



2023 ANNUAL REPORT





Creston at a Glance

Average House Value in 2023*

Creston \$419,717

British Columbia \$1,780,565

Taxes and Utilities on the Average House*

Creston \$4,472

British Columbia \$7,070

* Note – Data for the average house values and taxes and utilities on the average house is available for all municipalities in British Columbia located at <https://www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics/tax-rates-tax-burden>. The British Columbia averages are weighted based on all average house values in British Columbia.



Building Developments

57

Building Permits Issued in 2023

Total Construction Value
\$4.0 million



Community Grants

\$50

Thousand in Funding Issued in 2023



Business Opportunities

584

Licenses Issued in 2023



Property Assessments

\$1,162

Million in 2023
16.9% increase from 2022

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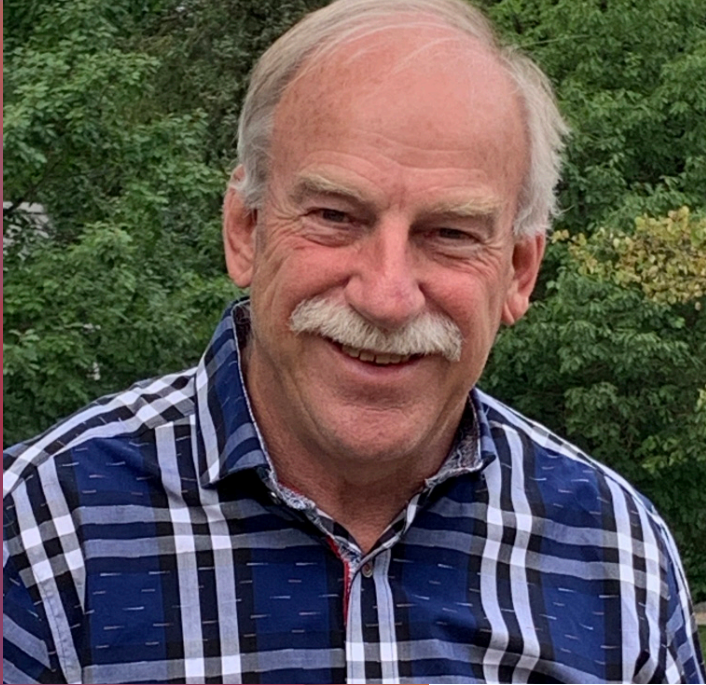
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INTRODUCTIONS



Message from the Mayor

Dear Residents and Community Members,

On behalf of Town Council and staff, it is my pleasure to introduce the Town of Creston's 2023 Annual Report. This report serves as a testament to the progress we have made together over the past year and highlights our shared achievements, challenges and aspirations for the future.

As I reflect on the past year, I am pleased to note the progress that we have made as an organization on many of the initiatives that Council has identified as priorities in the Town of Creston's Strategic Plan under the overarching goals of economic health, service excellence, livability and community safety and security.

Our Town Council remains steadfast in our resolve to ensure that the projects, services and high levels of customer service that our citizens have come to expect from the Town of Creston are consistent with the needs and wants of our community. Here are just a few of the project highlights from 2023:

Housing

Being able to provide solutions to address local housing challenges is a top priority for Council. The Town of Creston launched the **Housing Hub website** (housing.creston.ca) which provides housing-specific resources to aid homeowners, developers, landlords, tenants, and those seeking homes to buy or rent in one place. Council also adopted a **Housing Action Plan** that provides the Town of Creston with recommended actions to help face the current challenges Creston residents have finding affordable, secure, and healthy housing.

We continue to work on finding innovative solutions to support the dignity of our residents by encouraging diverse housing options and fostering relationships with

stakeholders and our provincial government. We recognize the pressing need for housing options that cater to a broader spectrum of income brackets and are suitable to meet individual needs and it is our intention to establish a municipal housing corporation. Stay up to date with project progress on our Let's Talk Creston website!

Creston Downtown Revitalization and Trails Master Plans

Speaking of plans, 2023 saw the Council adoption of a couple of major planning documents for the Town of Creston. The **Creston Downtown Revitalization Plan** provides a vision and roadmap for future land use and urban design in downtown Creston. The CDRP includes objectives, policies, guidelines and implementation priorities to guide the Town and community in future decision-making and investment.

Council also adopted the **Trails Master Plan** in 2023. The Trails Master Plan helps us develop a comprehensive trail network and long-term strategy.

Both of these plans encompassed significant community engagement and are available on our Let's Talk Creston website. Planning for the future of our community is so exciting!

"Market" Park Project

"Market" Park is a public space nestled between Highway 3 and the Canadian Pacific Railway, spanning from the Creston Valley Grain elevators to the Pealow's Independent Grocery store. The mission of Market Park is to create a permanent venue that emphasizes Creston's history, landscape, and beauty. Much progress has been made in 2023; the visionary public space introduces green space, and provides a permanent home for the Creston Valley Farmers' Market. In this next year, we plan to have Market Park celebrate the heritage and culture of the Lower Kootenay Band and yaqan nukiy people, encompass recreational features, and serve as a

social and multi-modal transportation hub for the community. In 2022, ground was broken for this project that is sure to be a foundational cornerstone of the community, and we are excited to see the significant progress that this year will bring which will include an official renaming from "Market" park to ʔakʷən.

Creston Emergency Services Building

The completion of the **Creston Emergency Services Building** in 2022 was a major highlight for Council, staff and our Creston Valley Fire Services personnel. In 2023, our local BC Emergency Health Services personnel moved in to the CESB and finishing details were completed to the building, signifying a close to this major project. The addition of the CESB to our downtown landscape is an incredible sight, and we are so proud to provide this facility for our emergency responders.

2024 promises to be another progressive year for the Town of Creston. I am confident that our municipality's future is bright, and I am honoured to serve as your Mayor during these exciting times. We are all better, stronger and resilient when we work together, and the accomplishments highlighted in this Annual Report are a reflection of the unbreakable spirit of this community. Thank you for taking the time to review our Annual Report and keep reading to see how your local government is working for you!

Warmest regards,



Mayor Arnold DeBoon

Town of Creston – Council Covenant

WE, AS MEMBERS OF COUNCIL, WILL:

- Carry out our responsibilities as set out in the applicable legislation to the best of our abilities;
- Make decisions which we believe to be in the best interests of the citizens of the Town of Creston;
- Review the background information and advice made available to us by the administration prior to rendering a decision;
- Seek further input when we are unsure of the issues or uncertain as to the preferred course of action;
- Refer any complaints, either written or verbal, about the decisions of Council or the actions of the administration, to the Town Manager for review, comment and follow-up (as appropriate);
- Refrain from making any commitments on behalf of Council to individual citizens or groups other than to take the request up with the Council or Town Manager and to respond appropriately;
- Seek to participate actively in the decision-making process;
- Refrain from any public or private criticism of our administration wherein individual employees are identified;
- Act as good stewards of the Town and as public servants of our citizen through ethical conduct; and,
- Provide effective leadership through guiding the corporation and the municipality through annual or longer-term goals and priorities, through the budget approval process and by agreeing to reasonable policies which reflect, in our views, the best interests of a majority of our citizens.



