

# The Corporation of the City of Grand Forks

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**The Corporation of the City of Grand Forks**  
**Annual Financial Report**  
**for the year ended December 31, 2005**

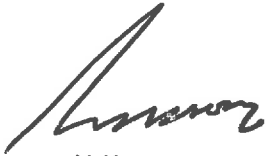
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The information in this Annual Financial Report is the responsibility of management. The consolidated financial statements have been prepared in accordance with accounting principles generally accepted for British Columbia municipalities and are outlined under "Significant Accounting Policies" which appear on pages immediately following the Auditor's Report. These include some amounts based on management's best estimates and careful judgment.

Management maintains a system of internal accounting controls to provide reasonable assurance that assets are safeguarded and that transactions are authorized, recorded, and reported properly.

Berg Naqvi Lehmann, Chartered Accountants, the City's independent audit firm, has audited the accompanying financial statements. The resulting auditor's report accompanies this statement.

Council carries out its responsibility for the consolidated financial statements by meeting periodically with management and at least once annually with its independent auditor to review his activities and to discuss auditing, internal control, accounting policy, and financial reporting matters. The auditor has unrestricted access to the City operations and to Council. The audited consolidated financial statements are submitted to Council for approval. Council also reviews the recommendations of the independent auditor for improvements to controls and the actions of management to implement such recommendations.



V. Kumar  
Chief Administrative Officer



Dan Zabinsky  
Treasurer

### AUDITORS' REPORT

To The Mayor and Councillors of  
The Corporation of the City of Grand Forks

We have audited the Consolidated Statement of Financial Position of The Corporation of the City of Grand Forks as at December 31, 2005 and the Consolidated Statement of Financial Activities and the Consolidated Statement of Changes in Financial Position for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of The Corporation of the City of Grand Forks as at December 31, 2005 and the results of its financial activities, and changes in its fund balances and financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

The prior year's figures were reported on by another firm of Chartered Accountants.

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included in the Other Financial Information section is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

*Berg Naqvi Lehmann*  
Chartered Accountants

April 20, 2006

**The Corporation of the City of Grand Forks**  
**Significant Accounting Policies**  
**for the year ended December 31, 2005**

**A. Basis of Presentation**

It is the City's policy to follow the accounting principles generally accepted for British Columbia municipalities and to apply such principles consistently. These Consolidated Financial Statements include the operations of the General, Water, Sewer, Electrical, Capital, and Reserve Funds. They have been prepared using guidelines issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The financial resources and operations of the City have been consolidated for financial statement purposes and include the accounts of all the funds of the City totaling \$7,261,061 as noted below.

Operating Funds - These funds include the sewer, water, and electrical utilities and report the principal operating activities of the City. As at December 31, 2005, the fund balances were as follows:

	2005	2004
General Revenue Fund	\$385,521	\$376,272
Water Revenue Fund	1,169,622	928,763
Electrical Revenue Fund	555,134	463,400
Sewer Revenue Fund	438,785	307,148
	2,549,062	2,075,583

Capital Funds - These funds are used to acquire capital assets. The equity in capital assets represents the difference between historical cost of assets acquired and remaining debt. Equity balances are reported on the following page under Policy D. Capital Assets.

Reserve Funds - These funds have been created to hold assets for specific future requirements. They are comprised of the funds shown in Schedule 14

Reserve Funds	4,711,999	4,383,471
	\$7,261,061	\$6,459,053

**B. Accrual Accounting**

The Accrual method for reporting revenues and expenditures has been used.

**C. Deferred Charges**

Payments for operating expenditures pertaining to future years are carried as deferred charges. They are recorded as expenditures when the economic benefits are realized.

**The Corporation of the City of Grand Forks**  
**Significant Accounting Policies**  
**for the year ended December 31, 2005**

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**D. Capital Assets**

Capital assets purchased or constructed and work in process are reported as capital expenditures and are classified according to their functional use. Commencing in 2005, the City has begun a process of reviewing its accumulated capital expenditures and has eliminated from total Capital Assets any items not deemed to be Tangible Capital Assets on hand. Remaining historical costs are reported on Schedule 1. Depreciation is not recorded. Equity in Capital Assets is reflected in each Capital Fund as follows:

	<u>2005</u>	<u>2004</u>
General Capital Fund	\$22,545,622	\$23,935,250
Water Capital Fund	5,374,544	5,389,930
Electrical Capital Fund	2,122,119	1,913,739
Sewer Capital Fund	5,568,768	5,548,194
	<u>\$35,611,053</u>	<u>\$36,787,113</u>

**E. Restricted Revenues and Deferred Revenues**

Receipts which are restricted by the legislation of senior governments or by agreements with external parties are deferred and reported as restricted revenues. When qualifying expenditures are incurred restricted revenues are brought into revenue at equal amounts. These revenues are shown on Schedule 7.

Revenues received in advance of expenditures which will be incurred in a later period are deferred until they are earned by being matched against those expenditures.

**F. Local Improvements**

The City records expenditures for capital assets funded by local improvement agreements as they are incurred. Revenues are recognized over the term of the local improvement agreements as they are collected.

**G. Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted for municipalities requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the accounting period. Significant areas requiring the use of management estimates relate to the determination of accrued vacation leave and sick benefits and severance liability, collectibility of accounts receivable, deferred charges and provisions for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

**H. Annual Budget**

The Budget used to compare actual results with those planned is the Budget which Council approved in establishing taxation rates for 2005. Where Council approved amendments to the Budget, those changes will be disclosed in the Notes to the Financial Statements.


**I. Property held for Resale**

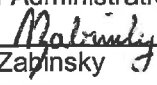
Recoverable development costs for properties currently under agreement for sale expected to be completed within one year are recorded as Property Held for Resale. Proceeds of sale, net of these development costs, are recorded as Proceeds from Land Disposal.

**The Corporation of the City of Grand Forks**  
**Consolidated Statement of Financial Position**  
as at December 31, 2005

	<u>2005</u>	<u>2004</u>
<b>Financial Assets</b>		
Cash and Temporary Investments (Note 1)	\$7,552,473	\$6,757,222
Accounts Receivable (Note 2)	1,435,215	1,383,465
Inventories for Resale (Note 3)	25,975	21,626
	<u>9,013,663</u>	<u>8,162,313</u>
<b>Liabilities</b>		
Accounts Payable (Note 4)	1,401,130	1,367,052
Deferred Revenues	326,514	315,360
Restricted Revenues (Schedule 7)	28,318	23,626
Due to (from) Trust	(598)	6,414
Long Term Debt (Schedule 2) (Note 5)	457,861	597,033
	<u>2,213,226</u>	<u>2,309,485</u>
<b>Net Financial Assets</b>	6,800,438	5,852,828
Unexpended Appropriations (Schedule 13) (Note 6)	0	(18,333)
<b>Capital Assets (Schedule 1) (Note 11)</b>	<u>36,071,676</u>	<u>37,411,671</u>
	<u>\$42,872,114</u>	<u>\$43,246,166</u>
<b>Equity</b>		
Fund Balances	\$7,261,061	\$6,459,053
Equity in Capital Assets (Note 8)	<u>35,611,053</u>	<u>36,787,113</u>
	<u>\$42,872,114</u>	<u>\$43,246,166</u>

The Accompanying Notes form an integral part of these Financial Statements  
Contingencies and commitments are described in Note 10.

  
\_\_\_\_\_  
V. Kumar  
Chief Administrative Officer

  
\_\_\_\_\_  
Dan Zapinsky  
Treasurer

**The Corporation of the City of Grand Forks**  
**Consolidated Statement of Financial Activities**  
**for the year ended December 31, 2005**

	<u>Actual</u> <u>2005</u>	<u>Budget</u> <u>2005</u>	<u>Restated</u> <u>Actual</u> <u>2004</u>
<b>Revenue</b>			(see Note 9)
Taxes (Schedule 3)	\$1,901,071	\$1,901,097	\$1,897,665
Sales of goods and services (Schedule 6)	4,754,952	4,524,662	4,460,535
Other revenues from own sources (Schedule 4)	387,680	251,557	390,291
Senior government grants - Operating (Schedule 5)	350,709	355,352	356,133
Senior government grants - Capital (Schedule 5)	611,744	469,364	12,486
Interest income (Schedule 8)	242,369	224,030	202,931
Investment income on sinking funds (Schedule 8) (Note 5)	77,788	0	67,232
	<u>8,326,312</u>	<u>7,726,062</u>	<u>7,387,273</u>
Interest restricted (Schedule 7)	(48)	(30)	(131)
Net transfers Unexpended Park Improvements (Schedule 7)	0	0	5,241
Transfer from Unexpended Airport Grant	0	0	6,469
Debt forgiven	0	0	214,109
Annual lease applied to capital project	2,762	0	2,762
Transfer to Library Maintenance	0	(3,800)	(3,455)
	<u>8,329,026</u>	<u>7,722,232</u>	<u>7,612,268</u>
<b>Expenditures (Schedule 9)</b>			
General government	1,057,376	1,144,251	1,101,752
Public real estate	239,417	219,006	167,115
Protective services	230,329	281,972	267,651
Transportation services	1,908,881	1,676,845	1,208,429
Environmental health services	110,694	116,535	85,935
Public health and welfare	67,026	73,423	67,298
Environmental development	109,317	134,913	167,163
Recreation and cultural services	375,616	366,842	587,821
Utility services	3,229,442	3,485,024	3,181,192
Fiscal charges	75,315	75,228	125,526
	<u>7,403,415</u>	<u>7,574,039</u>	<u>6,959,882</u>
Future Expenditures - Airport	(22,000)	0	(22,000)
	<u>7,381,415</u>	<u>7,574,039</u>	<u>6,937,882</u>
<b>Change in Net Financial Assets</b>	947,611	148,193	674,385
Appropriations unexpended (Schedule 13)	0	0	85,587
Unspent appropriations returned (Schedule 13)	18,333	0	55,367
Depletable asset change	0	0	(48,795)
Capital Fund Accounts Payable	(22,000)	0	(22,000)
Capital project funding deferred	(2,762)	0	(2,762)
Debt principal reduced (Schedule 2)	(151,673)	(150,626)	(422,260)
Capital debt incurred	12,500	0	0
	<u>802,009</u>	<u>(2,433)</u>	<u>319,521</u>
<b>Increase (Decrease) in Consolidated Fund Balances</b>	802,009	(2,433)	319,521
<b>Consolidated Fund Balances - Beginning of Year</b>	<u>6,459,053</u>	<u>6,459,053</u>	<u>6,139,531</u>
<b>Consolidated Fund Balances - End of Year</b>	<u>\$7,261,061</u>	<u>\$6,456,620</u>	<u>\$6,459,053</u>

