

**THE CORPORATION OF THE CITY OF GRAND FORKS**

**BYLAW NO. 2045**

**A Bylaw to Establish the Five Year Financial Plan  
For the Years 2018 - 2022**

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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, 2018-2022, No. 2045”.
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 2018 to 2022.
3. Schedules “B” and “C” attached hereto and forming part of this bylaw are hereby adopted as the Financial Plan schedules of proposed funding sources, expenditures, and transfers between funds for the years 2018 to 2022.

Read a first, second and third time by the Municipal Council this 26<sup>th</sup> day of March, 2018.

Finally adopted on this 9<sup>th</sup> day of April, 2018.

  
\_\_\_\_\_  
Mayor Frank Konrad

  
\_\_\_\_\_  
Corporate Officer Diane Heinrich

**CERTIFICATE**

I hereby certify the foregoing to be a true and correct copy of the “Five Year Financial Plan Bylaw, 2018-2022, No. 2045”, as adopted by the Municipal Council of the City of Grand Forks on this 9<sup>th</sup> day of April, 2018.

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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 2045  
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 resources instead of property taxes.

<b>Revenue Source</b>	<b>Amount</b>	<b>% of Total Revenue</b>
Property Value Taxes	\$ 3,921,566	16.0%
Parcel Taxes	161,226	0.7%
Fees and Charges	7,786,866	31.9%
Other Sources	6,618,666	27.0%
Proceeds from Borrowing	1,484,854	6.1%
Reserve Funding	4,462,583	18.3%
<b>TOTAL</b>	<b>\$ 24,435,761</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 has not yet been determined. The following distribution is based on rate multiples consistent with prior years:

<b>Property Class</b>	<b>Rate Multiple</b>	<b>% of Property Value Tax</b>
01 Residential	1.00	55.31%
02 Utilities	7.92	1.39%
04 Major Industry	8.64	21.11%
05 Light Industry	2.93	1.45%
06 Business	2.39	20.70%
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 Bylaw No. 2045  
Schedule "B" Five Year Financial Plan 2018-2022**

	<b>2018 Budget</b>	<b>2019 Budget</b>	<b>2020 Budget</b>	<b>2021 Budget</b>	<b>2022 Budget</b>
<b>Revenues</b>					
Property Taxes	\$ 3,804,524	\$ 3,918,660	\$ 4,036,220	\$ 4,157,307	\$ 4,282,026
Parcel and Frontage Taxes	161,226	161,226	161,226	5,826	5,826
Grants in Lieu of Taxes	17,147	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	7,786,866	8,006,106	8,234,649	8,470,049	8,712,511
Grants	6,291,366	1,022,879	1,037,667	1,052,591	1,067,653
Other Revenues	327,300	327,300	327,300	327,300	327,300
<b>Total Revenues</b>	<b>18,488,324</b>	<b>13,557,832</b>	<b>13,919,253</b>	<b>14,135,810</b>	<b>14,518,615</b>
<b>Expenses</b>					
Purchases for resale	3,490,408	3,560,216	3,631,420	3,704,049	3,778,130
General Government	1,296,871	1,266,728	1,291,063	1,315,884	1,341,202
Protective Services	926,782	899,218	917,003	935,143	953,646
Transportation Services	1,256,315	1,225,341	1,249,848	1,274,845	1,300,341
Environmental & Health Services	236,145	240,868	245,685	250,599	255,611
Public Health Services	84,823	86,519	88,249	90,014	91,814
Planning and Development	445,400	406,768	404,173	411,726	419,430
Parks, Recreation and Cultural Services	1,390,940	1,298,771	1,317,520	1,309,645	1,329,152
Water Services	822,067	787,508	803,258	819,323	835,709
Electrical Services	674,674	688,167	701,930	715,969	730,288
Wastewater Services	700,468	714,477	728,767	743,342	758,209
Amortization	1,867,611	2,177,750	2,292,854	2,316,959	2,344,098
Debt Interest	132,727	188,987	163,262	161,015	160,926
<b>Total Expenses</b>	<b>13,325,231</b>	<b>13,541,318</b>	<b>13,835,032</b>	<b>14,048,513</b>	<b>14,298,556</b>
<b>Surplus (Deficit) for the year</b>	<b>\$ 5,163,093</b>	<b>\$ 16,514</b>	<b>\$ 84,221</b>	<b>\$ 87,297</b>	<b>\$ 220,059</b>
<b>Adjusted for non-cash items</b>					
Amortization	1,867,611	2,177,750	2,292,854	2,316,959	2,344,098
<b>Total Cash from Operations</b>	<b>\$ 7,030,704</b>	<b>\$ 2,194,264</b>	<b>\$ 2,377,075</b>	<b>\$ 2,404,256</b>	<b>\$ 2,564,157</b>
<b>Adjusted for Cash Items</b>					
Proceeds from Borrowing	1,484,854	-	-	-	-
Capital Expenditures	(11,197,382)	(2,344,000)	(2,259,000)	(2,364,000)	(2,429,000)
Debt Principal Repayments	(324,105)	(373,961)	(328,837)	(213,837)	(181,656)
Transfer from Reserves	4,462,583	2,344,000	2,259,000	2,364,000	2,429,000
Transfer to Reserves	(1,400,000)	(1,800,000)	(2,000,000)	(2,100,000)	(2,300,000)
Transfer to Surplus	(56,654)	(20,303)	(48,238)	(90,419)	(82,501)
	<b>\$ (7,030,704)</b>	<b>\$ (2,194,264)</b>	<b>\$ (2,377,075)</b>	<b>\$ (2,404,256)</b>	<b>\$ (2,564,157)</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 Bylaw No. 2045  
 Schedule "C" - Five Year Financial Plan 2018-2022