Mayor Arnold Deboon



Councillor Monique Arès



Councillor Keith Baldwin



Councillor Denise Dumas



Councillor Norm Eisler



Councillor Jim Elford

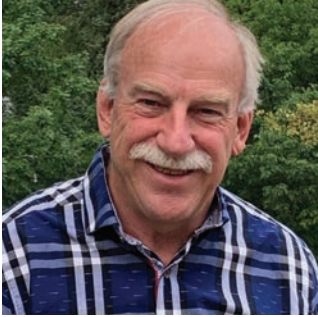


Councillor Anthony Mondia

DECLARATION AND IDENTIFICATION OF DISQUALIFIED COUNCIL MEMBERS

In accordance with Section 98(2)(e) of the Community Charter, there were no declarations of disqualification made under Section 111 of the Community Charter in the year 2023.

Mayor and Council 2023



ARNOLD DEBOON
MAYOR



MONIQUE ARÈS
COUNCILLOR



KEITH BALDWIN
COUNCILLOR



DENISE DUMAS
COUNCILLOR



NORM EISLER
COUNCILLOR



JIM ELFORD
COUNCILLOR



ANTHONY MONDIA
COUNCILLOR



"Creston's Progress: A letter from the Chief Administrative Officer"

Dear Residents of Creston,

I am thrilled to present to you the 2023 Annual Report for our dynamic Town of Creston. This past year has been a period of remarkable growth and achievement, with several significant developments that have enhanced the fabric of our community.

One of the most exciting projects that unfolded in 2023 was the initiation of the "market" park on the former Sunset Seed property on Cook Street. This innovative project will serve as the new home of the Farmer's Market and will feature yaqan nukiy amakis, paying tribute to the heritage of our indigenous peoples. This marks the inception of an exciting journey for our town, as the new park will not only provide a bustling market-place for local vendors but also create a welcoming space for our residents to gather, connect, and learn about the yaqan nukiy people. I am thrilled to announce that this is just the first phase of the park, and we eagerly anticipate further expansion and enhancement in 2024 through the utilization of grant funding.

In addition to the "market" park, I am delighted to report that the fire department and ambulance service have successfully transitioned into their new Creston

Emergency Services Building. This state-of-the-art facility will empower our dedicated firefighters and paramedics to better serve and safeguard our community, ensuring the safety and well-being of all residents. The new emergency services facility stands as a testament to our unwavering commitment to public safety and emergency response.

Furthermore, the onset of 2023 also marked the introduction of a newly elected Council. The new Council members required time for onboarding in this crucial community role. Each decision made by the Council has a direct impact on the quality of life and services for every resident. As part of commencing the new Council term, it was imperative for the Council members to establish their strategic priorities and goals. In February 2023, the Council adopted their new strategic priorities, encompassing Community Safety & Security, Economic Health, Livability, and Service Excellence. These priorities will serve as guiding principles for the Council in shaping the future of our community.

Moreover, I am proud to announce the recruitment of a new victims services coordinator and a new physician recruiter to our organization. These individuals bring invaluable expertise and dedication to their roles, enhancing our capacity to support and care for those in

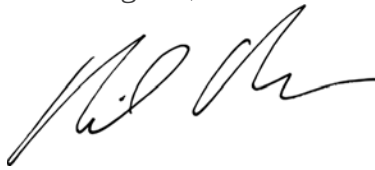
need. Their presence will undoubtedly fortify the foundation of our community and contribute to the well-being of all residents.

As we reflect on the progress achieved in 2023, it is evident that Creston is on a trajectory of continued growth and prosperity. I extend my deepest gratitude to our residents for their steadfast support and dedication, which are integral to the success of our town.

It is an honour to serve as the Chief Administrative Officer of Creston, and I am enthusiastic about the opportunities that lie ahead for our town. Together, we will continue to cultivate a thriving and inclusive community where all residents can thrive.

Thank you for your enduring support and collaboration in shaping the future of Creston.

Warm regards,



Michael Moore
Chief Administrative Officer
Town of Creston

Message from the Director of Finance & Corporate Services



A Comprehensive Overview of the Town of Creston's Financial Position and Activities

The Town of Creston is pleased to present the 2023 Annual Report, prepared by the Finance and Corporate Services Department. This report provides the community with a detailed understanding of the town's financial position and activities for the year ended December 31, 2023. As the Director of Finance and Corporate Services, it is my pleasure to present this report on behalf of the department.

The report is divided into three sections: the Introductory Section, Departmental Reports, and the Financial Section. The Introductory Section provides an overview of the town, including its organizational structure and the services it provides. The Departmental Reports section summarizes the past year's activities and accomplishments. Finally, the Financial Section presents the 2023 audited consolidated financial statements, notes, supplementary schedules, and

the auditor's report.

Maintaining a strong system of internal controls is crucial for the Town's financial statement reliability and protection of its assets. This system includes budget preparation, safekeeping of funds, receiving payments, investing in authorized investments, and ensuring accurate and full accounting of all financial transactions.

The preparation and presentation of the financial statements and related information in the annual report is the responsibility of the finance department. Our staff also supports the external auditors during the end-of-year audit by preparing working papers and ensuring accurate accounting of all financial transactions.

The consolidated financial statements for the year ended December 31, 2023, were prepared by Town staff and audited by Apex Accounting, Chartered Professional Accountants. These statements have been audited in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Professional Accountants of Canada.

2023 Operating Results: A Positive Financial Year for the Town of Creston

The Town had a successful financial year in 2023, with a consolidated annual surplus of \$5.758 million. This surplus is the net result of all the Town's financial activities for the year. It is also higher than budgeted and the previous year due to a significant increase in investment income. The Town earned

\$678,000 more in investment income in 2023 compared to the budget, thanks to the dramatic increase in interest rates. This increase allowed the town to invest in higher-yielding GICs.

The Town has various revenue sources, with the main ones being taxation and grants in lieu of taxation, totaling \$6.16 million. Other sources include fees, charges, and miscellaneous revenue at \$4.78 million, utility fees and charges at \$3.39 million, government transfers at \$3.83 million, and investment income at \$1.18 million. The Town's revenues were \$2.82 million higher than 2022, primarily due to an increase in other revenue sources such as donations of land and grants for capital purchases, as well as higher investment income.

The consolidated operating expenditures were under budget by \$180,000. However, higher costs for amortization, accretion, and loss on write-down of assets offset the operational savings, resulting in total expenses being \$204,000 higher than budgeted. The net savings, or the surplus, will be used to fund future operating and capital projects. While budgets are used to control municipal expenditures, variances are expected due to internal and external factors. In such cases, savings in other budgeted areas are sought to remain on target for the overall budget.

Capital Spending: Maintaining and Replacing Infrastructure in an Economically Sustainable Manner

The Town has an estimated \$180 million (replacement value) of assets that will require upgrading or replacement as they age. This presents a significant challenge for the Town in maintaining and replacing its infrastructure in an economically sustainable manner while keeping taxation and borrowing at a minimum. Schedule 1 in the financial statements categorizes the capital assets with historical cost.

In 2023, the Town invested \$3.79 million in additions to capital assets, which is lower than the previous year. The majority of this amount was spent on donated and purchased land, Market Park, water and sewer projects, and building upgrades.

Long-Term Debt: A Decrease in Outstanding Debt for the Town of Creston

At the end of 2023, the Town's long-term debt outstanding was \$5.06 million, which is \$525,000 less than the previous year. This decrease was due to principal repayments made in 2023, including the final payment for the loan for the purpose of the LILO agreement with Fortis. Only \$179,000 (28%) of the \$633,000 regular long-term debt principal and interest payments are paid by property taxes and user fees. The remaining payments are covered by FortisBC, Columbia Brewery, and the Regional District of Central Kootenay (RDCK).

