

# CITY OF GRAND FORKS

JANUARY-FEBRUARY 2008

INFORMATION NEWSLETTER

## ASSESSMENT NOTICES

Property Assessment notices were mailed by BC Assessment Authority in early January. Every property owner should have received an Assessment Notice. If you did not receive an assessment notice, call BC Assessment Authority at: (250) 492-5740 or 1-800-766-6693, or look up the BC Assessment Website at: [www.bcassessment.bc.ca](http://www.bcassessment.bc.ca)

According to the preliminary assessment, the average residential property in the City of Grand Forks increased by 37.22%. Business property assessment increased by 16.90%.

Residential Property owners with assessment increases within the average assessment increase of 37.22% and average commercial assessment increase of 16.90% would have very little impact arising from municipal property taxation. The City uses the overall assessment to set the 2008 tax rates.

Property assessments exceeding average increases in assessments tends to shift taxation amongst property owners.

Property owners are advised to review their assessments and file appeals before January 31, 2008 to correct any discrepancies.

## UPCOMING MEETINGS & COMMUNITY REQUEST

### A PUBLIC CONSULTATION ON THE ISSUE OF DRUG & PARTY HOUSES

Council is inviting the Community to attend a public meeting to gather input on crime issues, drugs and party houses in the Community.

**Thursday, February 21st, 2008**

**Located at the**

**Senior's Centre in City Park**

**6:00 pm to 8:00 pm**

Any other issues the Community wishes to provide input to Council will also be considered.

### INTEGRATED COMMUNITY SUSTAINABILITY PLAN MEETING

**Saturday, March 8th, 2008**

**Located at the**

**Senior's Centre in City Park**

**9:00 am to 5:00 pm**

**Public is welcome to attend**

### UPCOMING 2008 REGULAR & PRIMARY COUNCIL MEETINGS

#### Regular Meetings

*Monday, February 4th, 2008*

*Monday, February 18th, 2008*

*Monday, March 3rd, 2008*

*Monday, March 17, 2008*

All Regular Meetings of Council are held in Council

Chamber at City Hall, beginning at 7:00 p.m.

#### Primary Meetings

*Monday, February 18th, 2008*

*Monday, March 17th, 2008*

### LOOKING FOR VOLUNTEERS

Emergency Social Services (ESS) through the RDKB are looking for much needed volunteers to assist during local emergencies.

For further information, please contact Jane Pring at (250) 442-0033.

7217— 4th Street  
Box 220  
Grand Forks, BC. V0H 1H0

Phone: 250-442-8266

Fax: 250-442-8000

Email: [info@grandforks.ca](mailto:info@grandforks.ca)



**CITY OF GRAND FORKS**

**We are on the Web!**  
[www.city.grandforks.bc.ca](http://www.city.grandforks.bc.ca)

## TAXATION AND ASSESSMENT

Property assessment is used to determine the tax rates for these services: Province (for School tax), Regional District of Kootenay Boundary (for pool, arena, recreation, waste management, library, curling and general government), Hospital District (for capital and equipment funding for all hospitals in the Central and Kootenay Boundary Regional Districts) and the City of Grand Forks for all municipal services other than water, sewer, electrical and garbage collection.

The net budget determines the amount needed to be raised from property tax using the property assessment. The net budget for City Services is the difference between expenditures for services less all other non-property tax revenues ( fees, charges, parcel tax, grants). The City adjusts property tax rates to reflect the changes in the assessment and the increase in the net budget.

Resident, business, utility, light and major industries are classes of properties taxed. The total assessment in each of these classes of properties is used to determine the tax rates for each class. All property owners in the same class are charged the tax rate of the class.

The structure of tax is set by class and not by individual property taxpayer. This is a very difficult concept for an individual taxpayer to grasp. An individual might feel that the City has increased more than the overall tax policy statement issued.

