

TOWN OF CRESTON

BYLAW NO. 1838

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 (2016 - 2020) Bylaw No. 1838, 2016".
2. The Five Year Financial Plan (2016 - 2020) 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 12th day of April, 2016.

READ A THIRD TIME by title this 12th day of April, 2016.

ADOPTED this 26th day of April, 2016.

"Ron Toyota"
Mayor Ron Toyota

"Bev Caldwell"
Bev Caldwell, Corporate Officer

Schedule "A" to Bylaw No. 1838

SCHEDULE "A" TO BYLAW NO. 1838		TOWN OF CRESTON					
FIVE YEAR CONSOLIDATED FINANCIAL PLAN							
		2016	2017	2018	2019	2020	TOTALS
REVENUES							
PROPERTY TAXES		\$ 3,938,825	\$ 4,090,000	\$ 4,324,000	\$ 4,679,000	\$ 4,839,000	\$ 21,870,825
OTHER TAXES AND ASSESSMENTS		925,812	928,500	933,000	938,000	942,000	4,667,312
FEES AND CHARGES		3,423,534	3,580,015	3,571,489	3,679,558	3,746,217	18,000,813
OTHER SOURCES		1,605,842	1,362,374	1,379,440	1,321,537	1,307,568	6,976,761
CAPITAL GRANTS		792,950	779,500	575,167	507,500	725,833	3,380,950
TOTAL REVENUES		10,686,963	10,740,389	10,783,096	11,125,595	11,560,618	54,896,661
EXPENDITURES							
MUNICIPAL PURPOSES		7,936,407	7,894,179	7,857,595	8,236,300	8,184,740	40,109,221
INTEREST ON DEBT		376,812	362,880	436,571	469,944	468,539	2,114,746
AMORTIZATION		2,076,015	2,181,986	2,301,864	2,748,031	2,831,230	12,139,126
TOTAL EXPENDITURES		10,389,234	10,439,045	10,596,030	11,454,275	11,484,509	54,363,093
SURPLUS (DEFICIT) FOR THE YEAR		297,729	301,344	187,066	(328,680)	76,109	533,568
CAPITAL DEBT AND RESERVE TRANSFERS							
CAPITAL EXPENDITURES		(2,498,871)	(2,546,827)	(6,912,000)	(1,502,500)	(1,514,500)	(14,974,698)
PORTION OF AMORTIZATION EXPENSE UNFUNDED		2,076,015	2,181,986	2,301,864	2,748,031	2,831,230	12,139,126
BORROWING		-	-	5,500,000	-	-	5,500,000
PRINCIPAL ON DEBT		(335,956)	(328,569)	(329,877)	(462,103)	(463,507)	(1,920,012)
TRANSFERS FROM :							
RESERVE FUNDS		580,268	407,992	479,393	544,560	527,227	2,539,440
ACCUMULATED SURPLUS		745,929	697,789	-	27,856	-	1,471,574
TRANSFERS TO:							
ACCUMULATED SURPLUS		(204,253)	(14,715)	(490,446)	(249,164)	(633,559)	(1,592,137)
RESERVE FUNDS		(660,861)	(699,000)	(736,000)	(778,000)	(823,000)	(3,696,861)
NET CAPITAL DEBT AND RESERVE TRANSFERS		(297,729)	(301,344)	(187,066)	328,680	(76,109)	(533,568)
Surplus (deficit) plus Capital, Debt and Reserve Transfers		0	0	0	0	0	0