The Town Receives \$2.38 Million from the Province of BC for Infrastructure and Amenity Demands

In 2023, the Town received \$2.38 million from the Province of BC through the Growing Communities Fund program. These funds are intended to help the Town manage the demands of growth on its infrastructure and amenity demands and must be spent within five years. The Town Council will use these funds as opportunities and challenges arise to maximize their benefit for the Town.

In Conclusion: The Town of Creston's Commitment to Accountability and Responsible Financial Management

In summary, the Town is in a good financial position, and we strive to be innovative and creative in terms of service delivery that reflects council priorities and community expectations. We remain accountable in our spending, sensitive to public needs, and aim to preserve the current level of service and community infrastructure while dealing with the challenges of economic realities. As the Director of Finance and Corporate Services, I am proud of our team's efforts in maintaining the Town's financial stability and ensuring responsible financial management.



Steffan Klassen, CA

Director of Finance and Corporate Services

Organizational Structure & Senior Staff (as of December 2023)



Chief Administrative OfficerMike Moore	Fire Chief.....Jared Riel
Affordable Housing and Climate Change Coordinator.....Asha DeLisle	Assistant Fire Chief.....Laura Dodman
Manager of Community Planning & Development.....Joel Comer	Fire Service Support Supervisor.....Randall Fabbro
Director of Finance & Corporate Services.....Steffan Klassen	Corporate Officer.....Kirsten Dunbar
Director of Infrastructure Services.....Ferd Schmidt	Executive Assistant/Human Resources.....Marsha Neufeld
Manager of Engineering.....Colin Farynowski	Municipal Services Coordinator and Planner.....Natasha Ewashen
Public Works Superintendent.....Brad Zieffle	Communications Coordinator.....Brandy Dyer



Top row – left to right: Colin Farynowski, Steffan Klassen, Brad Zieffle
 Middle row – left to right: Brandon Vigne, Kirsten Dunbar, Joel Comer,
 Front row – left to right: Marsha Neufeld, Mike Moore, Natasha Ewashen, Asha DeLisle, Brandy Dyer. Missing: Ferd Schmidt

Left to Right: Randall Fabbro, Jared Riel, Laura Dodman

Office of the Chief Administrator

What we do... The Chief Administrative Officer (CAO) is the primary link between Town Council, staff and the community. The CAO supports Council as it sets policy and strategic priorities, and provides leadership to ensure the implementation of Council decisions.

On a daily basis the CAO provides strategic advice to Mayor and Council, interacts with community groups and other government agencies, provides leadership and vision to the Town's leadership team and manages the human resources program. The CAO is supported by the Executive Assistant and Corporate Officer.

Corporate Services

What we do... Corporate Services is responsible for organizing and preparing agendas and minutes for Council and Council Committee Meetings, providing leadership to the Town's records management practices, maintaining and preserving the Town's records, and managing Freedom of Information and Protection of Privacy issues and requests.

On a daily basis we... provide legislative advice to Mayor and Council, the CAO and the senior management team, manage contracts and agreements for the Town, maintain employee records, manage bookings of municipal facilities, oversee corporate communications, and provide leadership at the Creston Valley Youth Network. Corporate Services is supported by the Director of Finance and Corporate Services, Corporate Officer, Executive Assistant and Administrative Assistants.

Financial Services

What we do... Financial Services works as a strategic partner with various areas of the Town to ensure effective delivery of municipal services and programs by providing financial operations, financial planning and reporting, treasury, information technology, procurement, and risk management.

On a daily basis we... provide financial administration of the Town, collect taxes and user fees, issue business licenses, and provide frontline services to the general public at Town Hall. The Finance Department is supported by the Director of Finance and Corporate Services, Corporate Officer and Administrative Assistants.

Community Services

What we do... The Community Services division is part of a strategic approach to support all facets of community health and safety, livability, and economic prosperity. Their work is focused on activities and actions that enable citizens to have a high quality of life. Public Safety is achieved through fire rescue, policing, bylaw, and building inspections. Planning and land use staff provide guidance to community development and improved municipal services in parks, cemeteries and trails.

On a daily basis we... provide support to citizens through development permits, building permits, zoning amendments, and implementing initiatives from the Official Community Plan. Response agencies, such as the RCMP through municipal policing contract and the fire department, respond to the needs of our citizens 24 hours a day. Public Safety Compliance manage bylaw concerns to assist community members on being good neighbours to each other. Community Services is supported by the Manager of Community Planning and Development, Municipal Services Coordinator and Planner, Affordable Housing and Climate Change Coordinator, Public Safety Compliance Officer, Building Inspector, Fire Chief, RCMP Staff Sgt., and Administrative Assistants.

Infrastructure Services

What we do... The Infrastructure Services department is responsible for overseeing many of the Town's operations that are imperative to our daily lives. The team is responsible for planning, designing, constructing, operating, and maintaining Town infrastructure assets including roads, parks, trails, sidewalks, municipal buildings, water treatment and distribution networks, and sewer collection and treatment systems. We also oversee the collection of garbage through a contractor.

On a daily basis we... provide maintenance and repairs to municipal infrastructure – street sweeping, snow plowing, maintain road surfaces, sidewalks, water mains, sewer mains, etc. – and manage a complex wastewater treatment plant. We lead the management of infrastructure assets including water and sewer systems, municipal equipment and vehicles, parks, trails, and storm water management. Infrastructure Services is supported by the Director of Infrastructure Services, Public Works Superintendent, Public Works Staff, Wastewater Treatment Plant Staff, and Administrative Assistants.



ARNOLD DeB
MAYOR



COUNCIL PROFILE

Town Council

Council has the authority to set budgets, levy taxes and establish policies to guide the growth, development and operation of the Town of Creston for the benefit and protection of its residents. The powers of the Council are exercised through the adoption of resolutions or the enactment of bylaws at Council meetings. Members of the public are encouraged to attend open Committee and Council Meetings – see the Town's website at www.creston.ca for information regarding dates and times of meetings.



In 2023 Council held:

24

Regular
Council
Meetings

1

Special
Council
Meeting

12

Regular
Committee of the
Whole Meetings

8

Special
Committee of the
Whole Meetings



During the Regular & Special Meetings, Council:

Adopted

8

Corporate Policies

Adopted

14

Municipal Bylaws

Passed

420

Resolutions

Council Collectively Attended

284

Council, Board, Committee, and Commission Appointments

We, the Council of the Town of Creston, believe that the following statements reflect the ethical foundation of our Council and Community, and our relationship with our public.

The Council of the Town of Creston is prepared and committed to increase responsiveness to the needs of our public and to focus our organization's efforts on achieving the goals articulated through our Corporate Strategic Plan.



Our Vision

Our community working together to enhance the quality of life, now and into the future, for the Creston Valley.

Our Mission

Our Mission is to exhibit strong leadership by:

- Providing excellent public service and value through good governance and continued improvement;
- Maintaining a strong sense of community while embracing opportunities for growth that enhance our quality of life; and,
- Nurturing and preserving pride in our arts, culture, heritage, and lifestyle amenities.

Guiding Principles and Values

As people who care, we treat each other with respect and act with integrity by fostering attitudes that are professional, fair and just, through prioritizing:

- Collaborative Leadership
- Safety and Wellness
- Innovation and Creativity
- Quality of Life
- Equitable Partnerships and Alliances
- Recognition of Achievements
- Sustainability (Social, Environmental, Cultural, Economic)
- Transparency and Accountability
- Fiscal Responsibility

Town of Creston Council



An elected Council, comprised of a Mayor and six Councillors, governs the Town of Creston. Council is elected for a four-year term. The next municipal election will be held in October 2026.

