 year balance	

City of Grand Forks
Appendix "A" to Bylaw 2024
Year 2016 - 2020 Financial Plan Bylaw

<u>Revenue</u>	2016	2017	2018	2019	2020
Property taxes , grants in lieu & franchise Fees	\$ 3,577,716	\$ 3,647,300	\$ 3,718,300	\$ 3,790,700	\$ 3,864,500
Parcel taxes	240,858	240,858	240,858	240,858	240,858
User levies	1,896,103	1,932,087	1,968,797	2,006,149	2,044,250
Fees and charges	5,138,820	5,281,978	5,429,237	5,580,845	5,736,831
Grants and other	1,255,246	873,016	881,745	890,548	899,427
Total Revenues	12,108,742	11,975,239	12,238,937	12,509,101	12,785,866
<u>Expenses</u>					
Purchases for resale	3,460,253	3,564,061	3,670,982	3,781,112	3,894,545
Operating	7,277,798	7,383,141	7,489,244	7,596,917	7,706,092
Debt interest	95,105	95,024	95,017	95,017	95,017
Amortization	1,656,491	1,669,615	1,681,883	1,695,298	1,708,863
Total Operating Expenses	12,489,647	12,711,840	12,937,126	13,168,344	13,404,517
Net Revenue (loss)	(\$380,905)	(\$736,601)	(\$698,190)	(\$659,244)	(\$618,651)
<u>Allocations</u>					
Debt proceeds	4,252,914	500,000	515,000	530,450	546,350
Capital expenditures	(6,279,152)	(3,525,100)	(3,527,279)	(3,529,501)	(3,531,768)
Debt principal repayment	(230,150)	(252,862)	(254,794)	(256,752)	(258,731)
Transfers from (to) reserves / surplus	980,801	2,344,949	2,283,380	2,219,749	2,153,937
Reserve fund in excess of amortization	<u>1,656,491</u>	<u>1,669,615</u>	<u>1,681,883</u>	<u>1,695,298</u>	<u>1,708,863</u>
Financial Plan Balance	(\$0)	\$0	\$0	(\$0)	\$0

City of Grand Forks
Financial Plan 2015 to 2019 Bylaw 2008
Operations Summary
Supporting Schedule A

General	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Revenue						
Property Taxes	3,047,841	3,389,352	3,457,100	3,526,200	3,596,700	3,668,600
Parcel Taxes	85,034	234,817	234,817	234,817	234,817	234,817
Payments in Lieu of Taxes	181,322	188,364	190,200	192,100	194,000	195,900
Solid Waste Levies	199,000	197,000	199,000	201,000	203,000	205,000
Slag Sales	235,000	235,000	237,350	239,724	242,121	244,542
Fees and Charges	535,523	517,973	523,200	528,400	533,700	539,000
Government Grants - Operations	527,658	500,560	505,566	510,621	515,727	520,885
Government Grants - Capital	136,851	84,220	-	-	-	-
Other Sources	128,300	128,800	130,100	131,400	132,700	134,000
Restricted Investment Income	-	-	-	-	-	-
	5,076,529	5,476,086	5,477,333	5,564,262	5,652,765	5,742,744
Expenses						
Airport Cost of Sales	45,000	45,900	47,277	48,695	50,156	51,661
Operations Expense	4,588,617	4,829,790	4,902,237	4,975,770	5,050,407	5,126,163
Community Support	303,011	323,400	326,634	329,900	333,199	336,531
Preventative Maintenance Program	125,830	-	-	-	-	-
Studies & Planning	-	-	-	-	-	-
Debt Interest	23,347	23,347	23,268	23,261	23,261	23,261
Amortization	990,719	990,719	995,673	1,000,651	1,005,654	1,010,682
Total Expenses	6,076,524	6,213,156	6,295,088	6,378,278	6,462,678	6,548,299
Net Income (Loss) before Other Income	(999,995)	(737,070)	(817,756)	(814,016)	(809,912)	(805,555)
Other Income						
Contributions from Electrical	433,000	437,330	441,703	446,120	450,582	455,087
Gain (Loss) on Disposition of Assets						
Net Income (Loss)	(566,995)	(299,740)	(376,052)	(367,896)	(359,331)	(350,468)
Allocations						
Debt proceeds	1,047,056	1,108,043	500,000	515,000	530,450	546,350
Capital Expenditures	(2,030,399)	(1,340,015)	(1,000,000)	(1,030,000)	(1,060,900)	(1,092,700)
Debt principal repayment	(47,153)	(163,913)	(187,366)	(189,298)	(191,256)	(193,235)
Transfers from (to) reserves	321,493	(295,095)	-	-	-	-
Transfers from (to) surplus	285,279	(0)	67,746	71,543	75,383	79,371
Reserve fund in excess of amortization	990,719	990,719	995,673	1,000,651	1,005,654	1,010,682
Surplus (Deficit)	-	-	-	-	-	-