**The Corporation of the City of Grand Forks**  
**Consolidated Statement of Changes in Financial Position**  
**for the year ended December 31, 2005**

	<u>2005</u>	<u>Restated</u> (see Note 10) <u>2004</u>	
<b>Cash and Temporary Investments Provided By (Used For):</b>			
<b>Operations:</b>			
Excess Revenue over Expenditures	\$947,611	\$674,385	
Decrease (Increase) in Non-Cash Financial Assets			
Accounts Receivable	(51,750)	99,029	
Deferred Charges and Other	0	15,000	
Property and Inventories for Resale	(4,349)	720	
	<u>891,512</u>	<u>789,134</u>	
Increase (Decrease) in Short Term Liabilities			
Accounts Payable and Accrued Liabilities	34,078	(269,949)	
Deferred Revenues	11,154	(1,493)	
Restricted Revenues	4,692	(22,080)	
Trust	(7,012)	1,213	
	<u>934,424</u>	<u>496,825</u>	
<b>Financing:</b>			
Debt Principal Reduced	(151,673)	(422,261)	
Debt Issued	12,500	0	
	<u>(139,173)</u>	<u>(422,261)</u>	
<b>Increase (Decrease) in Cash and Temporary Investments</b>	<b>795,251</b>	<b>74,565</b>	
<b>Cash and Temporary Investments - Beginning of Year</b>	<b>6,757,222</b>	<b>6,682,657</b>	
<b>Cash and Temporary Investments - End of Year</b>	<b><u>\$7,552,473</u></b>	<b><u>\$6,757,222</u></b>	
	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Represented By:</b>			
Cash and Temporary Investments (Statement A)	<u>\$7,552,473</u>	<u>\$6,757,222</u>	<u>\$6,682,657</u>



**The Corporation of the City of Grand Forks**  
**Consolidated Statement of Operating Fund Balances**  
**as at December 31, 2005**

	<u>2005</u>	<u>2004</u>
<b>Financial Assets</b>		
Cash and Temporary Investments (Note 1)	\$3,075,497	\$2,580,560
Accounts Receivable (Note 2)	1,417,863	1,325,134
Inventories for Resale (Note 3)	25,975	21,626
	<u>4,519,334</u>	<u>3,927,320</u>
<b>Liabilities</b>		
Accounts Payable (Note 4)	1,401,130	1,345,052
Deferred Revenues	326,514	315,360
Restricted Revenues (Schedule 7)	28,318	23,626
Due to (from) Trust	(598)	6,414
	<u>1,755,365</u>	<u>1,690,452</u>
<b>Net Financial Assets</b>	2,763,969	2,236,868
Unexpended Appropriations (Schedule 13)	0	(18,333)
Due from Capital Fund	2,762	5,524
Due from (to) Reserves	(217,670)	(148,478)
	<u>\$2,549,061</u>	<u>\$2,075,582</u>
<b>Operating Fund Equity</b>		
Fund Balances	<u>\$2,549,061</u>	<u>\$2,075,582</u>

**The Corporation of the City of Grand Forks**  
**Consolidated Statement of Changes in Operating Fund Balances**  
**for the year ended December 31, 2005**

	<u>Actual 2005</u>	<u>Budget 2005</u>	<u>Actual 2004</u>
<b>Revenue</b>			
Taxes (Schedule 3)			
Real property, special assessments, grants in lieu	\$4,487,301	\$4,488,223	\$4,333,660
Less: collections for other governments	(2,586,231)	(2,587,126)	(2,435,995)
Taxes (Schedule 3)	<u>\$1,901,071</u>	<u>\$1,901,097</u>	<u>\$1,897,665</u>
Sales of goods and services (Schedule 6)	4,329,188	4,174,646	4,225,596
Other revenues from own sources (Schedule 4)	292,994	246,457	257,101
Senior government grants - Operating (Schedule 5)	350,709	355,352	356,133
Investment income on sinking funds	77,788	69,867	67,232
Interest and investment income (Schedule 8)	104,203	71,000	63,781
	<u>7,055,952</u>	<u>6,818,419</u>	<u>6,867,508</u>
Debt forgiven	0	0	214,109
Annual lease applied to capital project	2,762	0	2,762
Transfer to Library Maintenance	0	(3,800)	(3,455)
	<u>7,058,715</u>	<u>6,814,619</u>	<u>7,080,924</u>
<b>Expenditures (Schedule 9)</b>			
General government	1,005,708	1,078,765	\$964,233
Public real estate	239,417	219,006	\$167,115
Protective services	190,567	238,172	224,801
Transportation services	828,717	688,411	771,116
Environmental health services	110,694	116,535	85,935
Public health and welfare	67,026	73,423	67,298
Environmental development	109,317	134,913	121,229
Recreation and cultural services	372,116	356,842	423,448
Utility services	2,862,089	2,979,472	2,817,626
Fiscal charges	75,315	75,228	125,526
	<u>5,860,967</u>	<u>5,960,767</u>	<u>5,768,327</u>
Less: reallocation of Internal charges	0	0	0
	<u>5,860,967</u>	<u>5,960,767</u>	<u>5,768,327</u>
<b>Change in Financial Assets</b>	1,197,748	853,852	1,312,598
Transfers to Capital - Current Year Revenues	(378,602)	(511,422)	(241,548)
Transfers to Capital - Prior Year Surplus	(1,231)	(45,000)	(350,219)
Transfer to Equipment Replacement Reserve	(50,000)	(50,000)	(50,000)
Transfer to Capital Reserve	(140,000)	(140,000)	(163,470)
Due from Capital reduced	(2,762)	0	(2,762)
Transfer from Prior Years' Surplus	0	(56,562)	0
Debt Principal reduced	(151,673)	(150,626)	(422,260)
	<u>473,479</u>	<u>(99,758)</u>	<u>82,339</u>
<b>Increase (Decrease) in Operating Fund Balances</b>	473,479	(99,758)	82,339
<b>Operating Fund Balances - Beginning of Year</b>	<u>2,075,582</u>	<u>2,075,582</u>	<u>1,993,243</u>
<b>Operating Fund Balances - End of Year</b>	<u>\$2,549,061</u>	<u>\$1,975,824</u>	<u>\$2,075,582</u>

## Statement F

**The Corporation of the City of Grand Forks**  
**Consolidated Statement of Capital Fund Balances**  
**as at December 31, 2005**

	<u>2005</u>	<u>2004</u>
<b>Financial Assets</b>	\$0	\$0
<b>Liabilities</b>		
Accounts Payable (Note 4)	0	22,000
Long Term Debt (Schedule 2) (Note 5)	457,861	597,033
	<u>457,861</u>	<u>619,033</u>
<b>Net Financial Assets</b>	(457,861)	(619,033)
<b>Due to General Revenue Fund</b>	(2,762)	(5,524)
<b>Capital Assets (Schedule 1) (Note 11)</b>	<u>36,071,676</u>	<u>37,411,671</u>
	<u>\$35,611,053</u>	<u>\$36,787,113</u>
<b>Equity in Capital Assets</b>		
General Capital Fund (Schedule 11)	\$22,545,622	\$23,935,250
Water Capital Fund (Schedule 11)	5,374,544	5,389,930
Electrical Capital Fund (Schedule 11)	2,122,119	1,913,739
Sewer Capital Fund (Schedule 11)	5,568,768	5,548,194
	<u>\$35,611,053</u>	<u>\$36,787,113</u>

**The Corporation of the City of Grand Forks**  
**Consolidated Statement of Changes in Capital Fund Balances**  
**for the year ended December 31, 2005**

