

**TOWN OF CRESTON**

**Consolidated to  
May 23, 2017**

**BYLAW NO. 1856**

A bylaw to establish a Five Year Financial Plan.

WHEREAS a municipality must have a Five Year Financial Plan that is adopted annually by bylaw;

NOW THEREFORE the Council of the Town of Creston, in open meeting assembled, enacts as follows:

1. This bylaw may be cited as "Five Year Financial Plan (2017 - 2021) Bylaw No. 1856, 2017".
2. The Five Year Financial Plan (2017 - 2021) is attached to and forms a part of this Bylaw, as Schedule "A".
3. This bylaw shall come into full force and effect upon adoption.

READ A FIRST TIME by title and SECOND TIME by content this 11<sup>th</sup> day of April, 2017.

READ A THIRD TIME by title this 11<sup>th</sup> day of April, 2017.

ADOPTED this 25<sup>th</sup> day of April, 2017.

"Ron Toyota"  
Mayor Ron Toyota

"Bev Caldwell"  
Bev Caldwell, Corporate Officer

## TOWN OF CRESTON

## AMENDED FIVE YEAR CONSOLIDATED FINANCIAL PLAN

	2017	2018	2019	2020	2021	TOTALS
<b>REVENUES</b>						
PROPERTY TAXES	\$4,106,863	\$4,335,000	\$4,689,000	\$4,866,000	\$5,081,000	\$23,077,863
OTHER TAXES AND ASSESSMENTS	931,927	936,200	940,700	944,700	949,700	4,703,227
FEES AND CHARGES	3,525,791	3,525,173	3,545,579	3,679,235	3,719,157	17,994,935
OTHER SOURCES	1,659,915	1,405,850	1,362,604	1,350,294	1,341,020	7,119,683
CAPITAL GRANTS	668,633	3,699,000	1,954,000	375,000	230,000	6,926,633
<b>TOTAL REVENUES</b>	<b>10,893,129</b>	<b>13,901,223</b>	<b>12,491,883</b>	<b>11,215,229</b>	<b>11,320,877</b>	<b>59,822,341</b>
<b>EXPENDITURES</b>						
MUNICIPAL PURPOSES	8,341,272	7,876,636	7,997,703	8,257,843	8,374,990	40,848,444
INTEREST ON DEBT	361,571	435,214	465,039	471,082	487,001	2,219,907
AMORTIZATION	2,116,015	2,194,865	2,486,361	2,667,661	2,724,444	12,189,346
<b>TOTAL EXPENDITURES</b>	<b>10,818,858</b>	<b>10,506,715</b>	<b>10,949,103</b>	<b>11,396,586</b>	<b>11,586,435</b>	<b>55,257,697</b>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>74,271</b>	<b>3,394,508</b>	<b>1,542,780</b>	<b>(181,357)</b>	<b>(265,558)</b>	<b>4,564,644</b>
<b>CAPITAL DEBT AND RESERVE TRANSFERS</b>						
CAPITAL EXPENDITURES	(2,277,730)	(10,923,500)	(2,880,500)	(1,703,500)	(1,543,000)	(19,328,230)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	2,116,015	2,194,865	2,486,361	2,667,661	2,724,444	12,189,346
BORROWING	-	5,400,000	-	500,000	500,000	6,400,000
PRINCIPAL ON DEBT	(329,877)	(331,235)	(460,148)	(461,606)	(474,209)	(2,057,075)
TRANSFERS FROM :						
RESERVE FUNDS	337,641	530,560	398,560	265,560	366,560	1,898,881
ACCUMULATED SURPLUS	969,128	460,517	5,476	-	-	1,435,121
TRANSFERS TO:						
ACCUMULATED SURPLUS	(206,218)	(14,715)	(359,529)	(327,758)	(521,237)	(1,429,457)
RESERVE FUNDS	(683,230)	(711,000)	(733,000)	(759,000)	(787,000)	(3,673,230)
<b>NET CAPITAL DEBT AND RESERVE TRANSFERS</b>	<b>(74,271)</b>	<b>(3,394,508)</b>	<b>(1,542,780)</b>	<b>181,357</b>	<b>265,558</b>	<b>(4,564,644)</b>
<b>Surplus (deficit) plus Capital, Debt and Reserve Transfers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**TOWN OF CRESTON**  
**AMENDED FIVE YEAR FINANCIAL PLAN**