Schedule "A" to Bylaw No. 1838

TOWN OF CRESTON

FIVE YEAR FINANCIAL PLAN

GENERAL FUND

	2016	2017	2018	2019	2020	TOTALS
<u>REVENUES</u>						
PROPERTY TAXES	3,938,825	4,090,000	4,324,000	4,679,000	4,839,000	21,870,825
OTHER TAXES & ASSESSMENTS	114,312	116,000	119,000	122,000	124,000	595,312
FEES & CHARGES	788,854	808,855	816,542	848,366	856,424	4,119,041
OTHER SOURCES	1,853,842	1,635,374	1,657,440	1,601,537	1,592,568	8,340,761
GAS TAX AND DEVELOPMENT COST CHARGES	552,950	122,000	374,000	122,000	375,000	1,545,950
CAPITAL GRANTS	140,000	17,500	201,167	385,500	350,833	1,095,000
TOTAL REVENUES	7,388,783	6,789,729	7,492,149	7,758,403	8,137,825	37,566,889
<u>EXPENDITURES</u>						
OTHER MUNICIPAL PURPOSES	5,865,441	5,564,107	5,665,680	5,778,797	5,894,475	28,768,500
INTEREST ON DEBT	298,489	298,489	373,489	408,219	408,219	1,786,905
AMORTIZATION	1,318,171	1,421,097	1,491,064	1,922,597	1,988,830	8,141,759
TOTAL EXPENDITURES	7,482,101	7,283,693	7,530,233	8,109,613	8,291,524	38,697,164
SURPLUS (DEFICIT) FOR THE YEAR	(93,318)	(493,964)	(38,084)	(351,210)	(153,699)	(1,130,275)
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(1,543,890)	(1,049,500)	(6,473,000)	(993,500)	(1,199,500)	(11,259,390)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	1,318,171	1,421,097	1,491,064	1,922,597	1,988,830	8,141,759
BORROWING	-	-	5,500,000	-	-	5,500,000
PRINCIPAL ON DEBT	(218,108)	(218,108)	(218,108)	(348,976)	(348,976)	(1,352,276)
TRANSFERS FROM:						
RESERVE FUNDS	580,268	407,992	479,393	544,560	527,227	2,539,440
ACCUMULATED SURPLUS	377,738	391,483	-	-	-	769,221
TRANSFERS TO:						
ACCUMULATED SURPLUS	-	-	(245,265)	(235,471)	(230,882)	(711,618)
RESERVE FUNDS	(420,861)	(459,000)	(496,000)	(538,000)	(583,000)	(2,496,861)
NET CAPITAL DEBT AND RESERVE TRANSFERS	93,318	493,964	38,084	351,210	153,699	1,130,275
Surplus (deficit) plus Capital, Debt and Reserve Tran	-	-	-	-	-	-

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TOWN OF CRESTON

FIVE YEAR FINANCIAL PLAN

WATER FUND

	2016	2017	2018	2019	2020	TOTALS
<u>REVENUES</u>						
OTHER TAXES & ASSESSMENTS	385,500	386,000	387,000	388,000	389,000	1,935,500
FEES & CHARGES	1,178,580	1,198,980	1,227,181	1,258,944	1,288,280	6,151,965
OTHER SOURCES	34,000	15,000	16,000	17,000	12,000	94,000
CAPITAL GRANTS	100,000	640,000	-	-	-	740,000
TOTAL REVENUES	1,698,080	2,239,980	1,630,181	1,663,944	1,689,280	8,921,465
<u>EXPENDITURES</u>						
INTEREST ON DEBT	-	-	-	-	-	-
OTHER MUNICIPAL PURPOSES	587,827	602,005	613,227	627,615	639,172	3,069,846
ARROW CREEK WATER CONTRIBUTIONS	640,000	640,000	670,000	700,000	700,000	3,350,000
AMORTIZATION	220,763	200,842	236,575	240,842	252,475	1,151,497
TOTAL EXPENDITURES	1,448,590	1,442,847	1,519,802	1,568,457	1,591,647	7,571,343
SURPLUS (DEFICIT) FOR THE YEAR	249,490	797,133	110,379	95,487	97,633	1,350,122
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(266,000)	(1,072,000)	(128,000)	(349,000)	(150,000)	(1,965,000)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	220,763	200,842	236,575	240,842	252,475	1,151,497
BORROWING	-	-	-	-	-	-
PRINCIPAL ON DEBT	-	-	-	-	-	-
TRANSFERS FROM:						
ACCUMULATED SURPLUS	-	74,025	-	12,671	-	86,696
DEVELOPMENT COST CHARGE FUNDS	-	-	-	-	-	-
DISTRICT WATER RESERVE	-	-	-	-	-	-
TRANSFERS TO:						
ACCUMULATED SURPLUS	(204,253)	-	(218,954)	-	(200,108)	(623,315)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(249,490)	(797,133)	(110,379)	(95,487)	(97,633)	(1,350,122)
Surplus (deficit) plus Capital, Debt and Reserve Trans	-	-	-	-	-	-