	<u>Actual 2005</u>	<u>Budget 2005</u>	<u>Actual 2004</u>
<b>Revenue</b>			
Donations from groups and individuals (Schedule 4)	\$0	\$0	\$21,306
Recovery from third party less deferred (Schedule 6)	132,455	130,016	0
Senior government grants - Capital (Schedule 5)	611,744	469,364	12,486
	<u>744,199</u>	<u>599,380</u>	<u>33,792</u>
Transfer from Park Improvement Accounts	0	0	5,241
Transfer from Unexpended Airport Grant	0	0	6,469
	<u>744,199</u>	<u>599,380</u>	<u>45,502</u>
<b>Expenditures (Schedule 9)</b>			
General government	51,668	65,486	\$137,519
Protective services	39,762	43,800	42,850
Transportation services	1,080,165	988,434	437,313
Environmental development	0	0	45,934
Recreation and cultural services	3,500	10,000	164,373
Utility services	367,353	505,552	363,566
	<u>1,542,448</u>	<u>1,613,272</u>	<u>1,191,555</u>
Multiple Year Expenditures - Airport	(22,000)	0	(22,000)
<b>Change in Financial Assets</b>	(776,249)	(1,013,892)	(1,124,053)
Capital Funding from Reserves (Statement I)	405,916	457,470	554,287
<b>Expenditures funded by Debt or Operating Surplus</b>	(370,333)	(556,422)	(569,766)
Capital loan debt incurred	12,500	0	0
Change in Capital Fund Accounts Payable	(22,000)	0	(22,000)
Transfers from Operating - Prior Year Surplus	1,231	45,000	350,219
Transfers from Operating - Current Year Revenues	378,602	511,422	241,548
<b>Increase (Decrease) in Capital Fund Balances</b>	0	0	0
<b>Capital Fund Balances - Beginning of Year</b>	0	0	0
<b>Capital Fund Balances (Due to Operating Funds) - End of Year</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**The Corporation of the City of Grand Forks**  
**Consolidated Statement of Reserve Fund Balances**  
**as at December 31, 2005**

	<u>2005</u>	<b>Restated</b> (see Note 10) <u>2004</u>
<b>Financial Assets</b>		
Cash and Temporary Investments (Note 1)	\$4,476,976	\$4,176,662
Accounts Receivable (Note 2)	17,353	58,331
<b>Net Financial Assets</b>	4,494,329	4,234,992
<b>Due from (to) Own Funds</b>		
General Revenue Fund	217,670	148,478
<b>Reserve Fund Balances</b>	<u>\$4,711,999</u>	<u>\$4,383,470</u>
<b>Equity - Reserve Fund Balances</b>		
Domestic Water System Reserve	\$2,922	\$2,846
Water Development Cost Charges Reserve	219,840	197,049
Sewer Development Cost Charges Reserve	172,172	160,554
Cash in Lieu of Parking Reserve	13,541	13,187
Tax Sale Lands Reserve	52,032	50,673
Equipment Replacement Reserve	140,521	87,968
Capital Reserve	236,000	163,470
Land Sale Reserve	2,258,539	2,111,026
Slag Sale Reserve	1,616,433	1,596,697
	<u>\$4,711,999</u>	<u>\$4,383,470</u>

**The Corporation of the City of Grand Forks**  
**Consolidated Statement of Changes in Reserve Fund Balances**  
**for the year ended December 31, 2005**

	<u>Actual 2005</u>	<u>Budget 2005</u>	<u>Actual 2004</u>
<b>Receipts</b>			
Interest allocated to Reserves (Schedules 8 and 14)	138,117	153,000	139,019
Land sale proceeds (Schedule 14)	70,287	5,100	91,671
Development cost charges (Schedules 4 and 14)	24,398	0	20,212
Slag sales (Schedules 6 and 14)	<u>293,309</u>	<u>220,000</u>	<u>234,939</u>
<b>Change in Financial Assets</b>	526,112	378,100	485,841
<b>Other Additions</b>			
Transfer from Operating Funds	190,000	190,000	213,470
Unspent Appropriations returned to Reserves (Schedule 14)	<u>18,333</u>	<u>0</u>	<u>55,367</u>
	734,444	568,100	754,678
<b>Appropriations Expended</b>			
General Capital from Capital Reserve	47,470	47,470	0
General Capital from Land Sales Reserve	0	0	145,934
General Capital from Slag Sales Reserve	338,446	390,000	408,353
Water Capital from Capital Reserve	10,000	10,000	0
Sewer Capital from Capital Reserve	<u>10,000</u>	<u>10,000</u>	<u>0</u>
	405,916	457,470	554,287
	<u>328,529</u>	<u>110,630</u>	<u>200,391</u>
<b>Appropriation Bylaws</b>			
General Capital from Land Sales Reserve	0	0	50,000
less Expended	0	0	(145,934)
General Capital from Slag Sales Reserve	0	0	418,700
less Expended	<u>0</u>	<u>0</u>	<u>(408,353)</u>
	0	0	(85,587)
<b>Increase (Decrease) in Reserve Fund Balances</b>	328,529	110,630	285,978
<b>Reserve Fund Balances - Beginning of Year</b>	<u>4,383,470</u>	<u>4,383,470</u>	<u>4,097,493</u>
<b>Reserve Fund Balances - End of Year</b>	<u><u>4,711,999</u></u>	<u><u>\$4,494,100</u></u>	<u><u>\$4,383,470</u></u>

**The Corporation of the City of Grand Forks**  
**Statement of Severance Agreements**  
**for the year ended December 31, 2005**

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There was one severance agreement under which payment commenced between the City of Grand Forks and a non-unionized employee during the year ended December 31, 2003. Payments were remitted during the year ended December 31, 2004. A final out-of-court settlement was reached and payment rendered in 2006

Severance Agreement Payable - December 31, 2003	\$128,286
Payments issued during 2004	<u>(128,286)</u>
Balance - December 31, 2004	0
Final settlement	<u>50,000</u>
Balance - December 31, 2005	<u><u>\$50,000</u></u>

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(7).

**The Corporation of the City of Grand Forks**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2005**

Page 1

<b>1. Cash and Temporary Investments:</b>	<u>2005</u>	<u>2004</u>
Cash	\$1,000	\$1,000
Operating and other bank accounts	3,074,497	2,579,560
Reserve fund bank accounts	4,476,976	3,175,800
Temporary Investments (Term Deposits)	0	1,000,862
	<u>\$7,552,473</u>	<u>\$6,757,222</u>

In addition, the City holds bank accounts of \$108,222 for trusts comprised as follows:

	<u>Balance</u>	<u>Interest</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u>
	<u>December 31, 2004</u>	<u>Earned</u>			<u>December 31, 2005</u>
Cemetery	\$95,077	\$2,712	\$8,528	\$2,114	\$104,203
Employee Assistance Program	4,003	97	1,502	1,584	4,019
	<u>\$99,081</u>	<u>\$2,809</u>	<u>\$10,030</u>	<u>\$3,698</u>	<u>\$108,222</u>

<b>2. Accounts Receivable:</b>	<u>2005</u>	<u>2004</u>
Property Taxes	\$282,774	\$411,374
Other Governments	129,419	35,927
General	188,402	47,975
Accrued Interest on Reserve Term Deposit	0	37,358
Utility Bills Receivable (see Schedule 11)	834,620	850,831
	<u>\$1,435,215</u>	<u>\$1,383,465</u>

<b>3. Inventories for Resale</b>		
Aviation Fuel	\$15,736	\$11,387
Land Held for Resale	10,239	10,239
	<u>\$25,975</u>	<u>\$21,626</u>

<b>4. Accounts Payable and Accrued Liabilities:</b>		
General Trade Payables	\$500,803	\$440,939
Severance Agreement Payable	50,000	0
Due to Other Governments	0	1,260
Salaries and Wages Payable	81,161	108,130
Deferred Payments: Capital	0	22,000
Accrued Vacation Pay	197,064	179,488
Accrued Sick and Severance - Union Employees	371,478	369,972
Accrued Sick Leave - Management	193,835	238,315
	<u>1,394,342</u>	<u>1,360,103</u>
Accrued Interest on Water Fund Debt	5,806	5,806
Accrued Interest on Sewer Fund Debt	982	1,142
	<u>\$1,401,130</u>	<u>\$1,367,052</u>

Employees accrue vacation credits, which are charged to operations in the year they are earned. Unused vacation is recorded as a liability. Under Article 14 of the contract between the City and the Canadian Union of Public Employees Local 2254 (and its successor Local 4728), employees accumulate one and one half days each month of sick leave to a maximum of 150 days. Employees absent for medical reasons have wages charged against, and deducted from, sick leave accumulated. Upon retirement, any employee having accumulated sick leave is eligible to receive a cash gratuity payment. The payment amount is a percentage of accumulated leave based on years of service.

Contracts between the City and members of its management team establish a sick leave bank of 1086 days for managers which provides full pay for any management employee from onset of illness until coverage commences under long term disability insurance. As at December 31, 2005 the accrual was 62.2% of the maximum sick leave bank (at December 31, 2004 - 100%).



**The Corporation of the City of Grand Forks**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2005**

**5. Long Term Debt:**

Debt principal is reported net of Sinking Fund balances. Sinking fund earnings are combined with debt principal payments to reduce the balance of debt outstanding.

	<u>2005</u>	<u>2004</u>
MFA Debenture debt issued and outstanding: (Schedule 2)	\$290,119	\$338,309
Grand Forks District Savings Credit Union term loan, 6% interest	19,850	52,292
MFA Public Body Leasing Capital Lease	11,451	0
Pacific & Western Capital Leases	136,440	206,432
	<u>\$457,860</u>	<u>\$597,033</u>

The following debt principal amounts are payable over the next five years:

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Water Debenture	\$42,659	\$44,792	\$47,031	\$0	\$0
Sewer Debenture	7,941	8,338	8,755	9,193	9,653
Credit Union Term Loan	19,850	0	0	0	0
Capital Leases	49,100	52,515	42,427	2,700	1,150
	<u>\$119,550</u>	<u>\$105,645</u>	<u>\$98,213</u>	<u>\$11,893</u>	<u>\$10,803</u>

**6. Unfunded Work-in-Process:**

Unfunded work-in-process (representing capital works under construction at year-end for which funding has not yet been drawn) is as follows:

	<u>2005</u>	<u>2004</u>
City Hall Renovation, Heating System & Furnishings	289,285	289,285
less expended during 2004 & 2003	(277,453)	(277,453)
less funding permitted to lapse	(11,833)	0
Airport AWOS System	67,239	67,239
less expended during 2005, 2004 & 2003	(67,239)	(45,239)
Capital Tree Replacement	7,586	7,586
less expended during 2005 & 2004	(6,246)	(1,086)
less funding permitted to lapse	(1,341)	0
	<u>\$0</u>	<u>\$40,333</u>
Funding to be provided by:		
Slag Sales Reserve Fund	\$0	\$18,333
Total Unexpended Appropriations from Statutory Reserves (Schedule 13)	0	18,333
General Revenues 2005	0	22,000
	<u>\$0</u>	<u>\$40,333</u>

**7. Debt Reserve Fund:**

The Municipal Finance Authority of British Columbia provides capital financing for regional districts and their member municipalities. The Authority is required to establish a Debt Reserve Fund. Each regional district through its member municipalities who share in the proceeds of the debt issue is required to pay into the Debt Reserve Fund certain amounts set out in the debt agreements. The interest earned by the Fund less administrative expenses becomes an obligation to the regional districts. If at any time a regional district has insufficient funds to meet payments on its obligations, it must then use the monies to its credit within the Debt Reserve Fund.