	<u>GENERAL FUND</u>					<u>TOTALS</u>
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	
<b><u>REVENUES</u></b>						
PROPERTY TAXES	4,106,863	4,335,000	4,689,000	4,866,000	5,081,000	23,077,863
OTHER TAXES & ASSESSMENTS	116,227	119,000	122,000	124,000	127,000	608,227
FEES & CHARGES	778,823	811,541	836,824	857,573	865,769	4,150,530
OTHER SOURCES	1,926,915	1,678,850	1,640,604	1,630,294	1,623,020	8,499,683
GAS TAX AND DEVELOPMENT COST CHARGES	252,678	374,000	122,000	375,000	130,000	1,253,678
CAPITAL GRANTS	65,955	1,882,000	1,832,000	-	100,000	3,879,955
<b>TOTAL REVENUES</b>	<b>7,247,461</b>	<b>9,200,391</b>	<b>9,242,428</b>	<b>7,852,867</b>	<b>7,926,789</b>	<b>41,469,936</b>
<b><u>EXPENDITURES</u></b>						
OTHER MUNICIPAL PURPOSES	6,197,425	5,729,934	5,844,628	6,000,658	6,120,561	29,893,206
INTEREST ON DEBT	298,489	373,489	404,719	412,219	429,648	1,918,564
AMORTIZATION	1,358,171	1,421,598	1,639,461	1,810,028	1,853,811	8,083,069
<b>TOTAL EXPENDITURES</b>	<b>7,854,085</b>	<b>7,525,021</b>	<b>7,888,808</b>	<b>8,222,905</b>	<b>8,404,020</b>	<b>39,894,839</b>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>(606,624)</b>	<b>1,675,370</b>	<b>1,353,620</b>	<b>(370,038)</b>	<b>(477,231)</b>	<b>1,575,097</b>
<b><u>CAPITAL DEBT AND RESERVE TRANSFERS</u></b>						
CAPITAL EXPENDITURES	(951,403)	(8,714,500)	(2,558,500)	(1,313,500)	(1,202,000)	(14,739,903)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	1,358,171	1,421,598	1,639,461	1,810,028	1,853,811	8,083,069
BORROWING	-	5,400,000	-	500,000	500,000	6,400,000
PRINCIPAL ON DEBT	(218,108)	(218,108)	(345,617)	(345,617)	(356,710)	(1,484,160)
TRANSFERS FROM:						
RESERVE FUNDS	337,641	530,560	398,560	265,560	366,560	1,898,881
ACCUMULATED SURPLUS	523,553	376,080	5,476	-	-	905,109
TRANSFERS TO:						
ACCUMULATED SURPLUS	-	-	-	(27,433)	(137,430)	(164,863)
RESERVE FUNDS	(443,230)	(471,000)	(493,000)	(519,000)	(547,000)	(2,473,230)
<b>NET CAPITAL DEBT AND RESERVE TRANSFERS</b>	<b>606,624</b>	<b>(1,675,370)</b>	<b>(1,353,620)</b>	<b>370,038</b>	<b>477,231</b>	<b>(1,575,097)</b>
<b>Surplus (deficit) plus Capital, Debt and Reserve Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TOWN OF CRESTON**  
**FIVE YEAR FINANCIAL PLAN**