Regular Council Meetings are held the second and fourth Tuesday of each month. The open portion of the meeting begins at 4:00 pm. There may be a “closed” portion of the meeting (which is closed to the public) that begins immediately following the open meeting.

Regular Committee of the Whole Meetings are held on the third Tuesday of each month. The open portion of the meeting begins at 4:00 pm. There may be a “closed” portion of the meeting (which is closed to the public) that begins immediately following the open meeting.

Both Council and Committee of the Whole Meetings are generally held in the Council Chambers at Town Hall and are open to the public to attend.

Town of Creston 2023 Council, Board, Committee, and Commission Appointments

Government Related Agencies

Arrow Creek Water Treatment & Supply Commission
 Representative.....Councillor Elford
 Alternate.....Councillor Mondia

Creston Valley Services Committee
 Representative.....Mayor DeBoon
 Alternate.....Councillor Elford

Creston Valley Health Working Group
 Representative.....Mayor DeBoon
 Alternate.....Councillor Baldwin

East and Joint Resource Recovery Commission (RDCK)
 Representative.....Councillor Mondia
 Alternate.....Mayor DeBoon

Economic Action Partnership (EAP)
 Representative.....Councillor Arès
 Alternate.....Councillor Mondia

Kootenay East Regional Hospital District
 Director.....Councillor Baldwin
 Alternate Director.....Councillor Mondia

Emergency Management
 Representative.....Councillor Dumas

Emergency Operations Centre
 EOC Director.....Chief Administrative Officer
 Member.....Fire Chief
 Resource.....RDCK Emergency Coordinator, Creston, Areas A, B & C
 Council Liaisons.....Mayor DeBoon & Councillor Elford

Municipal Insurance Association of BC
 Representative.....Councillor Elford
 Alternate.....Councillor Eisler

Regional District of Central Kootenay
 Director.....Mayor DeBoon
 Alternate Director.....Councillor Elford

Community Organizations

Creston & District Library Board Representative.....	Councillor Arès
Community Arts Council of Creston Representative..... Representative.....	Councillor Eisler Councillor Arès
Creston Climate Action Society Representative.....	Councillor Arès
Creston Valley Blossom Festival Association Representative.....	Councillor Dumas
Creston Valley Chamber of Commerce Representative..... Representative.....	Councillor Baldwin Councillor Mondia
Creston Valley Community Housing Society Representative..... Alternate.....	Councillor Eisler Councillor Dumas
Creston Valley Community Network Society Representative.....	Councillor Dumas
Creston Valley Trails Society Representative.....	Councillor Dumas
Neighbours United Representative.....	Councillor Arès

Other Organizations

Creston Valley Forest Corporation Director.....	Councillor Elford
BC Transit Representative.....	Councillor Mondia
Creston Valley Regional Airport Society Liaison.....	Councillor Dumas
Kootenay Forest Sector Collaborative Representative.....	Councillor Elford

Select Committees

Affordable Housing and Development Committee

Chair.....Mayor DeBoon
Vice Chair.....Councillor Eisler
Alternate.....Councillor Baldwin

Cemetery Advisory Committee

Members.....Mayor DeBoon
Members.....Councillor Dumas

Centennial Event Advisory Committee

Member.....Councillor Baldwin
Member.....Councillor Dumas

Parcel Tax Roll Review Panel (Foot Frontage)

Chair.....Councillor Mondia
Member.....Councillor Elford
Member.....Director of Finance & Corporate Services

Permissive Tax Exemption Review Committee

Member.....Councillor Elford
Member.....Councillor Baldwin



Photo by Mitch Winton / KootenayRockies.com

2023 Strategic Focus Areas

The following represent the key "Focus Areas" that Council identified as having the most profound impact on the community. These focus areas are further broken down into strategic initiatives, and finally, the projects that support them are identified and will be measured and tracked by Council throughout the term.



COMMUNITY SAFETY & SECURITY

Council recognizes that a community's strength is in its safety and will focus on ensuring residents feel safe in the Town's Region.



LIVABILITY

The Town is an inclusive, connected place for residents to play, celebrate the arts and connect with nature.



ECONOMIC HEALTH

We support and enhance economic health as being critically linked to quality of life in our community.



SERVICE EXCELLENCE

The Town is disciplined in its own service delivery and fiscally responsible in its management of assets and regional relationships.

COMMUNITY SAFETY & SECURITY



Public Safety

Support the key services that make all our residents feel safe.

Emergency Management

Continue to take a leadership role regionally to prepare, protect and plan for the impact of emergency events.

Housing

Continue to find innovative solutions to support the dignity of our residents by encouraging diverse housing options.

Transportation

Advocate for highway and transportation improvements to make travel within the region safer and affordable.

KEY PROJECTS

The following are the projects identified by Council that will advance this Focus Area:

- Creston Valley Fire Service Business Alignment Plan
- Community Safety Improvements
- Regional Policing Study
- Emergency Management Program
- Continuity of Operations Plan
- Critical Infrastructure Planning
- Zoning Bylaw No. 1958 (2022) & OCP amendment for supporting housing diversity
- Housing Hub Website
- Accessory Dwelling Unit Guidelines & Plans

LIVABILITY



AREAS OF FOCUS

Connectivity

Develop sustainable, active, safe, and efficient transportation.

Vibrant Arts and Culture

Celebrate the artistry and diversity of our community based on individual lived experience.

Volunteer Support

Enable and encourage volunteers and community organizations addressing social and environmental issues.

Recreation

Maintain and enhance opportunities for our residents to connect in community spaces and live healthy lives.

KEY PROJECTS

The following are the projects identified by Council that will advance this Focus Area:

- Trails Master Plan
- Accessibility Plan
- Town of Creston Centennial
- Celebration (100 year)
- Parks Master Plan

ECONOMIC HEALTH



Business Friendly

Provide an environment where new and existing businesses can thrive.

Proactive Community Growth

Create infrastructure policies and programs so residents can thrive.

Vibrant Downtown

Recognize the importance of a vibrant downtown with community pride, livability and economic prosperity.

KEY PROJECTS

The following are the projects identified by Council that will advance this Focus Area:

- Creston valley Airport Master Plan
- Developer's Information and Procedures Bylaw
- Facilitate increasing industrial land availability
- Creston Valley-Kootenay Lake Wayfinding Project
- Highway 3 Re-alignment
- Facilitate the redevelopment of key sites and underutilized lots in downtown
- Market Park with Yaqan Nukiq Amakis 0- Phase II
- Business Licenses Program and Bylaw Update

SERVICE EXCELLENCE



AREAS OF FOCUS

Community Engagement

Facilitate proactive and transparent communication with community members.

Management of Assets

Proactively plan for the financial impact of sustainably managing our assets.

Participate Regionally

Continue to engage regionally to enhance the economic, social and environmental health of the region.

Governance

Focus on systems and communication that ensures we are supportive and strong leaders in our roles.