Upon maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Municipality. The proceeds from these discharges will be credited to income in the year they are received. As at December 31, the total of the Debt Reserve Fund was:

	<u>2005</u>	<u>2004</u>
Water	\$88,814	\$86,745
Sewer	9,161	9,045
	<u>\$97,975</u>	<u>\$95,790</u>

**8.A Equity in Capital Assets**

Equity in Capital Assets represents the total capital assets less long term debt assumed to acquire those assets. The change in Equity in Capital Assets is as follows:

	<u>2005</u>	<u>2004</u>
<b>Equity in Capital Assets - Beginning of the year</b>	<b>\$36,787,113</b>	<b>\$35,170,536</b>
Add: Capital Expenditures	1,542,448	1,191,555
Write down based on Tangible Capital Assets analysis	(2,860,442)	0
Assets purchase funded by Debt	(12,500)	0
Reduction in Multiple Year Payable	(22,000)	(22,000)
Reduction in Short Term Debt	24,762	24,762
Reduction in Long Term Debt	151,673	422,260
	<u>\$35,611,054</u>	<u>\$36,787,113</u>

Equity in Capital Assets in each Capital Fund is stated on Page 2 of Significant Accounting Policies.

**9. Restatement of Prior Year Figures**

**(a) Presentation Changes**

In an effort to conform to the guidelines issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and the presentation required under subsection 328.(3) of the Local Government Act, certain of the 2004 comparative figures have been reclassified.

**10. Commitments and Contingencies**

**(a) Contingent Liabilities**

(i) The City, as a member of the Regional District of Kootenay Boundary, is jointly and severally liable for the net capital liabilities of the Regional District. The loan agreements with the Municipal Finance Authority provide that if the Authority does not have sufficient funds to meet payments on its obligations it shall make payments from the Debt Reserve Fund which is in turn established by a similar Debt Reserve Fund of the City and all other borrowing participants. If the Debt Reserve Fund is deficient, the Authority's obligations become a liability of the Regional District and may become a liability of the participating municipalities.

(ii) The City has settled a loss of office litigation with a former employee for additional compensation upon termination. The City's liability has now been established and is reflected in the financial statements. Therefore, no contingent liability remains.

**(b) Pension Liability**

The City and its employees contribute to the Municipal Pension Plan (the plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 130,000 active members and approximately 48,000 retired members. Active members include approximately 30,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The City of Grand Forks paid \$122,989 for employer contributions to the plan in fiscal year 2005.

**The Corporation of the City of Grand Forks**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2005**

**10. Commitments and Contingencies (continued)**

**(c) Reciprocal Insurance Exchange Agreement**

The City is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by Section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the City is assessed a premium and specific deductible for its claims based on population. The obligation of the City with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, not joint and several. The City irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.

**(d) Lease Commitments**

The City has obligations under long-term, non-cancelable operating leases for office equipment and long-term capital leases for office and public works equipment. Future minimum lease payments for each commitment for each of the five succeeding years are as follows:

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Operating Leases</b>					
Office Equipment	\$12,851	\$5,408	\$3,659	\$449	\$440
<b>Capital Leases</b>					
Office Equipment	2,978	2,978	2,978	2,978	1,241
Public Works Equipment	58,455	58,455	43,841	0	0
	<u>\$74,284</u>	<u>\$66,841</u>	<u>\$50,478</u>	<u>\$3,428</u>	<u>\$1,681</u>

**(e) Contractual Obligations**

The City has contracted with the Regional District of Kootenay Boundary to provide Building and Plumbing Inspection services. Under the contract the City is obliged to pay the Regional District a requisition based on various components calculated annually and the Regional District is obliged to remit all fees collected on behalf of the City.

**(f) Property Held for Development**

The City holds real property which it intends to offer for sale in the future under terms compatible with its development plans.

**11. Restricted Assets**

The City has recorded various recreational buildings and parks which are subject to contractual agreements with the Regional District of Kootenay Boundary and various user groups.

**The Corporation of the City of Grand Forks**  
**Schedule of Capital Assets**  
**as at December 31, 2005**

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	<u>2005</u>	<u>2004</u>
<b>General Capital Fund</b>		
Land - Infrastructure	\$1,130,005	\$1,175,501
Land - Industrial Development for Resale (Note 10f)	930,684	1,038,640
Downtown Revitalization	916,818	916,818
Buildings	4,663,999	6,277,137
Machinery and Equipment	4,965,076	5,261,742
Engineering Structures	<u>9,953,255</u>	<u>9,319,394</u>
	<u>\$22,559,836</u>	<u>\$23,989,232</u>
<b>Waterworks Capital Fund</b>	<u>\$5,509,026</u>	<u>\$5,565,040</u>
<b>Electrical Utility Capital Fund</b>	<u>\$2,122,119</u>	<u>\$1,913,739</u>
<b>Sanitary Sewer Capital Fund</b>	<u>\$5,880,695</u>	<u>\$5,943,660</u>
	<u>\$36,071,676</u>	<u>\$37,411,671</u>

The Corporation of the City of Grand Forks  
 Long Term Debt  
 for the year ended December 31, 2005

Date of Issue	Bylaw	Purpose	Maturity Dates	Original Debt	Debt		Retirements In 2005	Debt December 31, 2005	Interest Rates
					Outstanding Before 2005 Retirement	Interest Paid in 2005			
<b>A. DEBENTURES (covered by Debt Reserve Fund - Note 7)</b>									
November 23, 1983	Waterworks Capital Fund	1166 Waterworks System Improvements	1983 - 2008	696,000	175,109	50,460	40,627	134,482	7.25%
March 24, 1999	Sanitary Sewer Capital Fund	1556 Ruckle Sewer Extension	1999 - 2019	195,944	163,200	10,757	7,563	155,637	5.50%
<b>Total Debenenture Debt</b>				891,944	338,309	61,217	48,190	290,119	
<b>B. TERM LOANS FROM GRAND FORKS DISTRICT SAVINGS CREDIT UNION</b>									
July 20, 2001	Sanitary Sewer Capital Fund	1661 Boundary Lift Station	2001 - 2006	150,000	52,292	2,254	32,442	19,850	6.00%
<b>C. CAPITAL LEASES AND CONDITIONAL SALES AGREEMENT TO FUND EQUIPMENT ACQUISITIONS</b>									
June 15, 2000	n/a	1995 Profire Tanker	2000 - 2005	101,740	10,121	188	10,121	0	8.27%
September 1, 2000	n/a	Genset & Trailer	2000 - 2005	38,368	6,128	186	6,128	(0)	8.92%
October 1, 2000	n/a	John Deere Loader Backhoe	2000 - 2005	39,000	6,984	236	6,984	0	8.92%
May 15, 2001	n/a	Hustler Mower	2001 - 2005	33,333	3,225	50	3,225	(0)	8.69%
May 28, 2005	n/a	Xerox Multifunction Copier/Fax/Scanner	2005 - 2010	12,500	12,500	247	1,049	11,451	3.25%
<b>Sanitary Sewer Capital Fund</b>				224,941	38,957	907	27,506	11,451	
October 1, 2001	n/a	Vactor Jet Rodder	2001 - 2008	300,166	179,975	11,097	43,534	136,440	7.36%
<b>Total Capital Lease and Conditional Sales Agreement Debt</b>				525,107	218,932	12,004	71,040	147,892	
<b>Total Long Term Debt</b>				\$1,567,051	\$609,533	\$75,475	\$151,673	\$457,860	

**The Corporation of the City of Grand Forks**  
**Tax Levies**  
**for the year ended December 31, 2005**

	<i>Assessments</i>	<i>Rate</i> <i>per \$1,000</i>	<u>Actual</u> <u>2005</u>	<u>Budget</u> <u>2005</u>	<u>Actual</u> <u>2004</u>
<b>Municipal property taxes:</b>					
- Residential	\$195,078,020	3.74	\$730,168	\$730,197	\$738,192
- Utilities	1,042,270	24.27	25,298	25,298	25,816
- Major industry	14,400,600	42.11	606,461	606,461	618,839
- Light industry	1,926,000	10.08	19,423	19,423	19,819
- Business	41,912,650	9.87	413,531	413,531	390,577
- Recreational	16,300	10.80	176	176	180
- Farm	187,100	5.96	1,116	1,116	1,139
General purposes - municipal taxes			1,796,174	1,796,202	1,794,561
Special assessments and local improvements			87,768	87,767	82,063
Grants in lieu of taxes			17,129	17,128	21,041
<b>Total taxes for municipal purposes</b>			<u>\$1,901,071</u>	<u>\$1,901,097</u>	<u>\$1,897,665</u>
<b>Collections for other governments:</b>					
School District #51			1,461,291	1,461,320	1,447,305
Regional District of Kootenay Boundary			911,357	912,144	855,981
Regional Hospital Districts			173,060	173,139	92,147
British Columbia Assessment Authority			40,450	40,450	40,496
Municipal Finance Authority			73	73	66
<b>Total collections for other governments</b>			<u>2,586,231</u>	<u>2,587,126</u>	<u>2,435,995</u>
<b>Real Property, Special Assessments, Grants In Lieu</b>			<u>\$4,487,301</u>	<u>\$4,488,223</u>	<u>\$4,333,660</u>