CAPITAL EXPENDITURES - 2018		FUNDED FROM											
		General Capital	Electrical Capital	Water Capital	RESERVES Equipment	Land Sales	Gas Tax	Climate Action	Slag	DEBT	GRANTS	OTHER	
<b>Description</b>	<b>Fund</b>	<b>Amount</b>											
2017 Carry Forward Projects													
Silver Kettle Sidewalk	General	181,141											
Public Works Fuel Tanks	General	53,826											
Public Works Upgrades	General	20,000											
Public Works - 22nd Street	General	556,070								556,070			
Wayfinding Signs	General	65,000											
Airport AWOS Upgrade	General	42,298											
Expo Sign changes	General	35,000											
Library HRV	General	12,000											
Emergency Repair Fund	General	10,914										12,000	
Flood Plain Mapping & Dike Restoration	General	117,500											
5 tonne Dump Truck	Fleet	250,000				250,000							
T-Tech trailer	Fleet	11,325				11,325							
Service Truck Replacement	Fleet	15,305											
Holder Replacement	Fleet	40,541				40,541							
Electrical Engineering	Electrical	30,367											
Electrical Voltage Conversion	Electrical	535,767											
Wastewater Treatment Plant UV	Sewer	437,932											
Headworks Grinder	Sewer	38,679											
Water/Sewer Scada	Sewer	2,854											
3rd Street Sewer Main Repair	Sewer	35,309											
Wastewater Treatment Plant Upgrades	Sewer	2,748,751											
Bio-Solids Land Application Plan	Sewer	25,000											
Sewer Phasing Plan	Sewer	78,500											
Water/Sewer Scada	Water	3,219											
5th Street Watermain Replacement	Water	41,152											
West Side Fire Protection	Water	923,932											
Water Supply & Conservation	Water	10,000											
<b>Subtotal 2017 Carry Forward Projects</b>		<b>6,322,382</b>	<b>1,448,836</b>	<b>-</b>	<b>10,000</b>	<b>301,866</b>	<b>190,729</b>	<b>41,152</b>	<b>-</b>	<b>100,000</b>	<b>1,484,854</b>	<b>2,737,797</b>	<b>7,148</b>

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

Description	Fund	Amount	FUNDED FROM														
			General Capital	Electrical Capital	Water Capital	RESERVES Equipment	Land Sales	Gas Tax	Climate Action	Slag	DEBT	GRANTS	OTHER				
<b>2018 New Projects</b>																	
City Park Campground Upgrade	General	20,000	20,000														
Data Collection Equipment	General	30,000	30,000														
Ball Diamond Rebuild to baseball specs	General	10,000	10,000														
LED Street Lighting	General	400,000								400,000							
Public Works Upgrades	General	45,000	45,000														
Facilities Review	General	10,000	10,000														
Annual Facility upgrades and replacement plan	General	15,000	15,000														
Annual Emergency Facility Fund	General	30,000	30,000														
Renewable energy program	General	25,000	25,000														
Replace Crosswalks in City Core	General	50,000								50,000							
Central Ave Sidewalk Replacement	General	40,000								40,000							
Bridge Approach Paving	General	20,000								20,000							
Annual Water and Sewer Emergency Repair Fund	General	50,000	50,000														
7th Street Storm Sewer	General	10,000	10,000									40,000					
SolarNow Solar Panel Installation	General	65,000															
Fleet replacement	Fleet	300,000	300,000														
Electric Mower	Fleet	20,000							20,000								
Annual Low Impact Storm water Program	General	25,000	25,000														
Annual Electrical System Upgrade Programs	Electrical	100,000	100,000														
Fuse Coordination Study and implementation	Electrical	15,000	15,000														
Electrical Master Plan	Electrical	35,000								35,000							
Granby Water Crossing / Yale Bridge water main	Water	10,000									10,000						
Interior Property Isolation	Water	150,000	150,000														
Well 5 VFD	Water	50,000	50,000														
Shared Property (strata, trailers) Water Meters	Water	50,000	50,000														
Water service upgrade - City Park, 7th St., etc....	Water	125,000	125,000								50,000						
136 Sagamore/Airport Water Line Extension	Water	25,000	25,000														
Airport Water Main Looping	Water	75,000	75,000								25,000						
Water Main Airport	Water	2,480,000															2,480,000
Sewer Main Relining	Sewer	60,000	60,000														
Lift Station Pumps	Sewer	25,000	25,000														
Granby River Force Main Crossing	Sewer	10,000	10,000														
MWR Discharge Requirements	Sewer	500,000	500,000														
<b>Subtotal 2018 New Projects</b>		<b>4,875,000</b>	<b>1,680,000</b>	<b>35,000</b>	<b>35,000</b>	<b>50,000</b>	<b>20,000</b>	<b>20,000</b>	<b>560,000</b>	<b>40,000</b>	<b>-</b>	<b>2,505,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL CAPITAL EXPENDITURES</b>		<b>11,197,382</b>	<b>3,128,836</b>	<b>35,000</b>	<b>45,000</b>	<b>321,866</b>	<b>601,152</b>	<b>190,729</b>	<b>40,000</b>	<b>100,000</b>	<b>1,484,854</b>	<b>5,242,797</b>	<b>7,148</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>