KEY PROJECTS

The following are the projects identified by Council that will advance this Focus Area:

- Communications Strategy
- Website Re-Development
- Increase services Online
- Social Procurement Policies
- Storm Water Master Plan
- Road Condition Field Assessment
- Vehicle Replacement Policy
- Creston Climate Action Plan
- Performance Tracking and Reporting
- Identify key performance indicators to align with strategic initiatives



Photo by Mitch Winton / KootenayRockies.com



OPERATIONAL ACTIVITIES

Fire & Rescue Protective Services

The Fire Chief position involves the development, direction and supervision of effective fire prevention and fire rescue operations. By statute, this position is also a Local Assistant to the Fire Commissioner and performs such duties as recruitment, training and development of volunteer Firefighters, supervision, and, short and long range planning of facilities, equipment, supplies, and apparatus.



9289

Total Hours Worked by
Volunteer Firefighters

672

Total
Emergency
Responses

6651

Hours for
Training

126

Fire
Responses

312

Medical
Responses

75

Rescue
Responses

155

Public Service
Responses

24

Provincial Wildfire
Deployment Days

4

Hazardous Materials
Responses

270

Total Number of
Municipal Bylaw Incidents

2539

Hours at
Emergency Incidents



Planning & Development

Planning & Development are functions of the Town's Community Services Department. The department is involved in implementation of Council's direction regarding land use matters within Town boundaries. This includes processing of development permits, rezoning applications and development variance permits. Additional activities include GIS mapping support, coordination of public consultations involving land use, liaising with community groups for public improvements and events, and working to achieve the long-term objectives of Council, as outlined in the Official Community Plan.



3

Development
Permit Applications
Received

0

Subdivision
Applications
Received

9

Residential Units
Created
(includes secondary suites)

270

Building
Inspections
Performed

\$2.8
MILLION

Total Value of
Residential
Construction

\$1.3
MILLION

Total Value of
Commercial, Industrial
Institutional, and
Governmental

\$44
MILLION

Total Value of
Residential
Construction
2014 – 2023

\$24
MILLION

Total Value of Commercial,
Institutional, Institutional,
& Governmental
Construction 2014 – 2023



Zoning or OCP Bylaw Amendments Requiring a Public Hearing:

3

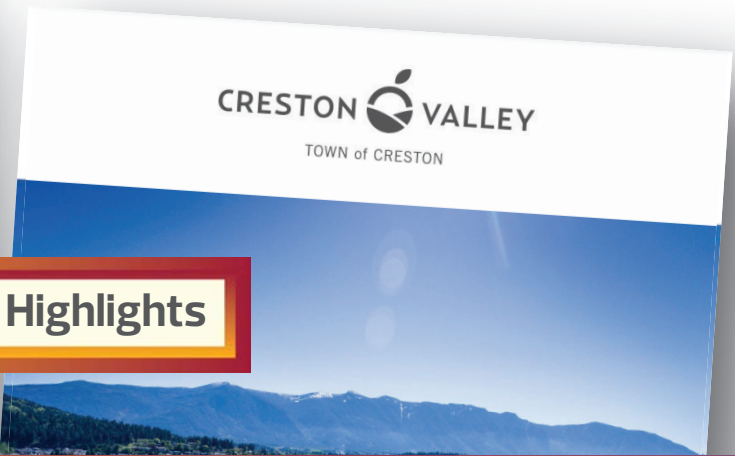
Zoning
Amendments

1

Combined Zoning/
OCP Amendments



2023 Project Highlights



CRESTON VALLEY
TOWN of CRESTON

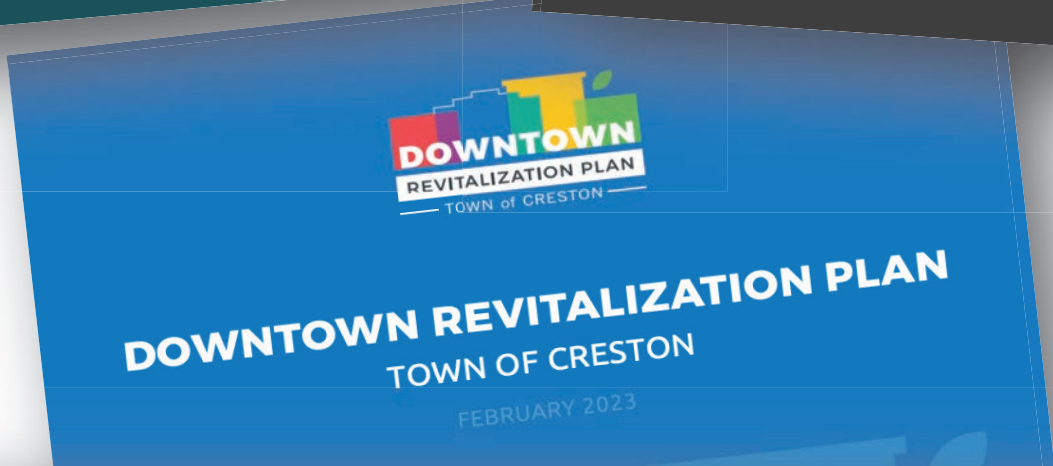
Plans Developed in 2023: Trails Master Plan, Creston Housing Action Plan, and Downtown Revitalization Plan



Trails
Master
Plan
November 14, 2023



Creston Housing Action Plan



DOWNTOWN
REVITALIZATION PLAN
TOWN of CRESTON

DOWNTOWN REVITALIZATION PLAN
TOWN OF CRESTON
FEBRUARY 2023



CRESTON
HousingHub

Home Owner/Builders • Landlords/Tenants • Resources • Financial Supports • Contact Us



Welcome to the Creston Housing Hub

Infrastructure Services

Infrastructure Services is the largest department in the Town of Creston organizational structure. Responsibilities include engineering, maintenance, construction, and operations of Town-owned services and property. Work in the Infrastructure Services department focuses on roads, parks, solid waste management, water utility services, sanitary and storm utility services, capital works construction, trails, sidewalks, building maintenance, cemeteries, and asset management.



2023 Projects

\$200
THOUSAND

Water Projects

\$438
THOUSAND

Sewer Projects

\$129
THOUSAND

Road Projects

\$126
THOUSAND

Storm Drainage
Projects



Ongoing Maintenance

51
KILOMETRES

Roads

63
KILOMETRES

Water Pipe

47
KILOMETRES

Paved Roads

4
KILOMETRES

Unpaved Roads

30
KILOMETRES

Storm Sewer Pipe

59
KILOMETRES

Sanitary Sewer Pipe

6
KILOMETRES

Trails

17
KILOMETRES

Sidewalks



▼ Devon Street Water Main Extension

▲ Scott Street Storm Line Installation

▼ Bulk Volume Fermentor Diver



2023 Project Highlights

▼ Installation of Climbing Rocks at Burns Parks

▼ Flow Meter installed at Crawford Hill Reservoir





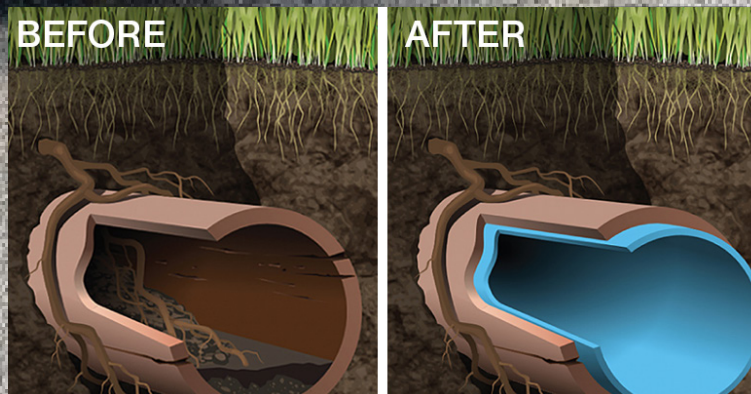
2023 FortisBC Award

FortisBC Efficiency in Action Award

The Town of Creston was one out of eleven organizations to receive a FortisBC Efficiency in Action Award, an annual event that recognizes the most exceptional energy saving efforts happening across B.C.