**The Corporation of the City of Grand Forks**  
**Other Revenue from Own Sources**  
**for the year ended December 31, 2005**

	<u>Actual</u> <u>2005</u>	<u>Budget</u> <u>2005</u>	<u>Actual</u> <u>2004</u>
<b>General Revenue Fund:</b>			
<b>Operating</b>			
Building permits	\$42,729	\$17,000	\$17,165
Business licenses	29,948	30,000	28,655
Concessions and franchise	72,657	74,817	71,863
Penalties and interest on taxes	54,813	60,000	55,913
Commissions	4,181	4,200	4,178
Insurance recovery	174	5,000	5,276
Provincial Emergency and Fire recoveries	798	0	4,947
Economic Development Legal Fees recoveries	0	0	0
Other Recoveries	37,369	6,400	17,363
Property rentals	49,920	49,040	48,610
	<u>292,590</u>	<u>246,457</u>	<u>253,971</u>
<b>Restricted</b>			
Class E liquor licenses (Schedule 7)	404	0	3,130
	<u>292,994</u>	<u>246,457</u>	<u>257,101</u>
<b>Reserves</b>			
Land Sales (Schedule 14)	70,287	5,100	91,671
Development cost charges (Schedule 14)	24,398	0	20,212
	<u>387,680</u>	<u>251,557</u>	<u>368,985</u>
<b>Capital</b>			
Donations from groups or individuals	0	0	21,306
	<u>0</u>	<u>0</u>	<u>21,306</u>
	<u>\$387,680</u>	<u>\$251,557</u>	<u>\$390,291</u>

**The Corporation of the City of Grand Forks**  
**Grants**  
for the year ended December 31, 2005

	<u>Actual 2005</u>	<u>Budget 2005</u>	<u>Actual 2004</u>
<b>Operating</b>			
General - Small Communities Protection	\$284,191	\$284,191	\$284,191
General - Victim Assistance	24,356	29,000	24,000
	<u>308,547</u>	<u>313,191</u>	<u>308,191</u>
Water - Revenue Sharing	34,162	34,161	44,003
Water - Drought Management Plan	8,000	8,000	0
Sewer - Revenue Sharing	0	0	3,939
	<u>0</u>	<u>0</u>	<u>3,939</u>
<b>Total Operating Grants</b>	<u><u>\$350,709</u></u>	<u><u>\$355,352</u></u>	<u><u>\$356,133</u></u>
 <b>Capital</b>			
General - Provincial Airport Upgrade	469,364	469,364	0
General - Other Airport Upgrade	142,380	0	0
Water - Infrastructure	<u>0</u>	<u>0</u>	<u>12,486</u>
<b>Total Capital Grants</b>	<u><u>\$611,744</u></u>	<u><u>\$469,364</u></u>	<u><u>\$12,486</u></u>



**The Corporation of the City of Grand Forks**  
**Sales of Goods and Services**  
**for the year ended December 31, 2005**

	<u>Actual 2005</u>	<u>Budget 2005</u>	<u>Actual 2004</u>
<b>General Revenue Fund:</b>			
<b>Operating</b>			
Garbage	\$105,215	\$104,616	\$87,213
Cemetery	19,340	20,510	21,517
Airport (net of cost of fuel sold)	24,899	18,751	19,229
Transportation Custom Work Orders	11,524	5,000	12,922
Environmental Development	6,894	5,509	4,150
Sundry	6,515	4,220	5,132
	<u>174,387</u>	<u>158,606</u>	<u>150,163</u>
<b>Reserves</b>			
Slag	293,309	220,000	234,939
	<u>293,309</u>	<u>220,000</u>	<u>234,939</u>
<b>Total General Revenue Fund</b>	<u>467,696</u>	<u>378,606</u>	<u>385,102</u>
<b>Water Revenue Fund:</b>			
User Fees	613,264	610,980	601,455
Connection Fees and Custom Work Orders	23,710	8,490	18,346
Penalties	5,922	6,400	5,438
	<u>642,896</u>	<u>625,870</u>	<u>625,240</u>
Less: Discounts for early payment	(22,719)	(22,650)	(22,156)
	<u>(22,719)</u>	<u>(22,650)</u>	<u>(22,156)</u>
<b>Total Water Revenue Fund</b>	<u>620,177</u>	<u>603,220</u>	<u>603,084</u>
<b>Electrical Revenue Fund:</b>			
User Fees	2,820,313	2,704,000	2,747,859
Connection Fees and Custom Work Orders	34,636	31,000	45,585
Penalties	28,630	30,000	34,151
Pole Fees and Sundry	2,983	4,800	6,786
	<u>2,886,561</u>	<u>2,769,800</u>	<u>2,834,380</u>
<b>Total Electrical Revenue Fund (Schedule 11)</b>	<u>2,886,561</u>	<u>2,769,800</u>	<u>2,834,380</u>
<b>Sewer Revenue Fund:</b>			
User Fees	657,754	648,720	640,632
Connection Fees and Custom Work Orders	2,073	5,000	8,110
Penalties	8,195	9,200	8,305
	<u>668,022</u>	<u>662,920</u>	<u>657,048</u>
Less: Discounts for early payment	(19,958)	(19,900)	(19,080)
	<u>(19,958)</u>	<u>(19,900)</u>	<u>(19,080)</u>
<b>Total Sewer Revenue Fund</b>	<u>648,063</u>	<u>643,020</u>	<u>637,968</u>
<b>Electrical Capital Fund:</b>			
Electrical Custom Work Orders (Schedule 11)	132,455	130,016	0
	<u>132,455</u>	<u>130,016</u>	<u>0</u>
<b>Total Sales of Goods and Services</b>	<u>\$4,754,952</u>	<u>\$4,524,662</u>	<u>\$4,460,535</u>

Schedule 7

The Corporation of the City of Grand Forks  
 Continuity Schedule of Restricted Revenues  
 for the year ended December 31, 2005

	<u>Balance</u> <u>December 31, 2004</u>	<u>Interest</u> <u>Earned</u>	<u>Collections</u>	<u>Expenditures</u>	<u>Balance</u> <u>December 31, 2005</u>
H.A.R.P. Design	5,894	0	0	0	5,894
Granby Dyking	15,927	0	0	0	15,927
Business Improvement Area	1,805	48	0	0	1,854
Victim Assistance Program	0	0	29,000	24,356	4,643
	<u>\$23,626</u>	<u>\$48</u>	<u>\$29,000</u>	<u>\$24,356</u>	<u>\$28,318</u>

**The Corporation of the City of Grand Forks**  
**Interest and Investment Income**  
**for the year ended December 31, 2005**

	<u>Actual 2005</u>	<u>Budget 2005</u>	<u>Actual 2004</u>
<b>Income from sources requiring restriction or deferment</b>			
Reserves: (Schedule 14)			
Water Reserve	\$76	\$82	\$64
Equipment Reserve	2,552	1,326	645
Tax Land Sale Reserve	1,359	1,448	1,132
Cash in Lieu of Parking Reserve	354	383	295
Water Development Cost Charges Reserve	5,524	4,250	4,263
Sewer Development Cost Charges Reserve	4,487	3,450	3,450
Land Sales Reserve	77,226	85,680	89,367
Slag Sales Reserve	46,539	56,381	39,804
	<u>138,117</u>	<u>153,000</u>	<u>139,019</u>
Other Restricted Accounts:			
Business Improvement Area	48	30	40
Donaldson Park Improvements	0	0	91
	<u>48</u>	<u>30</u>	<u>131</u>
	<u>138,165</u>	<u>153,030</u>	<u>139,150</u>
<b>Income available for general use</b>			
Cemetery Account	2,712	2,000	2,124
Airport Account	8,805	9,000	0
General Account	92,687	60,000	61,658
	<u>104,203</u>	<u>71,000</u>	<u>63,781</u>
	<u>\$242,369</u>	<u>\$224,030</u>	<u>\$202,931</u>
<b>Investment income on sinking funds</b>			
Water Fund (applied against debenture debt)	26,045	26,044	31,084
Water Fund (one time final refund bond issue surplus)	21,127	13,207	11,556
Sewer Fund (applied against debenture debt)	1,637	1,637	16,602
Sewer Fund (one time final refund bond issue surplus)	28,979	28,979	7,990
	<u>\$77,788</u>	<u>\$69,867</u>	<u>\$67,232</u>