City of Grand Forks
 Financial Plan 2015 to 2019 Bylaw 2008
 Operations Summary
 Supporting Schedule A

	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Equipment						
Recoveries	\$ 473,040	\$ 446,260	\$ 449,972	\$ 454,472	\$ 459,017	\$ 463,607
Operations Expense	430,700	445,517	449,972	454,472	459,017	463,607
Net Recoveries	42,340	743	-	-	-	-
Debt Interest	434	2	-	-	-	-
Amortization	222,204	266,172	268,834	271,522	274,237	276,979
Net Recoveries (Loss)	(180,298)	(265,431)	(268,834)	(271,522)	(274,237)	(276,979)
Gain (Loss) on Disposition of Assets	-	-	-	-	-	-
Net Recoveries (Loss)	(180,298)	(265,431)	(268,834)	(271,522)	(274,237)	(276,979)
Allocations						
Debt proceeds	-	-	-	-	-	-
Capital Expenditures	(95,000)	-	-	-	-	-
Debt principal repayment	(41,906)	(741)	-	-	-	-
Transfers from (to) reserves	95,000	-	-	-	-	-
Transfers from (to) surplus	0	0	-	-	-	-
Reserve fund in excess of amortization	222,204	266,172	268,834	271,522	274,237	276,979
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

City of Grand Forks
 Financial Plan 2015 to 2019 Bylaw 2008
 Operations Summary
 Supporting Schedule A

	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Electrical						
Revenue						
User Fees	\$ 4,510,000	\$ 4,559,890	\$ 4,696,686	\$ 4,837,587	\$ 4,982,714	\$ 5,132,196
Fees and Charges	63,000	52,757	53,812	54,888	55,986	57,106
	4,573,000	4,612,647	4,750,498	4,892,475	5,038,701	5,189,302
Expenditure						
Purchases for resale	3,269,000	3,414,353	3,516,784	3,622,287	3,730,956	3,842,884
Operations Expense	760,000	683,317	690,200	697,100	704,100	711,100
Amortization	41,147	42,000	42,000	41,000	41,000	41,000
Expenditure	4,070,147	4,139,670	4,248,984	4,360,387	4,476,056	4,594,984
Net income (loss) before Contributions to General	502,853	472,977	501,515	532,088	562,645	594,317
Contributions to General	433,000	437,330	441,703	446,120	450,582	455,087
Net income (loss)	69,853	35,647	59,811	85,968	112,063	139,230
Allocations						
Capital Expenditures		(106,792)	(108,928)	(111,106)	(113,329)	(115,595)
Transfers from (to) reserves		(13,208)	108,928	111,106	113,329	115,595
Transfers from (to) surplus	(111,000)	42,353	(101,811)	(126,968)	(153,063)	(180,230)
Reserve fund in excess of amortization	41,147	42,000	42,000	41,000	41,000	41,000
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

City of Grand Forks
 Financial Plan 2015 to 2019 Bylaw 2008
 Operations Summary
 Supporting Schedule A

	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Water						
Revenue						
Parcel Taxes	\$ 830,800	860,390	877,600	895,200	913,100	931,400
User Levies	4,200	4,200	4,200	4,200	4,200	4,200
Fees and Charges	2,074,809	-	-	-	-	-
Government Grants - Capital	2,909,809	864,590	881,800	899,400	917,300	935,600
Operations Expense	713,500	683,090	693,300	703,700	714,300	725,015
Preventative Maintenance Program	83,500	83,500	85,170	86,873	88,611	90,383
Debt Interest	-	-	-	-	-	-
Amortization	190,500	193,200	197,064	201,005	205,025	209,126
Total Expenses	987,500	959,790	975,534	991,579	1,007,936	1,024,523
Net Income (Loss)	1,922,309	(95,200)	(93,734)	(92,179)	(90,636)	(88,923)
Allocations						
Debt proceeds		2,036,827				
Capital Expenditures	(2,115,309)	(3,112,381)	(1,556,190)	(1,556,190)	(1,556,190)	(1,556,190)
Debt principal repayment						
Transfers from (to) reserves	2,500	977,554	1,556,190	1,556,190	1,556,190	1,556,190
Transfers from (to) surplus	-	0	(103,330)	(108,827)	(114,389)	(120,202)
Reserve fund in excess of amortization	190,500	193,200	197,064	201,005	205,025	209,126
Surplus (Deficit)	- \$	- \$	- \$	- \$	- \$	- \$