## MUNICIPAL PROPERTY TAX

In 2007, 56% of the municipal services provided were financed by property and parcel taxes. The net property tax after the Provincial Home Owners Grant (HOG) & electrical credit, assessed financed 42% of services excluding water, sewer and garbage. The businesses and industry classifications are not eligible for the HOG. \$948,247 was assessed in parcel and property taxes against residential class of taxpayers. This amount was reduced by \$281,366 from HOG and \$176,261 from electrical credit. The net effect is that the residential class financed \$490,620 or 12% of total services or accounted for 21% of parcel and property taxes assessed. In 2007 property tax levied from business class was \$537,188; Industrial Class was \$752,000 and all other classes was \$61,908.

## BUDGET AND TAXATION

The first task the City Council undertakes is to determine the amounts of non-property tax revenues available. Non Property tax revenues are grants provided by the Province to apply against services, licences, fees and charges. The next task is to review all services provided during the year and determine cost increases from the previous years. Costs have increased for fuels, heating, electricity, insurance and wages. Municipal services are heavily reliant on the labour force. As much as 60-80% of a component of the service provided is labour cost. Thirdly Council adjusts low priority services to reduce the burden of property taxation.

	2008	2007
Non Property Tax Revenues	\$ 1,670,539	\$ 1,471,254
Service Expenditures	\$ 4,142,775	\$ 3,931,086
Net Expenditure before Property tax and surplus	\$ 2,472,236	\$2,459,832
Less: Parcel tax	\$ 114,320	\$ 115,000
Surplus	\$ 64,000	\$ 160,832
Net Expenditure to Property Tax	\$ 2,293,916	\$ 2,184,000
Less: 2007 Tax	\$ 2,184,000	
2008 Tax Increase	\$ 109,916	

The total property and parcel tax amounts are levied as follows.

	2007	2008	Change
Residential Taxpayers**	\$ 948,247	\$1,011,247	\$ 63,000*
Businesses	\$ 537,188	\$ 555,988	\$ 18,800
Industrial	\$ 752,500	\$ 778,516	\$ 26,016
Others	\$ 61,908	\$ 64,008	\$ 2,100
	<u>\$2,299,843</u>	<u>\$2,409,759</u>	<u>\$109,916= 4.78%</u>

overall increase in property taxation before the application of residual home owner grant. \*The amount is before home owner grant. There is \$38,000 still available in PHOG towards municipal tax. On broad tax policy basis the net effect is \$25,000. \*\* Before home owner grant and electrical credit.

## VISITOR'S INFORMATION CENTER

**NEW TEMPORARY  
LOCATION AS OF  
MONDAY,  
JANUARY 28TH, 2008  
TO  
525 CENTRAL AVENUE  
GRAND FORKS, BC  
FUTURE PERMANENT  
LOCATION WILL BE AT  
NEWLY RENOVATED ARTS  
& CULTURE CENTER AT  
524 CENTRAL AVENUE  
ONCE COMPLETED**



**STATUS OF RESERVES IN THE CITY**

At the end of December 31<sup>st</sup>, 2007 the total of all reserves in the City was \$4,791,174. The individual balances in reserve accounts are:

Land Sales	\$ 1,012,484
Slag	\$ 1,521,790
Water Operating & Projects	\$ 341,187
Sewer Operating & Projects	\$ 752,536
Electrical Projects	\$ 454,662
General Operating	\$ 287,234
Other Reserves Projects	\$ 421,281
The unpaid accounts at the end of the year were:	
Property Tax	\$ 247,790
Water and Sewer	\$ 105,927
Garbage	\$ 12,090
Electrical	\$ 563,152
Total	\$ 928,959

The reserves are used to borrow for the unpaid amounts to finance operations.

**METERED WATER & SEWER RATE STRUCTURE**

The metered water rate structure is based on two classification system.