**The Corporation of the City of Grand Forks**  
**Expenditures by Function**  
**for the year ended December 31, 2005**

	Operating		Capital		Total		Restated (see Note 10) Actual 2004
	Actual 2005	Budget 2005	Actual 2005	Budget 2005	Actual 2005	Budget 2005	
General government	\$1,005,708	\$1,078,765	\$51,668	\$65,486	\$1,057,376	\$1,144,251	\$1,101,752
Public real estate	239,417	219,006	0	0	239,417	219,006	167,115
Protective services	190,567	238,172	39,762	43,800	230,329	281,972	267,651
Transportation services	828,717	688,411	1,080,165	988,434	1,908,881	1,676,845	1,208,429
Environmental health services	110,694	116,535	0	0	110,694	116,535	85,935
Public health and welfare	67,026	73,423	0	0	67,026	73,423	67,298
Environmental development	109,317	134,913	0	0	109,317	134,913	167,163
Recreation and cultural services	372,116	356,842	3,500	10,000	375,616	366,842	587,821
Utility services	2,862,089	2,979,472	367,353	505,552	3,229,442	3,485,024	3,181,192
Fiscal charges	75,315	75,228	0	0	75,315	75,228	125,526
	<u>\$5,860,967</u>	<u>\$5,960,767</u>	<u>\$1,542,448</u>	<u>\$1,613,272</u>	<u>\$7,403,415</u>	<u>\$7,574,039</u>	<u>\$6,959,882</u>

**The Corporation of the City of Grand Forks**  
Expenditures by Object  
for the year ended December 31, 2005

	Operating		Capital		Total		Restated (see Note 9) Actual 2004
	Actual 2005	Budget 2005	Actual 2005	Budget 2005	Actual 2005	Budget 2005	
Wages and employee benefits	\$2,257,920	\$2,380,304	\$101,545	\$46,170	\$2,359,465	\$2,426,474	\$2,389,717
Purchased electricity	1,798,042	1,765,000	0	0	1,798,042	1,765,000	1,753,619
Subcontracts	418,180	389,842	1,019,563	1,063,263	1,437,743	1,453,105	882,409
Materials and supplies	336,586	340,156	58,161	54,737	394,747	394,893	544,530
Capital Equipment purchases	0	0	298,127	207,122	298,127	207,122	291,340
Insurance	129,588	142,493	0	0	129,588	142,493	117,747
Heat and light	121,641	106,807	0	0	121,641	106,807	113,676
Professional fees	73,080	119,742	42,573	223,000	115,653	342,742	117,689
Vehicle and equipment operating costs	92,898	93,812	22,478	18,980	115,375	112,792	110,146
Residential garbage pickup and tipping fees	106,914	116,025	0	0	106,914	116,025	85,695
Office, delivery and sundry	103,360	108,343	0	0	103,360	108,343	75,336
Debt interest and bank charges	88,614	90,993	0	0	88,614	90,993	140,054
Conferences, seminars and training	83,273	94,707	0	0	83,273	94,707	57,654
Grants	62,427	64,288	0	0	62,427	64,288	74,777
Telecommunications	55,998	66,231	0	0	55,998	66,231	63,634
Severance Agreement	50,000	0	0	0	50,000	0	0
Advertising and promotion	37,734	36,315	0	0	37,734	36,315	32,216
Lease and rental	25,150	25,119	0	0	25,150	25,119	43,840
Fees, dues and licenses	19,564	20,590	0	0	19,564	20,590	20,674
Land and building purchases	0	0	0	0	0	0	45,127
	<u>\$5,860,967</u>	<u>\$5,960,767</u>	<u>\$1,542,448</u>	<u>\$1,613,272</u>	<u>7,403,415</u>	<u>\$7,574,039</u>	<u>\$6,959,882</u>

**The Corporation of the City of Grand Forks**  
**Financial Position by Fund**  
**as at December 31, 2005**

<b>General Revenue Fund</b>	<b>2005</b>	<b>Restated (see Note 9) 2004</b>
<b>Financial Assets</b>		
Cash and Temporary Investments (Note 1)	\$3,075,497	\$2,580,560
Accounts Receivable (Note 2)	846,611	803,829
Inventories for Resale (Note 3)	25,975	21,626
Due from Trust	598	0
	<u>3,948,681</u>	<u>3,406,015</u>
<b>Liabilities</b>		
Accounts Payable (Note 4)	1,394,342	1,338,104
Deferred Revenues	326,514	315,360
Restricted Revenues (Schedule 7)	28,318	23,626
Due to Trust	0	6,414
	<u>1,749,175</u>	<u>1,683,504</u>
<b>Net Financial Assets</b>	<u>2,199,506</u>	<u>1,722,511</u>
Unexpended Appropriations (Schedule 13)	<u>0</u>	<u>(18,333)</u>
<b>Due from (to) Own Funds</b>		
General Capital Fund	2,762	5,524
Water Revenue Fund	(1,165,495)	(925,815)
Electrical Revenue Fund	(14,127)	31,715
Sewer Revenue Fund	(419,454)	(290,855)
	<u>(1,596,314)</u>	<u>(1,179,430)</u>
<b>Due from (to) Reserves</b>		
Land Sales Reserve	0	(47)
Slag Sales Reserve	18,330	15,039
Capital Reserve	(236,000)	(163,470)
	<u>(217,670)</u>	<u>(148,478)</u>
	<u>\$385,521</u>	<u>\$376,271</u>
<b>Equity</b>		
General Fund Equity	<u>\$385,521</u>	<u>\$376,272</u>

**The Corporation of the City of Grand Forks**  
**Financial Position by Fund**  
**as at December 31, 2005**

**Schedule 11**  
(continued)

<b>Water Revenue Fund</b>		
	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Financial Assets</b>		
Accounts Receivable (Note 2)	\$9,933	\$8,755
<b>Liabilities</b>		
Accounts Payable (Note 4)	5,806	5,806
<b>Net Financial Assets</b>	<u>4,126</u>	<u>2,948</u>
<b>Due from (to) Own Funds</b>		
General Revenue Fund	1,165,495	925,815
	<u>\$1,169,622</u>	<u>\$928,763</u>
<b>Equity</b>		
Water Fund Equity	<u>\$1,169,622</u>	<u>\$928,763</u>
<b>Electrical Revenue Fund</b>		
	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Financial Assets</b>		
Accounts Receivable (Note 2)	\$541,007	\$495,115
<b>Liabilities</b>		
	0	0
<b>Net Financial Assets</b>	<u>541,007</u>	<u>495,115</u>
<b>Due from (to) Own Funds</b>		
General Revenue Fund	14,127	(31,715)
	<u>\$555,134</u>	<u>\$463,400</u>
<b>Equity</b>		
Electrical Fund Equity	<u>\$555,134</u>	<u>\$463,400</u>
<b>Sewer Revenue Fund</b>		
	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Financial Assets</b>		
Accounts Receivable (Note 2)	\$20,312	\$17,436
<b>Liabilities</b>		
Accounts Payable (Note 4)	982	1,142
<b>Net Financial Assets</b>	<u>19,330</u>	<u>16,294</u>
<b>Due from (to) Own Funds</b>		
General Revenue Fund	419,454	290,855
	<u>\$438,785</u>	<u>\$307,148</u>
<b>Equity</b>		
Sewer Fund Equity	<u>\$438,785</u>	<u>\$307,148</u>

**The Corporation of the City of Grand Forks**  
**Financial Position by Fund**  
**as at December 31, 2005**

**Schedule 11**  
(continued)

<b>General Capital Fund</b>		
	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Financial Assets</b>	\$0	\$0
<b>Liabilities</b>		
Accounts Payable (Note 4)	0	22,000
Long Term Debt (Schedule 2) (Note 5)	11,451	26,457
	<u>11,451</u>	<u>48,457</u>
<b>Net Financial Assets</b>	(11,451)	(48,457)
<b>Due from (to) Own Funds</b>		
General Revenue Fund	(2,762)	(5,524)
<b>Capital Assets (Schedule 1) (Note 11)</b>	22,559,836	23,989,232
<b>Equity</b>		
Equity in Capital Assets (Note 8)	<u>\$22,545,622</u>	<u>\$23,935,250</u>
<b>Water Capital Fund</b>		
	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Financial Assets</b>	\$0	\$0
<b>Liabilities</b>		
Long Term Debt (Schedule 2) (Note 5)	134,482	175,109
<b>Net Financial Assets</b>	(134,482)	(175,109)
<b>Capital Assets (Schedule 1) (Note 11)</b>	5,509,026	5,565,040
<b>Equity</b>		
Equity in Capital Assets (Note 8)	<u>\$5,374,544</u>	<u>\$5,389,930</u>
<b>Electrical Capital Fund</b>		
	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Net Financial Assets</b>	\$0	\$0
<b>Capital Assets (Schedule 1) (Note 11)</b>	2,122,119	1,913,739
<b>Equity</b>		
Equity in Capital Assets (Note 8)	<u>\$2,122,119</u>	<u>\$1,913,739</u>
<b>Sewer Capital Fund</b>		
	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Financial Assets</b>	\$0	\$0
<b>Liabilities</b>		
Long Term Debt (Schedule 2) (Note 5)	311,927	395,467
<b>Net Financial Assets</b>	(311,927)	(395,467)
<b>Capital Assets (Schedule 1) (Note 11)</b>	5,880,695	5,943,660
<b>Equity</b>		
Equity in Capital Assets (Note 8)	<u>\$5,568,768</u>	<u>\$5,548,194</u>