City of Grand Forks
 Financial Plan 2015 to 2019 Bylaw 2008
 Operations Summary
 Supporting Schedule A

	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan
Wastewater Revenue						
Parcel Taxes	\$ 6,041	\$ 6,041	\$ 6,041	\$ 6,041	\$ 6,041	\$ 6,041
User Levies	\$ 809,411	\$ 838,713	855,487	872,597	890,049	907,850
Fees and Charges	4,000	4,000	4,080	4,162	4,245	4,330
Government Grants - Capital	333,333	306,666				
	1,152,785	1,155,420	865,608	882,800	900,335	918,221
Operations Expense	635,750	675,444	685,600	695,900	706,300	716,900
Preventative Maintenance Program	36,450					
Debt Interest	71,756	71,756	71,756	71,756	71,756	71,756
Amortization	162,500	164,400	166,044	167,704	169,381	171,075
Total Expenses	906,456	911,600	923,400	935,361	947,438	959,732
Net Income (Loss)	246,329	243,820	(57,792)	(52,561)	(47,103)	(41,511)
Allocations						
Debt proceeds		1,108,043				
Capital Expenditures	(687,500)	(1,719,964)	(859,982)	(429,991)	(214,995)	(107,498)
Debt principal repayment	(65,496)	(65,496)	(65,496)	(65,496)	(65,496)	(65,496)
Transfers from (to) reserves	344,167	232,755	859,982	429,991	214,995	107,498
Transfers from (to) surplus	0	36,442	(42,756)	(49,648)	(56,783)	(64,069)
Reserve fund in excess of amortization	162,500	164,400	166,044	167,704	169,381	171,075
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

City of Grand Forks
Appendix B to Bylaw 2024
Year 2016 - 2020 Financial Plan
Revenues, Property Taxes and Exemptions

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 bylaw, objectives and polices regarding each of the following:

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

Sources of Revenue

Revenue source	% of Total 2016 Revenue
Property taxes , grants in lieu & franchise Fees	29.55%
Parcel taxes	1.99%
User levies	15.66%
Fees and charges	42.44%
Grants and other	10.37%

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

- The City will review the fees/charges annually to ensure that they keep pace with changes in the cost-of-living, as well as, changes in the methods or levels of service delivery.
- The City will encourage the use of alternate revenue resources instead of property taxes.
- User fees will be set to recover the full cost of services except where Council determines that a subsidy is in the general public interest.

Distribution of Property Tax Rates

In establishing property tax rates, Council will 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

**City of Grand Forks
Appendix B to Bylaw 2024
Year 2016 - 2020 Financial Plan
Revenues, Property Taxes and Exemptions**

The City will receive the Revised Assessment Roll for 2016 in April and will set the property tax rates based on the assessment before May 15, 2016. The 2016 distribution of property tax rates amongst all the property classifications will not be known until then.

The distribution for 2015 were as follows:

Property Class	% of General Revenue Taxation
Residential	49.9593%
Utility	1.4968%
Major Industry	27.1390%
Light Industry	1.3574%
Business and Other	20.0228%
Recreation / Non-profit	0.0091%
Farm	0.0156%

Objective

To ensure equity among property classes by reviewing the ratios of property class allocations annually. In 2015, the industry conversion ratio was 10.52, the business conversion ratio was 2.39, and the light industry ratio was 2.93. In 2015, the ratios remained similar to 2014 except the utilities rate, as it is at the maximum set by BC Reg 329/96. For 2016, consideration for class conversion ratios will be considered in April when tax rates are set.

Policies

- The City will review and set tax rates and shift each property classification's tax share annually until such time as Council deems the property classifications' share to be equitable.

Permissive Tax Exemptions

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.

Objective

To optimize the provision of charitable and not for profit services for the benefit of Grand Forks residents, to provide property tax exemptions as permitted under the Community Charter in a consistent and fair manner, to restrict provision of exemption to those providing an extension to City services and to reduce the impact to 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.

2015-2019 Financial Plan Presentation

WATER RATES

Water Rates - Bi-Monthly	2015	2016
Fixed/Capital	46.34	47.71
Customer	7.17	7.38
Usage	16.79	17.29
	70.30	72.38
per month	35.15	36.19
increase per month	1.04	



2015-2019 Financial Plan Presentation

WASTEWATER FUND

Waste Water Rates - Bi-Monthly	2015	2016
Fixed/Capital	46.41	51.87
Customer	11.08	12.38
Usage	16.45	18.39
Total Billing	73.94	82.64
per month	36.97	41.32
increase per mo	4.35	