Multi-family and small Commercials: A flat customer charge of \$44.25 plus variable rate as follows:

0 to 40,000 cubic meters	: \$0.04 per cubic meter
40,001 to 80,000	: \$0.03
80,001 to 120,000	: \$0.02
120,001 +	: \$0.01

Large Industrials, laundry marts, car wash, hotels, motels, institutions, recreational pools/Halls, schools and restaurants.  
A flat customer charge of \$58.00 plus variable rate as follows

0 to 40,000 cubic meters	: \$0.10 per cubic meter
40,001 to 80,000	: \$0.09
80,001 to 120,000	: \$0.08
120,001 +	: \$0.07

**WATER, SEWER & GARBAGE RATES FOR 2008**

Since 2005, water and sewer rates have not been adjusted. The cost to supply these services and the effect of 2007 chlorination have had adverse impact on the finances of these utilities. The general rate increase is as follows:

	2008	2005-07	Increase
Water	\$ 330	\$ 286.60	\$ 43.40
Sewer	\$ 366	\$ 324.61	\$ 41.39

The annual garbage rate for 2008 is \$96

There will be no discount given commencing 2008 for earlier payment of water, sewer and garbage. Discount was a cost to the City and has been eliminated.

**BILLING CYCLE FOR UTILITIES**

Commencing 2008, billing for water, sewer, garbage and electrical will be consolidated in one bill. The bills will be sent six times a year.

The sewer metered rate structure is based on two classification system.

Multi-family and small Commercials: A flat customer charge of \$50.50 plus variable rate as follows:

0 to 40,000 cubic meters	: \$0.12 per cubic meter
40,001 to 80,000	: \$0.10
80,001 to 120,000	: \$0.08
120,001 +	: \$0.07

Large Industrials, laundry marts, car wash, hotels, motels, institutions, recreational pools/Halls, schools and restaurants.  
A flat customer charge of \$66.75 plus variable rate as follows:

0 to 40,000 cubic meters	: \$0.14 per cubic meter
40,001 to 80,000	: \$0.10
80,001 to 120,000	: \$0.09
120,001 +	: \$0.08

**ART GALLERY, MUSEUM AND VISITORS INFORMATION CENTRE**

After months of deliberations and examining options, Council has opted to combine the art gallery, museum and visitors information centre into the former Court House Building. The renovated cost of the building is expected to be \$850,000. The funding is provided from the City and grants. The combined approach was taken to eliminate duplicate costs of building maintenance, personnel and construction of stand alone building for the Visitors Information Centre. The old visitor information centre and museum building will be torn down commencing the middle of February weather permitting. The estimated cost of renovating the old building was just under \$1 million.

**RENOVATIONS APPROVED TO FORMER COURT HOUSE MAIN FLOOR PLAN****1. North Entrance Lobby & Reception:**

- Office Space is provided for the Visitor's Info Center
- The Visitors' Information Centre is allocated to the Meeting Room in the northwest corner
- The Building Committee will review the Staffing for combined Reception Sales Counter for the Visitor's Informa-

tion Centre, Art Gallery and Museum

**2. Museum:**

- Primarily located to the West Side
- Delete Admin Tech Office and incorporate into Museum Display Area
- Delete counter and sink from Artifact Holding Area
- Blanked off windows to preserve all mouldings w/interior framed wall.

**3. Merchandising:**

- The northeast Gift Shop is now open through the previous Museum Display Area and now allocated for: Art Gallery Merchandise; Museum Display and Merchandise; Gift Shop Sales; and Gift Shop Manager
- Fire Separation is required from the Lobby to the Gift Shop Area, utilizing a roll down shutter.
- The southeast opened Museum Archive Research Area utilizes the existing subdivided rooms
- Existing windows are not blanked off

.... Cont'd from Page 3      **MAIN FLOOR CONTINUED.....****4. Main Corridor:**

- The existing North Corridor double doors will remain. Upgraded to a proper fire resistance rating is under consideration.
- The remaining Corridor will be re-utilized as Display Area.
- No archway is required from the Corridor to the Merchandising Area—the current Gift Shop Manager
- The Storage Room, Security Screen & Rail/Gate have been deleted.