**The Corporation of the City of Grand Forks**  
**Financial Position by Fund**  
**as at December 31, 2005**

**Schedule 11**  
(continued)

<b>Reserve Fund</b>		
	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Financial Assets</b>		
Cash and Temporary Investments (Note 1)	\$4,476,976	\$4,176,662
Accounts Receivable (Note 2)	17,353	58,331
	<u>4,494,329</u>	<u>4,234,992</u>
<b>Liabilities</b>	<u>0</u>	<u>0</u>
<b>Net Financial Assets</b>	4,494,329	4,234,992
<b>Due from (to) Own Funds</b>		
General Revenue Fund	<u>217,670</u>	<u>148,478</u>
<b>Equity - Reserve Fund Balances</b>	<u><u>\$4,711,999</u></u>	<u><u>\$4,383,470</u></u>
<b>Equity - Reserve Fund Balances</b>		
Domestic Water System Reserve	\$2,922	\$2,846
Water Development Cost Charges Reserve	219,840	197,049
Sewer Development Cost Charges Reserve	172,172	160,554
Tax Sale Lands Reserve	52,032	50,673
Cash in Lieu of Parking Reserve	13,541	13,187
Equipment Replacement Reserve	140,521	87,968
Land Sale Reserve	2,258,539	2,111,026
Capital Reserve	236,000	163,470
Slag Sale Reserve	1,616,433	1,596,697
	<u><u>\$4,711,999</u></u>	<u><u>\$4,383,470</u></u>

**The Corporation of the City of Grand Forks**  
**Financial Activities by Fund**  
**for the year ended December 31, 2005**

<b>General Fund</b>	<b>Actual 2005</b>	<b>Budget 2005</b>	<b>Restated Actual 2004</b> (see Note 9)
<b>Revenue</b>			
Taxes (Schedule 3)			
Real property, special assessments, grants in lieu	4,481,261	\$4,482,183	4,327,620
Less: collections for other governments	<u>(2,586,231)</u>	<u>(2,587,126)</u>	<u>(2,435,995)</u>
Taxes (Schedule 3)	1,895,030	\$1,895,057	\$1,891,625
Sales of goods and services (Schedule 6)	467,696	378,606	385,102
Other revenues from own sources (Schedule 4)	387,680	251,557	390,291
Senior government grants - Operating (Schedule 5)	308,547	313,191	308,191
Senior government grants - Capital (Schedule 5)	611,744	469,364	0
Interest income (Schedule 8)	242,369	224,030	202,931
	<u>3,913,066</u>	<u>3,531,805</u>	<u>3,178,140</u>
Transfer to Library Maintenance	0	(3,800)	(3,455)
Capital project funding deferred	2,762	0	2,762
Transfer from Park Improvement Accounts for Capital Project	0	0	5,241
Transfer from Unexpended Airport Grant for Capital Project	0	0	6,469
Restricted Interest (Schedule 7)	<u>(48)</u>	<u>(30)</u>	<u>(131)</u>
	<u>3,915,779</u>	<u>3,527,975</u>	<u>3,189,025</u>
<b>Expenditures</b>			
General government	1,057,376	1,144,251	1,101,752
Public real estate	239,417	219,006	167,115
Protective services	230,329	281,972	267,651
Transportation services	1,908,881	1,676,845	1,208,429
Environmental health services	110,694	116,535	85,935
Public health and welfare	67,026	73,423	67,298
Environmental development	109,317	134,913	167,163
Recreation and cultural services	375,616	366,842	587,821
Fiscal charges	907	660	4,189
	<u>4,099,564</u>	<u>4,014,447</u>	<u>3,657,353</u>
Multiple Year Expenditures - Airport	<u>(22,000)</u>	<u>0</u>	<u>(22,000)</u>
	<u>4,077,564</u>	<u>4,014,447</u>	<u>3,635,353</u>
<b>Change in Net Financial Assets</b>			
Appropriation from Land Sales Reserve	(161,785)	(486,472)	(446,327)
Appropriation from Land Sales Reserve	0	0	145,934
Appropriation from Capital Reserve	47,470	47,470	0
Appropriation from Slag Sales Reserve	338,446	390,000	408,353
Transfer Income to Reserves (Schedule 14)	(437,995)	(274,100)	(444,292)
Transfer from Electrical Fund	401,000	401,000	399,400
Capital project funding deferred	(2,762)	0	(2,762)
Long term trade accounts payable	(22,000)	0	(22,000)
Debt incurred	12,500	0	0
Principal repaid	(27,506)	(26,460)	(54,218)
Interest on Reserve Accounts (Schedule 8)	<u>(138,117)</u>	<u>(153,000)</u>	<u>(139,019)</u>
<b>Increase (Decrease) in General Fund Balance</b>	9,250	(101,562)	(154,931)
<b>General Fund Balance - Beginning of Year - Restated</b>	376,272	376,272	531,202
<b>General Fund Balance - End of Year</b>	<u>385,521</u>	<u>\$274,710</u>	<u>\$376,272</u>

**The Corporation of the City of Grand Forks**  
**Financial Activities by Fund**  
for the year ended December 31, 2005

Schedule 12  
(continued)

<b>Water Fund</b>			
	<b>Actual 2005</b>	<b>Budget 2005</b>	<b>Actual 2004</b>
<b>Revenue</b>			
Sales of goods and services (Schedule 6)	\$620,177	\$603,220	\$603,084
Investment income on sinking funds (Note 6)	47,172	39,251	42,641
Senior government grants - Operating (Schedule 5)	42,162	42,161	44,003
Senior government grants - Capital (Schedule 5)	0	0	12,486
	<u>709,510</u>	<u>684,632</u>	<u>702,214</u>
Add: Debt forgiven	0	0	66,967
	<u>709,510</u>	<u>684,632</u>	<u>769,180</u>
<b>Expenditures</b>			
Utility services	362,564	565,733	434,152
Fiscal charges	50,460	50,460	63,621
	<u>413,024</u>	<u>616,193</u>	<u>497,773</u>
<b>Change in Net Financial Assets</b>	296,486	68,439	271,407
Appropriation from Capital Reserve	10,000	10,000	0
Principal repaid	(40,627)	(40,627)	(117,202)
Transfer Income to Reserves (Schedule 14)	(25,000)	(25,000)	(10,000)
	<u>240,859</u>	<u>12,812</u>	<u>144,206</u>
<b>Increase (Decrease) in Water Fund Balance</b>	240,859	12,812	144,206
<b>Water Fund Balance - Beginning of Year - Restated</b>	<u>928,763</u>	<u>928,763</u>	<u>784,557</u>
<b>Water Fund Balance - End of Year</b>	<u>\$1,169,622</u>	<u>\$941,575</u>	<u>\$928,763</u>

**The Corporation of the City of Grand Forks**  
**Financial Activities by Fund**  
for the year ended December 31, 2005

**Schedule 12**  
(continued)

<b>Electrical Fund</b>			
	<u>Actual 2005</u>	<u>Budget 2005</u>	<u>Actual 2004</u>
<b>Revenue</b>			
Sales of goods and services - Operating (Schedule 6)	\$2,886,561	\$2,769,800	\$2,834,380
Electrical Custom Work Orders - Capital (Schedule 6)	132,455	130,016	0
	<u>3,019,016</u>	<u>2,899,816</u>	<u>2,834,380</u>
<b>Expenditures</b>			
Purchased electricity (Schedule 10)	1,798,042	1,765,000	1,753,619
Utility services	678,240	639,260	581,636
	<u>2,476,282</u>	<u>2,404,260</u>	<u>2,335,255</u>
<b>Change in Net Financial Assets</b>	542,734	495,556	499,126
Transfer Income to Reserves (Schedule 14)	(50,000)	(50,000)	(50,000)
Transfer to General Fund	(401,000)	(401,000)	(399,400)
	<u>91,734</u>	<u>44,556</u>	<u>49,726</u>
<b>Increase (Decrease) in Electrical Fund Balance</b>	91,734	44,556	49,726
<b>Electrical Fund Balance - Beginning of Year - Restated</b>	<u>463,400</u>	<u>463,400</u>	<u>413,674</u>
<b>Electrical Fund Balance - End of Year</b>	<u><u>\$555,134</u></u>	<u><u>\$507,956</u></u>	<u><u>\$463,400</u></u>

**The Corporation of the City of Grand Forks**  
**Financial Activities by Fund**  
for the year ended December 31, 2005

Schedule 12  
(continued)

<b>Sewer Fund</b>			
	<b>Actual 2005</b>	<b>Budget 2005</b>	<b>Actual 2004</b>
<b>Revenue</b>			
Taxes (Schedule 3)			
Special assessments	\$6,041	\$6,040	\$6,041
Sales of goods and services (Schedule 6)	648,063	643,020	637,968
Investment income on sinking funds (Note 5)	30,617	30,616	24,592
Senior government grants - Operating (Schedule 5)	0	0	3,939
	<u>684,720</u>	<u>679,676</u>	<u>672,539</u>
Add: Debt forgiven	0	0	147,142
	<u>684,720</u>	<u>679,676</u>	<u>819,682</u>
<b>Expenditures</b>			
Utility services	390,597	515,031	411,785
Fiscal charges	23,948	24,108	57,716
	<u>414,544</u>	<u>539,139</u>	<u>469,501</u>
<b>Change in Net Financial Assets</b>	270,176	140,537	350,180
Appropriation from Capital Reserve	10,000	10,000	0
Transfer Income to Reserves (Schedule 14)	(65,000)	(65,000)	(56,000)
Debt Principal Reduced	(83,540)	(83,539)	(250,841)
	<u>131,636</u>	<u>1,998</u>	<u>43,339</u>
<b>Increase (Decrease) in Sewer Fund Balance</b>	131,636	1,998	43,339
<b>Sewer Fund Balance - Beginning of Year - Restated</b>	<u>307,148</u>	<u>307,148</u>	<u>263,809</u>
<b>Sewer Fund Balance - End of Year</b>	<u><u>\$438,785</u></u>	<u><u>\$309,146</u></u>	<u><u>\$307,148</u></u>