On May 11, 2023, Creston received the Municipal Public Sector Award for the design and construction of the Creston Emergency Services Building. The building utilizes a number of energy efficiency upgrades, including a high-efficiency boiler, gas fired furnace, and heat recovery ventilation. The design incorporates an efficient building envelope, including 12-inch-thick insulated concrete panels to help keep the building warm in the winter and cool in the summer.

2023 Feature Project



Sewer Pipeline Rehabilitation Project

The Town of Creston improved sewer pipelines using Cured In-Place Pipe Lining (CIPP) in 2023. This method enhanced pipeline integrity with minimal community disruption.

CIPP, a trenchless repair technique, involved inserting a resin-impregnated lining into existing pipes and curing it with heat, creating a new pipe within the old one. This method required no excavation, as liners were installed through manholes, and lateral connections were reinstated remotely.

The project minimized traffic disruptions and business interruptions, proving cost-effective and efficient. This approach demonstrated Creston's commitment to maintaining reliable sewer systems while reducing inconvenience to residents and businesses.

Parks & Green Spaces

The Town of Creston maintained twelve parks/green spaces in 2023 that provide residents and visitors with opportunities for great scenery, fun and exercise. Whether you're looking for a waterpark or playground for the little ones, a quiet place to eat lunch under the trees, or a place for celebrations, we've got you covered.

11th Avenue Walkthrough Park



Downtown Greenspace



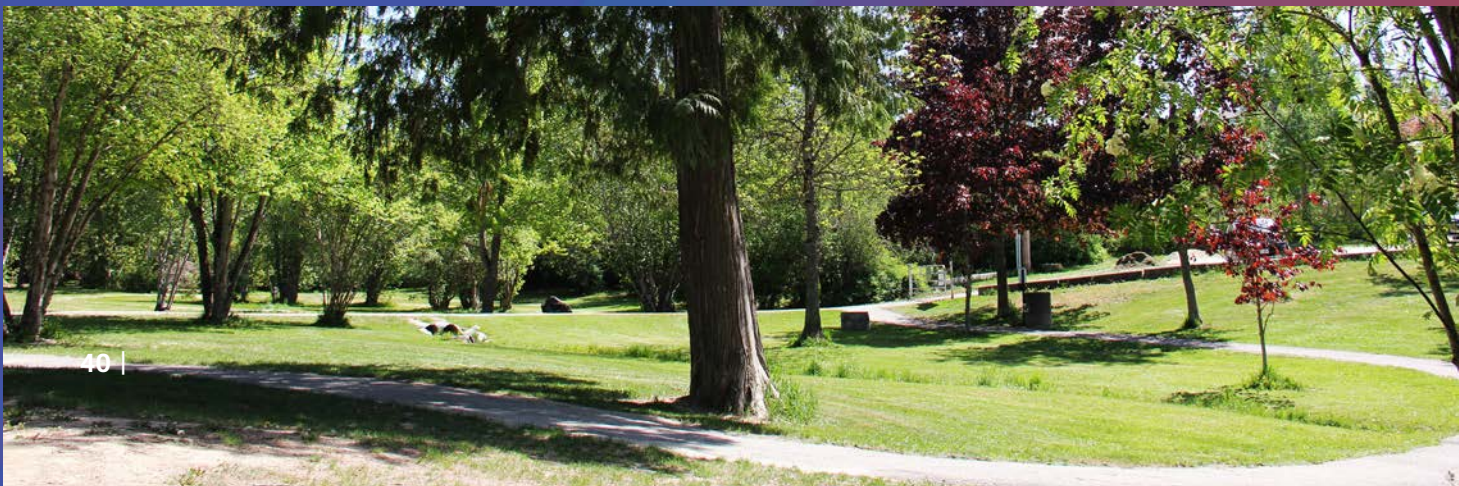
Staking Park



Rotary Park



Schikurski Park





Centennial Park



Burns Park





Millennium Park



Downtown Spirit Square





Bike Park at Dodd's Creek Park



Dog Park at Dodd's Creek Park



Dodd's Creek Park



Walking Trails

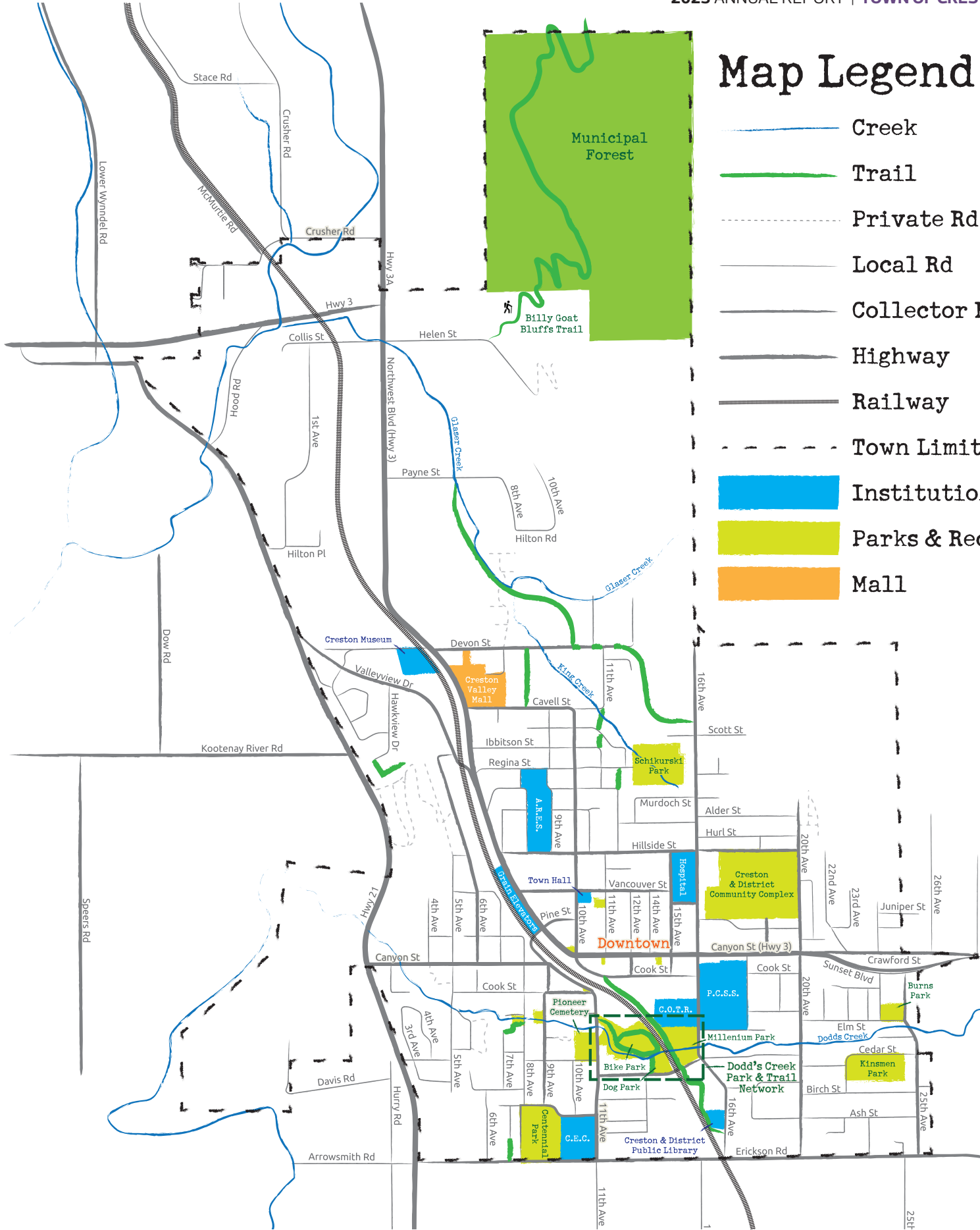
The Town of Creston maintained seven municipal trails in 2023 which include:

- Billy Goat Bluffs Hiking Trail
- Glaser Trail (Devon Street – Payne Street)
- Devon St. – 16th Avenue North
- 8th Ave N Trail (Cavell Street – Devon Street)
- Steve's Ride (Dodd's Creek Park)
- 16th Avenue South (Library) – Cedar Street
- Cedar Street – Cook Street



Map Legend

-  Creek
-  Trail
-  Private Rd
-  Local Rd
-  Collector Rd
-  Highway
-  Railway
-  Town Limit
-  Institutional
-  Parks & Rec
-  Mall



Municipal Buildings

The Town of Creston owned and maintained nine municipal buildings in 2023, along with several other outbuildings, such as public washrooms and reservoir buildings.

Town Hall ▼



RCMP Detachment ▼



Public Works Building ▼





Creston Education Centre ▲

▲ Previous Fire Hall



Previous Ambulance Station ▲

Creston Emergency Services Building ▼

▲ Fire Training Centre



Waste Water Treatment Plant ▼

▼ Creston Valley Youth Network



Finance & Corporate Services

The Finance & Corporate Services Department is responsible for providing a full range of financial services including: budgeting, financial control and reporting, payroll, accounts payables / receivables, taxation, utility billing, cash management, and banking. Additionally, the Department oversees the provision of corporate human resource management, information technology, strategic planning, telecommunications, records management, and freedom of information services.



\$11.8

MILLION

Property Tax
Collected

12

THOUSAND

Phone
Inquiries

\$3.4

MILLION

Water/Utilities
Collected

\$19.3

MILLION

Total
Revenues

\$13.6

MILLION

Operating
Expenses

\$3.8

MILLION

Total Grants and
Transfers Received

584

Business
Licenses
Issued

510

Animal
Licences
Issued

10,272

Total Receipt
Payments
Processed

Permissive Tax Exemptions

Permissive tax exemption is available for qualifying, Creston-based, charitable or non-profit organizations, athletic or service clubs, care facilities, and private hospitals. Statutory exemptions are made for places of public worship, cemeteries, libraries, seniors' facilities, and hospitals. Organizations that own or lease property in Creston that is used for the benefit of the community can request to be exempted from paying property taxes by filling out an application.

		Folio Number	Tax Value of Municipal Exemption for 2023	Tax Value of Total Exemption for 2023
Provincial Rental Housing Corp (Erickson Golden Manor)	915 Vancouver Street	00171.010	\$874.46	\$1,977.21
Creston Valley Seniors Association	810 Canyon Street	00180.000	\$1,179.00	\$2,576.68
Valley Community Services Society	915 Pine Street	00183.020	\$3,948.88	\$8,346.47
Kootenai Community Centre Society	806 Cook Street	00190.120	\$587.58	\$1,328.56
Creston Valley Gleaners Society	807 Canyon Street	00193.010	\$3,354.39	\$7,089.93
Creston Valley Gleaners Society	113 8th Avenue N.	00213.030	\$2,712.37	\$5,732.94
Nexus Community Support Society	105 8th Ave S.	00221.020	\$1,302.18	\$2,752.32
Cresteramics Society for the Handicapped	921 Railway Boulevard	00290.100	\$3,058.00	\$6,463.49
Kootenay Employment Services Society (Day Care)	419 4th Ave S.	00384.900	\$1,672.49	\$3,781.62
Nexus Community Support Society	205 7th Ave N.	00403.070	\$1,351.43	\$2,856.43
Creston & District Chamber of Commerce	121 Northwest Boulevard	00412.100	\$4,954.67	\$10,472.35
Valley Community Services Society	617 11th Avenue S.	00417.010	\$2,886.05	\$10,712.22
Kootenay Employment Services Society	119-11th Avenue	00540.000	\$3,763.10	\$7,953.80
Kootenay Employment Services Society	123-11th Avenue	00541.000	\$2,726.19	\$5,762.17
Royal Canadian Legion, Branch 29	137 – 11th Avenue N.	00544.000	\$1,819.77	\$3,846.31
Royal Canadian Legion, Branch 29	137 – 11th Avenue N.	00544.000	\$534.58	\$1,168.32
Creston Judo Club	Suite B4 – 1230 Canyon Street	00637.000	\$990.24	\$2,093.01
Redeemer Lutheran Church of Creston	305 – 15th Avenue N.	00672.000	\$274.97	\$600.95
Creston Pharmacy (Town of Creston Lease)	1130 Cook Street	00687.300	\$1,538.07	\$3,250.92
Kootenai Community Centre Society	1508 Cook Street	00705.000	\$269.98	\$610.44
Kootenai Community Centre Society	1508 Cook Street	00705.000	\$1,684.97	\$3,561.40
1411 Canyon St (Greenspace)	1411 Canyon Street	00722.000	\$825.20	\$1,744.17
Creston New Life Christian Church	1821 Elm Street	00757.269	\$357.54	\$781.40
Roman Catholic Bishop of Nelson (Holy Cross Parish)	128 – 16th Avenue N.	00757.376	\$2,139.10	\$4,674.96
Creston Valley Gymnastics Club	1714 Canyon Sreet	00757.556	\$2,454.87	\$5,188.69
Creston Valley Community Housing Society	215 25th Ave S,	00758.138	\$2,107.22	\$4,764.58
Grace Christian Fellowship Society	2416 Cedar Street	00758.160	\$256.15	\$559.82
Lower Kootenay Band Development Corp		00758.745	\$691.27	\$1,563.01
Creston Baptist Church of Creston	605 – 25th Avenue S.	00758.825	\$526.90	\$1,151.53
Creston & District Historical & Museum Society	219 Devon Street	05025.000	\$5,659.77	\$11,962.66
Creston & District Historical & Museum Society	323 Devon Street	05030.000	\$428.59	\$905.87
Creston & District Historical & Museum Society	323 Devon Street	05030.000	\$291.87	\$637.88
Trustees Creston Jehovah Witnesses	1323 Northwest Blvd.	05109.000	\$625.98	\$1,368.08
The Church of God in Christ and (Mennonite)	1152 Highway 21	05205.200	\$3,447.71	\$7,287.18
The Church of God in Christ and (Mennonite)	1152 Highway 21	05205.200	\$917.85	\$2,005.95
TOTAL			\$71,380.42	\$157,832.68





2023 FINANCIAL STATEMENT



Town of Creston

**FINANCIAL STATEMENT
2023**

TOWN OF CRESTON

INDEX TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

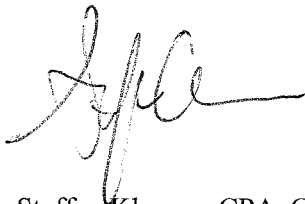
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MANAGEMENT REPORT

Management is responsible for the preparation of the accompanying consolidated financial statements. The financial statements have been prepared in accordance with the accounting policies disclosed in Note 1 to the consolidated financial statements and include amounts that are based on estimates and judgements. Management believes that the financial statements fairly present the Town of Creston's consolidated financial position and results of operations. The integrity of the information presented in the financial statements, including estimates and judgements relating to matters not concluded by fiscal year-end, is the responsibility of management. The financial statements have been approved by Council.