	<u>WATER FUND</u>					<u>TOTALS</u>
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	
<b><u>REVENUES</u></b>						
OTHER TAXES & ASSESSMENTS	387,000	388,000	389,000	390,000	391,000	1,945,000
FEES & CHARGES	1,183,290	1,210,083	1,240,203	1,267,938	1,299,300	6,200,814
OTHER SOURCES	17,000	15,000	16,000	17,000	15,000	80,000
CAPITAL GRANTS	100,000	643,000	-	-	-	743,000
<b>TOTAL REVENUES</b>	<b>1,687,290</b>	<b>2,256,083</b>	<b>1,645,203</b>	<b>1,674,938</b>	<b>1,705,300</b>	<b>8,968,814</b>
<b><u>EXPENDITURES</u></b>						
INTEREST ON DEBT	-	-	-	-	-	-
OTHER MUNICIPAL PURPOSES	555,072	569,425	580,059	587,846	598,791	2,891,193
ARROW CREEK WATER CONTRIBUTIONS	650,000	625,000	660,000	675,000	700,000	3,310,000
AMORTIZATION	220,763	201,175	237,108	241,408	248,075	1,148,529
<b>TOTAL EXPENDITURES</b>	<b>1,425,835</b>	<b>1,395,600</b>	<b>1,477,167</b>	<b>1,504,254</b>	<b>1,546,866</b>	<b>7,349,722</b>
SURPLUS (DEFICIT) FOR THE YEAR	261,455	860,483	168,036	170,684	158,434	1,619,092
<b><u>CAPITAL DEBT AND RESERVE TRANSFERS</u></b>						
CAPITAL EXPENDITURES	(276,000)	(1,078,000)	(129,000)	(200,000)	(146,000)	(1,829,000)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	220,763	201,175	237,108	241,408	248,075	1,148,529
BORROWING	-	-	-	-	-	-
PRINCIPAL ON DEBT	-	-	-	-	-	-
TRANSFERS FROM:						
ACCUMULATED SURPLUS	-	16,342	-	-	-	16,342
DEVELOPMENT COST CHARGE FUNDS	-	-	-	-	-	-
DISTRICT WATER RESERVE	-	-	-	-	-	-
TRANSFERS TO:						
ACCUMULATED SURPLUS	(206,218)	-	(276,144)	(212,092)	(260,509)	(954,963)
<b>NET CAPITAL DEBT AND RESERVE TRANSFERS</b>	<b>(261,455)</b>	<b>(860,483)</b>	<b>(168,036)</b>	<b>(170,684)</b>	<b>(158,434)</b>	<b>(1,619,092)</b>
<b>Surplus (deficit) plus Capital, Debt and Reserve Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**TOWN OF CRESTON****FIVE YEAR FINANCIAL PLAN**