Schedule 13

The Corporation of the City of Grand Forks  
 Continuity Schedule of Unexpended Appropriations  
 for the year ended December 31, 2005

	<u>Balance</u> <u>December 31, 2004</u>	<u>New</u> <u>Appropriations</u>	<u>Unspent Appropriations</u> <u>Returned</u>	<u>Expenditures</u>	<u>Balance</u> <u>December 31, 2005</u>
Unexpended Appropriations:					
- Slag Sales Reserve	\$18,333	\$338,446	\$18,333	\$338,446	\$0
	<u>\$18,333</u>	<u>\$338,446</u>	<u>\$18,333</u>	<u>\$338,446</u>	<u>(\$0)</u>

**The Corporation of the City of Grand Forks**  
 Continuity Schedule of Reserves  
 for the year ended December 31, 2005

	<u>Balance</u> <u>December 31, 2004</u>	<u>Interest</u> <u>Earned</u>	<u>Transfer from</u> <u>Operating Funds</u>	<u>Collections</u>	<u>Unused Appropriations</u> <u>Returned</u>	<u>Appropriations</u>	<u>Balance</u> <u>December 31, 2005</u>
Domestic Water System Reserve	\$2,846	\$76	\$0	\$0	\$0	\$0	\$2,922
Water Development Cost Charges Reserve	197,049	5,524	0	17,267	0	0	219,840
Sewer Development Cost Charges Reserve	160,554	4,487	0	7,131	0	0	172,172
Equipment Replacement Reserve	87,968	2,552	50,000	0	0	0	140,521
Land Sale Reserve	2,111,026	77,226	0	70,287	0	0	2,258,539
Tax Sale Lands Reserve	50,673	1,359	0	0	0	0	52,032
Cash-In-Lieu of Parking Reserve	13,187	354	0	0	0	0	13,541
Slag Sale Reserve	1,596,697	46,539	0	293,309	18,333	338,446	1,616,433
Capital Reserve	163,470	0	140,000	0	0	67,470	236,000
	<u>\$4,383,470</u>	<u>\$138,117</u>	<u>\$190,000</u>	<u>\$387,994</u>	<u>\$18,333</u>	<u>\$405,916</u>	<u>\$4,711,999</u>

**The Corporation of the City of Grand Forks**  
**Schedule showing the remuneration and expenses paid to or on behalf of each employee**  
**for the year ended December 31, 2005**

**1. Elected Officials**

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>	<u>Total</u>
Ann Gordon	Councillor	15,141	2,696	17,837
Tom Hinter	Councillor	1,088	0	1,088
Michael Kanigan	Councillor	14,054	6,586	20,639
Neil Krog	Councillor/Mayor	15,504	3,753	19,257
Chris Moslin	Councillor	1,088	0	1,088
Patrick O'Doherty	Councillor	15,141	2,827	17,969
Jake Raven	Mayor	18,807	3,780	22,587
Gene Robert	Councillor	1,088	210	1,298
Tom Shkrabuik	Councillor	15,141	0	15,141
Robert Smith	Councillor	14,054	0	14,054
<b>Total: Elected Officials</b>		<b>111,106</b>	<b>19,852</b>	<b>130,958</b>

**2. Other Employees**

<u>Name</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>	<u>Total</u>
Lynne Burch	City Clerk	81,115	2,821	83,936
Sergio Federico	Electrical Foreman	78,062	172	78,234
William Harp	Electrical Lineman	76,200	201	76,401
Blair Macgregor	Fire Chief	76,676	3,530	80,206
Brian Porter	Works Superintendent	78,571	743	79,314
Ron Williamson	Utilities Foreman	84,549	19,798	104,348
Other 35 employees (Under \$75,000)		1,489,710	53,254	1,542,964
<b>Total: Other Employees</b>		<b>1,964,883</b>	<b>80,520</b>	<b>2,045,404</b>

**Subtotal: All Remuneration**

**2,075,990**

**Reconciling Items**

Payroll taxes (CPP, EI, WCB)	127,942
Employer Pension Contributions	122,989
Health Insurance	62,657
2005 yearend accruals less 2004	(30,112)

**Wages and employee benefits**

**2,359,465**

(Schedule 10)



**The Corporation of the City of Grand Forks**  
**Schedule showing payments made for the provision of goods, services, grants or contributions**  
**for the year ended December 31, 2005**

**1. Alphabetical list of suppliers who received aggregate payments exceeding \$25,000**

<u>Supplier name</u>	<u>Aggregate amount paid</u>
Alpine (Interior) Disposal	\$84,645
Arrow Installations Ltd.	107,803
B.C. Assessment Authority	40,726
Carte International Inc.	25,456
Chamber of Commerce	41,968
City of Nelson	42,142
Coast Capital Savings	29,217
Dave Dale Insurance	54,832
Drexler Computer Systems Ltd	30,470
FortisBC Inc.	1,992,768
Grand Forks District Savings Credit Union	36,648
Grand Forks Janitorial Services	38,360
Grand Forks Volunteer Fire Department	30,700
Great West Life Assurance Company	31,010
Guillevin International	64,025
Itron Canada Inc.	58,270
Kootenay Boundary Regional Hospital District	26,596
Medical Services Plan (Revenue Services BC)	32,256
Minister of Finance - Social Services Tax	117,591
Minister of Finance - Real Property Taxation	774,232
Municipal Insurance	34,685
Municipal Pension Plan	232,071
Pacific Blue Cross	61,182
Pacific & Western Public Sector Financing Corp	93,193
Receiver General for Canada	601,338
Redi Electric	26,702
Regional District of Kootenay Boundary	1,073,051
Seal Tec Industries Ltd	42,826
Selkirk Paving Ltd.	944,609
Sequoia Fuels	38,636
Terasen Gas Inc.	26,325
Twin Lake Service	73,024
Unifab Industries Ltd.	34,079
Vadim Computer Management Group	47,443
West Kootenay Boundary Regional Hospital District	147,655
Workers Compensation Board	28,953
	<hr/>
	7,165,485

**2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less**

1,351,719

**3. Payments to suppliers for grants and contributions exceeding \$25,000**

Boundary Museum 40,213

**Subtotal: All payments for goods, services, grants and contributions**

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**8,557,417****Reconciling Items**

Payroll deduction and benefit payments	(1,090,457)
Payments issued against debt principal	(123,991)
Overpayment refunds	(42,996)
Taxes collected for other authorities	(2,260,994)
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	5,038,979
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**Total Expenditures in year (Schedules 9 & 10)**

7,403,415

less Wages and employee benefits (Schedule 10 & 15) 

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**(2,359,465)**Net payments for goods, services, grants and contributions in year **5,043,950**deduct: 2005 Accounts payable and accrued liabilities **(464,731)**add: 2004 Accounts payable and accrued liabilities **459,761**

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**5,038,979**

**The Corporation of the City of Grand Forks**  
**Schedule of Capital Projects Undertaken**  
**for the year ended December 31, 2005**

**GENERAL FUND**

CITY HALL FURNISHINGS AND OFFICE EQUIPMENT	21,173
COUNCIL CHAMBERS EQUIPMENT	30,495
PROTECTIVE SERVICES EQUIPMENT	39,762
PUBLIC WORKS OFFICE EQUIPMENT	12,614
PUBLIC WORKS MACHINERY AND OPERATING EQUIPMENT	27,955
STORM WATER DRAINAGE SYSTEMS	9,380
PAVING AND ROADWORK	255,781
CRACK SEALING	20,012
SIDEWALKS (INCLUDING HUTTON SCHOOL)	115,519
CAPITAL TREE REPLACEMENTS	5,159
AWOS EQUIPMENT PURCHASE INSTALMENT	22,000
AIRPORT RUNWAY & SIGNAGE UPGRADE	579,265
AIRPORT FUEL STORAGE AND DISPENSING	32,478
COMMUNITY TRAILS CONTRIBUTION	3,500
	<u>1,175,095</u>

**FUNDED BY:**

GRANTS AND CONTRIBUTIONS - PROVINCE OF BC	469,364
APPROPRIATIONS FROM SLAG SALES RESERVE	338,446
GRANTS AND CONTRIBUTIONS - RDKB	142,380
BORROWING	12,500
PRIOR YEARS' SURPLUS	48,701
CURRENT YEAR'S REVENUES (TAXATION)	163,705
	<u>1,175,095</u>

**WATER FUND**

WEST ZONE RESERVOIR ASSESSMENT	582
DCC BYLAW REVIEW	11,375
17TH STREET WATERLINE REPLACEMENT	92,592
MACHINERY AND OPERATING EQUIPMENT	1,143
	<u>105,692</u>

**FUNDED BY:**

PRIOR YEARS' SURPLUS	10,000
CURRENT YEAR'S REVENUES (USER FEES)	95,692
	<u>105,692</u>

**ELECTRICAL FUND**

MOVING POWER LINES	132,455
MACHINERY AND OPERATING EQUIPMENT	2,035
ELECTRONIC METERS	107,132
	<u>241,622</u>

**FUNDED BY:**

CUSTOM WORK ORDER BILLING	132,455
CURRENT YEAR'S REVENUES (USER FEES)	109,167
	<u>241,622</u>

**SEWER FUND**

DCC BYLAW REVIEW	11,375
MACHINERY AND OPERATING EQUIPMENT	8,664
	<u>20,039</u>

**FUNDED BY:**

PRIOR YEARS' SURPLUS	10,000
CURRENT YEAR'S REVENUES (USER FEES)	10,039
	<u>20,039</u>

<b>TOTAL EXPENDITURES ON CAPITAL</b>	(Schedules 9 & 10)	<u>1,542,448</u>
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