**5. Elevator Lobby & South Entrance:**

- Provide intercom on both Entrance Doors, connected to the Reception Desk to provide Disabled Access to all Floor Levels
- Incorporate a gate on ramp to facilitate vehicle deliveries. Further consideration is required for a driveway

**UPPER FLOOR PLAN****1. Foyer:**

- Art Gallery Volunteer would require Elec. Receptacles & Telephone. These services are not currently provided & may be expensive to acquire.
- Extend brass rails through all Upper Landing Area.

**2. Gallery "A":**

- Judge's Backdrop Wall remains
- Exterior wall behind clerestory stained glass windows, with backlighting to be included

**3. Galleries "B" & "C":**

- Provide wing wall barrier to Director's Office
- Preserve window mouldings by constructing new exterior wall.

**4. Ancillary Spaces:**

- The existing Washroom will not include a Shower
- The Female Public Washroom will remain as is.

**2008-2012 FINANCIAL PLAN**

Council approved a Five Year Financial Plan outlining the expected Revenues and Expenditures of the City. Financial Plan is a document that outlines the forth coming intention of the City on expenditures proposed and the revenues expected to

finance those expenditures. The Plan is approved by a Bylaw. The Financial Schedules attached to the Bylaw can be viewed at the City's website or at City Hall . The Five Year Summary of the Plan is as follows:

<b>FUNDING SOURCES</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
	\$	\$	\$	\$	\$
Property Taxes & payments in lieu	2,380,200	2,685,049	2,822,744	2,901,371	2,988,231
Parcel Taxes	120,000	126,075	129,227	132,458	136,432
Water, Sewer and Solid Waste Levies	1,482,000	1,947,465	1,951,889	1,956,446	1,961,139
Fees and charges	3,794,256	3,924,474	4,035,994	4,155,200	4,265,328
Other sources	3,170,767	5,353,692	6,393,933	2,685,538	2,018,130
Borrowing proceeds	1,130,000	3,090,000	6,000,000	290,000	1,500,000
	<b>12,077,223</b>	<b>17,126,755</b>	<b>21,333,787</b>	<b>12,121,013</b>	<b>12,869,260</b>
<b>NET TRANSFER FROM RESERVES AND SURPLUS</b>					
Statutory reserve funds	1,878,629	404,947	(389,175)	(546,700)	34,255
Accumulated Surplus	546,236	90,000	10,000	110,000	259,000
	<b>2,424,865</b>	<b>494,947</b>	<b>(379,175)</b>	<b>(436,700)</b>	<b>293,255</b>
<b>EXPENDITURES</b>					
Debt principal repayment	140,816	108,632	129,921	206,187	243,572
Debt interest	19,997	88,308	150,633	273,308	397,058
Capital expenditures	6,570,800	9,520,000	12,550,000	2,870,000	3,969,500
Other	7,770,475	7,904,762	8,124,058	8,334,818	8,552,385
	<b>14,502,088</b>	<b>17,621,702</b>	<b>20,954,612</b>	<b>11,684,313</b>	<b>13,162,515</b>
<b>BUDGET BALANCE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The most common perception of many is that once an item is in the Plan, it is expected to be carried out or the funds have been allocated to be spent. There are many uncertainties surrounding revenues and expenditures and as such projects and activities planned might not materialize due to the timely access to materials, services, consultants, grants, provincial approvals and revenues that finance the expenditures and projects. Any borrowings planned must receive electors' consent either through a Counter-Petition Process or via Referendum before the planned projects could proceed. A special approval of Council is required on Projects planned through

**Reserve Funding.**

The primary focus of the Plan is to propose a level of taxation, fees and charges needed to carryout projects. The issue of property taxation, fees and charges is not decided until after the assessments have been confirmed and Council has the opportunity to consider the implications of tax, fees and charges proposed including the unconditional grant allocation and the implications of any expected changes in the home owner grant. To this end the property tax, fees and charges amounts presented should not be considered as the increases proposed but it is only an amount planned and not finalized.