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TOWN OF CRESTON
FIVE YEAR FINANCIAL PLAN

SEWER FUND

	2016	2017	2018	2019	2020	TOTALS
<u>REVENUES</u>						
OTHER TAXES & ASSESSMENTS	426,000	426,500	427,000	428,000	429,000	1,707,500
FEES & CHARGES	1,456,100	1,572,180	1,527,766	1,572,248	1,601,513	6,128,294
OTHER SOURCES	18,000	12,000	6,000	3,000	3,000	39,000
CAPITAL GRANTS	-	-	-	-	-	-
TOTAL REVENUES	1,900,100	2,010,680	1,960,766	2,003,248	2,033,513	7,874,794
<u>EXPENDITURES</u>						
INTEREST ON DEBT	78,323	64,391	63,082	61,725	60,320	267,521
OTHER MUNICIPAL PURPOSES	1,143,139	1,388,067	1,208,688	1,429,888	1,251,093	5,169,782
AMORTIZATION	537,081	560,047	574,225	584,592	589,925	2,255,945
TOTAL EXPENDITURES	1,758,543	2,012,505	1,845,995	2,076,205	1,901,338	7,693,248
SURPLUS (DEFICIT) FOR THE YEAR	141,557	(1,825)	114,771	(72,957)	132,175	181,546
<u>CAPITAL DEBT AND RESERVE TRANSFERS</u>						
CAPITAL EXPENDITURES	(688,981)	(425,327)	(311,000)	(160,000)	(165,000)	(1,585,308)
PORTION OF AMORTIZATION EXPENSE UNFUNDED	537,081	560,047	574,225	584,592	589,925	2,255,945
BORROWING	-	-	-	-	-	-
PRINCIPAL ON DEBT	(117,848)	(110,461)	(111,769)	(113,127)	(114,531)	(453,205)
TRANSFERS FROM:						
CAPITAL RESERVE	-	-	-	-	-	-
ACCUMULATED SURPLUS	368,191	232,281	-	15,185	-	615,657
TRANSFERS TO:						
CAPITAL RESERVE	-	-	-	-	-	-
SEPTAGE OPERATING RESERVE	-	(14,715)	(14,209)	(13,693)	(13,167)	(42,617)
ACCUMULATED SURPLUS	-	-	(12,018)	-	(189,402)	(12,018)
WWTP REPLACEMENT RESERVE	(240,000)	(240,000)	(240,000)	(240,000)	(240,000)	(960,000)
NET CAPITAL DEBT AND RESERVE TRANSFERS	(141,557)	1,825	(114,771)	72,957	(132,175)	(181,546)
Surplus (deficit) plus Capital, Debt and Reserve Trans	-	-	-	-	-	-

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2016 CAPITAL EXPENDITURE FINANCING			
GENERAL CAPITAL EXPENDITURES			
From operating		588,400	
From Infrastructure grants		462,950	
From reserves		412,540	
From non-government organizations		70,000	
		<u>1,533,890</u>	
WATER CAPITAL EXPENDITURES			
From operating		166,000	
SEWER CAPITAL EXPENDITURES			
From operating		579,696	
From capital contributions		109,285	
		<u>688,981</u>	
TOTAL CAPITAL		<u>2,388,871</u>	
TOWN OF CRESTON FINANCIAL OBJECTIVES AND POLICIES			
<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 2016 shows property taxes is 37% 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.</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 taking into account new construction.</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>			