	<b><u>SEWER FUND</u></b>					
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>TOTALS</b>
<b><u>REVENUES</u></b>						
OTHER TAXES & ASSESSMENTS	428,700	429,200	429,700	430,700	431,700	1,718,300
FEES & CHARGES	1,563,678	1,503,549	1,468,552	1,553,724	1,554,088	6,089,503
OTHER SOURCES	16,000	12,000	6,000	3,000	3,000	37,000
CAPITAL GRANTS	250,000	800,000	-	-	-	1,050,000
<b>TOTAL REVENUES</b>	<b>2,258,378</b>	<b>2,744,749</b>	<b>1,904,252</b>	<b>1,987,424</b>	<b>1,988,788</b>	<b>8,894,803</b>
<b><u>EXPENDITURES</u></b>						
INTEREST ON DEBT	63,082	61,725	60,320	58,863	57,353	243,990
OTHER MUNICIPAL PURPOSES	1,238,775	1,252,277	1,213,016	1,294,339	1,255,638	4,998,407
AMORTIZATION	537,081	572,092	609,792	616,225	622,558	2,335,190
<b>TOTAL EXPENDITURES</b>	<b>1,838,938</b>	<b>1,886,094</b>	<b>1,883,128</b>	<b>1,969,427</b>	<b>1,935,549</b>	<b>7,577,587</b>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>419,440</b>	<b>858,655</b>	<b>21,124</b>	<b>17,997</b>	<b>53,239</b>	<b>1,317,216</b>
<b><u>CAPITAL DEBT AND RESERVE TRANSFERS</u></b>						
CAPITAL EXPENDITURES	(1,050,327)	(1,131,000)	(193,000)	(190,000)	(195,000)	(2,564,327)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	537,081	572,092	609,792	616,225	622,558	2,335,190
BORROWING	-	-	-	-	-	-
PRINCIPAL ON DEBT	(111,769)	(113,127)	(114,531)	(115,989)	(117,499)	(455,416)
TRANSFERS FROM:						
CAPITAL RESERVE	-	-	-	-	-	-
ACCUMULATED SURPLUS	445,575	68,095	-	-	-	513,670
TRANSFERS TO:						
CAPITAL RESERVE	-	-	-	-	-	-
SEPTAGE OPERATING RESERVE	-	(14,715)	(14,209)	(13,693)	(13,167)	(42,617)
ACCUMULATED SURPLUS	-	-	(69,176)	(74,540)	(110,131)	(143,716)
WWTP REPLACEMENT RESERVE	(240,000)	(240,000)	(240,000)	(240,000)	(240,000)	(960,000)
<b>NET CAPITAL DEBT AND RESERVE TRANSFERS</b>	<b>(419,440)</b>	<b>(858,655)</b>	<b>(21,124)</b>	<b>(17,997)</b>	<b>(53,239)</b>	<b>(1,317,216)</b>
<b>Surplus (deficit) plus Capital, Debt and Reserve Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**2017 CAPITAL EXPENDITURE FINANCING**

## GENERAL CAPITAL EXPENDITURES

From operating and surplus	644,448
From Infrastructure grants	157,000
From reserves	119,000
From non-government organizations	<u>30,955</u>
	951,403

## WATER CAPITAL EXPENDITURES

From operating and surplus	176,000
From infrastructure grants	<u>100,000</u>
	<u>276,000</u>

## SEWER CAPITAL EXPENDITURES

From operating and surplus	604,770
From capital contributions	195,557
From infrastructure grants	250,000
	1,050,327

## TOTAL CAPITAL

	<u><u>2,277,730</u></u>
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**TOWN OF CRESTON FINANCIAL OBJECTIVES AND POLICIES**

The Town of Creston Financial Planning Guidelines reflects Council's direction to increase alternative revenue streams wherever possible to reduce reliance on property taxes in order to maintain existing programs and services. Council is also committed to having the sufficient funding available to insure that current infrastructure is proactively maintained thereby delaying much higher replacement costs as long as possible. In order to insure that funding is available for planned capital replacement and infrastructure renewal, Council policy is to have reserves funded for those purposes.

The Financial Plan for 2016 shows property taxes is 37.7% of proposed funding sources identified in section 165(7) of the Community Charter. This is a normal amount and is slightly lower than 2015 (38%). With the requirement to pay for 70% of the RCMP costs since 2012, the reliance on taxation has increased.

Council has considered the distribution of property taxes among the various property classes. It is Council's policy to adjust the mill rates such that the ratio of taxes paid by the various classes remains relatively constant from year to year taking into account new construction.

Permissive tax exemptions approved by Council are a means of supporting organizations within the community that furthers Council's objectives of enhancing the quality of life and delivering services economically.

As part of the Town of Creston's economic development strategy, Council may establish one or more revitalization tax exemption programs to encourage investment in the Town's existing commercial enterprises and the development of new commercial ventures, such as tourism related businesses, with the objectives of stimulating new economic growth and revitalization of existing commercial uses in the Town.

**INDEX OF AMENDING BYLAWS**

Bylaw #1859 ..... Adopted May 23, 2017

NOTE TO USERS

*"WHEREAS each bylaw consolidation shall be proof, in the absence of evidence to the contrary, of the original bylaw, of all bylaws amending it and of the fact of passage of the original and all amending bylaws", pursuant to 'Authority to Consolidate Municipal Bylaws No. 1533', which was adopted on the 11th day of June, 2001.*