

TOWN OF CRESTON

BYLAW NO. 1772

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 (2012 - 2016) Bylaw No. 1772, 2012".
2. The Five Year Financial Plan (2012 - 2016) 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 27th day of March, 2012.

READ A THIRD TIME by title this 27th day of March, 2012.

ADOPTED this 10th day of April, 2012.

"Ron Toyota"
Mayor Ron Toyota

"Bev Caldwell"
Bev Caldwell, Executive Assistant

Schedule "A" to Bylaw No. 1772

<u>TOWN OF CRESTON</u>						
<u>FIVE YEAR FINANCIAL PLAN</u>						
<u>GENERAL FUND</u>						
	2012	2013	2014	2015	2016	TOTALS
<u>REVENUES</u>						
PROPERTY TAXES	3,135,327	\$ 3,368,000	\$ 3,576,000	\$ 3,804,000	\$ 4,119,000	\$ 18,002,327
OTHER TAXES & ASSESSMENTS	108,429	110,000	111,000	112,000	113,000	554,429
FEES & CHARGES	548,164	553,417	634,737	673,475	677,258	3,087,050
OTHER SOURCES	1,677,588	1,494,135	1,500,337	1,510,096	1,516,413	7,698,569
GAS TAX	629,363	244,500	244,500	244,500	244,500	1,607,363
CAPITAL GRANTS	165,090	100,000	150,000	300,000	-	715,090
TOTAL REVENUES	6,263,961	5,870,052	6,216,574	6,644,071	6,670,171	31,664,828
<u>EXPENDITURES</u>						
OTHER MUNICIPAL PURPOSES	4,844,418	5,011,857	5,061,528	5,162,088	5,265,078	25,344,969
INTEREST ON DEBT	309,389	309,000	309,000	309,000	309,000	1,545,389
AMORTIZATION	942,000	948,000	968,000	978,000	978,000	4,814,000
TOTAL EXPENDITURES	6,095,807	6,268,857	6,338,528	6,449,088	6,552,078	31,704,358
SURPLUS (DEFICIT) FOR THE YEAR	168,154	(398,805)	(121,954)	194,983	118,093	(39,530)
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(1,253,805)	(763,000)	(1,023,000)	(800,500)	(813,000)	(4,653,305)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	942,000	948,000	968,000	978,000	978,000	4,814,000
BORROWING	-	-	-	-	-	-
PRINCIPAL ON DEBT	(218,108)	(218,000)	(218,000)	(218,000)	(218,000)	(1,090,108)
TRANSFERS FROM:						
RESERVE FUNDS	637,197	623,560	692,560	367,003	192,560	2,512,880
DEVELOPMENT COST CHARGE FUNDS	-	-	-	-	-	-
ACCUMULATED SURPLUS	102,799	138,245	27,394	(0)	56,347	324,786
TRANSFERS TO:						
ACCUMULATED SURPLUS	-	-	-	(202,486)	-	(202,486)
RESERVE FUNDS	(378,237)	(330,000)	(325,000)	(319,000)	(314,000)	(1,666,237)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(168,154)	398,805	121,954	(194,983)	(118,093)	39,530
Surplus (deficit) plus Capital, Debt and Reserve Transfers	-	-	-	0	0	0

Schedule "A" to Bylaw No. 1772

<u>TOWN OF CRESTON</u>						
<u>FIVE YEAR FINANCIAL PLAN</u>						
<u>WATER FUND</u>						
	2012	2013	2014	2015	2016	TOTALS
<u>REVENUES</u>						
OTHER TAXES & ASSESSMENTS	385,000	\$ 388,000	\$ 391,000	\$ 394,000	\$ 397,000	\$ 1,955,000
FEES & CHARGES	950,484	1,081,344	1,137,271	1,197,189	1,260,559	5,626,847
OTHER SOURCES	12,000	1,000	7,000	7,000	5,000	32,000
CAPITAL GRANTS	-	-	-	-	-	-
TOTAL REVENUES	1,347,484	1,470,344	1,535,271	1,598,189	1,662,559	7,613,847
<u>EXPENDITURES</u>						
INTEREST ON DEBT	-	-	33,000	66,000	66,000	165,000
OTHER MUNICIPAL PURPOSES	592,261	631,278	640,985	650,963	661,204	3,176,691
ARROW CREEK WATER CONTRIBUTIONS	470,984	564,000	573,000	582,000	591,000	2,780,984
AMORTIZATION	224,000	231,000	241,000	271,000	296,000	1,263,000
TOTAL EXPENDITURES	1,287,245	1,426,278	1,487,985	1,569,963	1,614,204	7,385,675
SURPLUS (DEFICIT) FOR THE YEAR	60,239	44,066	47,286	28,226	48,355	228,172
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(216,556)	(263,000)	(693,000)	(1,088,000)	(88,000)	(2,348,556)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	224,000	231,000	241,000	271,000	296,000	1,263,000
BORROWING	-	-	600,000	600,000	-	1,200,000
PRINCIPAL ON DEBT	-	-	-	(60,000)	(60,000)	(120,000)
TRANSFERS FROM:						
ACCUMULATED SURPLUS	-	-	-	248,774	-	248,774
DEVELOPMENT COST CHARGE FUNDS	-	-	-	-	-	-
TRANSFERS TO:						
ACCUMULATED SURPLUS	(67,683)	(12,066)	(195,286)	-	(196,355)	(471,390)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(60,239)	(44,066)	(47,286)	(28,226)	(48,355)	(228,172)
Surplus (deficit) plus Capital, Debt and Reserve Transfers	-	-	0	0	- 0	0

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2012 CAPITAL EXPENDITURE FINANCING			
GENERAL CAPITAL EXPENDITURES			
From operating		260,715	
From Infrastructure grants		657,115	
From reserves		248,637	
From non-government organizations		87,338	
		<u>1,253,805</u>	
WATER CAPITAL EXPENDITURES			
From operating		216,556	
SEWER CAPITAL EXPENDITURES			
From operating		89,518	
From infrastructure grants		2,884,000	
From long term debt		1,734,000	
		<u>4,707,518</u>	
TOTAL CAPITAL		<u>6,177,879</u>	
TOWN OF CRESTON FINANCIAL OBJECTIVES AND POLICES			
<p>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.</p>			
<p>The Financial Plan for 2012 shows property taxes is 26% of proposed funding sources identified in section 165(7) of the Community Charter. This is lower than normal as Creston is under taking a very large capital program in 2012 that is being funded largely by approved government grants and proposed borrowings which make up 45% of 2012 revenue sources. The normal balance of property taxes to other funding sources is approximately 35%.</p>			
<p>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.</p>			
<p>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.</p>			
<p>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.</p>			