Management has established and maintained appropriate systems of internal control including policies and procedures, which are designed to provide reasonable assurance that the Town of Creston's assets are safeguarded and that reliable financial records are maintained to form a proper basis for the preparation of the financial statements.

The independent external auditors, Apex Accounting, Chartered Professional Accountants, have been appointed by Council to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the Town of Creston's financial position, results of operations, and changes in net financial position in conformity with the accounting policies disclosed in Note 1 to the consolidated financial statements. The report of Apex Accounting, Chartered Professional Accounts, follows and outlines the scope of their examination and their opinion on the consolidated financial statements.



Steffan Klassen, CPA, CA
Director of Finance and Corporate Services

May 7, 2024

INDEPENDENT AUDITORS' REPORT

**To the Mayor and Council
Town of Creston**

Opinion

We have audited the accompanying financial statements of the Town of Creston, which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis For Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT, continued

Auditors' Responsibilities for the Audit of the Financial Statements, continued

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The logo for Apex Accounting, featuring the company name in a stylized, handwritten-style script font.

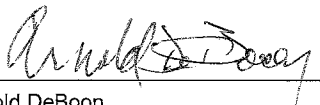
Chartered Professional Accountants

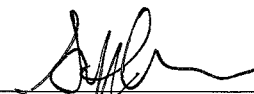
Creston, BC
May 7, 2024

Town of Creston
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2023

	2023	2022
Financial Assets		
Cash and investments (Note 3)	\$ 15,526,631	\$ 12,273,751
Accounts receivable (Note 4)	1,273,627	949,829
MFA deposits (Note 5)	213,699	386,509
Loans receivable (Note 6)	1,929,488	2,038,520
	<u>18,943,445</u>	<u>15,648,609</u>
Financial Liabilities		
Accounts payable and accrued liabilities (Note 7)	2,024,786	1,814,325
Deferred revenue (Notes 8 & 9)	1,083,147	1,666,625
Development cost charges (Note 10)	486,995	462,056
Reserve MFA	213,699	386,509
Long-term debt (Note 12)	5,068,800	5,593,500
Asset Retirement Obligations (Note 13)	667,175	-
	<u>9,544,602</u>	<u>9,923,015</u>
Net Financial Assets	9,398,843	5,725,594
Non-financial assets		
Tangible capital assets (Notes 1 & 14, Schedule 1)	52,637,883	50,529,919
Supply inventory	628,602	659,833
Prepaid expenses	178,046	170,193
	<u>53,444,531</u>	<u>51,359,945</u>
Accumulated surplus	<u>\$ 62,843,374</u>	<u>\$ 57,085,539</u>
Represented by:		
Operating fund (Schedule 2)	12,300,056	10,854,540
Capital fund (Schedule 2)	1,086,996	1,086,996
Statutory reserve fund (Schedule 2)	2,554,405	207,576
Equity in tangible capital assets (Note 15)	46,901,917	44,936,427
	<u>\$ 62,843,374</u>	<u>\$ 57,085,539</u>

The accompanying notes and schedules are an integral part of these financial statements.


 Arnold DeBoon
 Mayor


 Steffan Klassen, CPA, CA
 Director of Finance and Corporate Services

Town of Creston
CONSOLIDATED STATEMENT OF OPERATIONS
for the year ended December 31, 2023

	2023 Budget	2023	2022
Revenue			
Property Taxes (Note 16)	\$ 6,150,000	\$ 6,150,043	\$ 5,860,166
Grants in Lieu of Taxes	8,700	8,160	8,122
Sale of services (Note 17)	2,554,118	2,400,154	2,265,483
Government transfers (Note 19)	4,133,751	3,831,077	3,668,698
Investment income	433,768	1,180,477	502,287
Utility user fees and connection charges	3,451,271	3,388,283	3,136,710
Development cost charges / Park Land Purchase (Note 10)	-	-	158,874
Developer Asset Contributions	-	142,310	-
Other	1,896,856	2,215,540	896,213
	18,628,464	19,316,044	16,496,553
Expenses			
General government	2,572,098	2,364,012	2,411,914
Municipal contribution for RCMP services	1,367,583	1,307,635	1,166,334
Protective services	1,804,433	1,958,300	1,473,376
Transportation	1,259,951	1,151,703	1,304,746
Health and Welfare	573,732	547,984	636,813
Recreation and Community Services	967,829	838,508	642,807
Water Services	1,142,822	1,187,966	1,068,895
Sewer Services	286,150	296,127	257,254
Waste water treatment plant operation	1,024,667	1,150,253	983,546
Debt financing	264,789	281,457	395,583
Bank Charges	5,100	6,021	6,339
Amortization (Note 1, Schedule 1)	2,085,098	2,230,055	2,106,946
Accretion	-	27,383	-
Loss on write down of accounts receivable	-	120,941	-
Loss from sale/write down of tangible capital assets	-	89,864	94,291
Capital Lease (Note 20)	-	-	22,636
	13,354,252	13,558,209	12,571,480
Annual surplus	5,274,212	5,757,835	3,925,073
Accumulated surplus at beginning of year	57,085,539	57,085,539	53,160,466
Accumulated surplus at end of year	\$ 62,359,751	\$ 62,843,374	\$ 57,085,539

Commitments and Contingencies are specified in Note 21.

The accompanying notes and schedules are an integral part of these financial statements.

Town of Creston
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
for the year ended December 31, 2023

	2023 Budget	2023	2022
Annual surplus	\$ 5,269,212	\$ 5,757,835	\$ 3,925,073
Acquisition of tangible capital assets	(4,609,906)	(3,788,094)	(6,439,970)
Increase in tangible assets due to asset retirement obligations	-	(639,792)	-
Amortization of tangible capital assets	2,085,098	2,230,055	2,106,946
Loss from sale/write down of tangible capital assets	-	89,864	94,291
Proceeds on sale of tangible capital assets	-	-	2,609,819
	2,744,404	3,649,868	2,296,159
Acquisition of supply inventory		(126,445)	(583,891)
Acquisition of prepaid expense		(196,552)	(190,091)
Deposit made on property purchase		-	204,103
Consumption of supply inventory		157,679	251,711
Use of prepaid expense		188,699	150,576
		23,381	(167,592)
Increase in net financial assets	2,744,404	3,673,249	2,128,567
Net financial assets at beginning of year	5,725,594	5,725,594	3,597,027
Net financial assets at end of year	\$ 8,469,998	\$ 9,398,843	\$ 5,725,594

The accompanying notes and schedules are an integral part of these financial statements.

Town of Creston
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended December 31, 2023

(Indirect method)	2023	2022
Operating transactions:		
Annual surplus	\$ 5,757,835	\$ 3,925,073
Non-cash and non-financial items:		
Amortization	2,230,055	2,106,946
Accretion	27,383	-
Increase in prepaid expenses	(7,853)	(39,515)
Decrease in property purchase deposit	-	204,103
Decrease (increase) in supply inventory	31,231	(332,181)
Loss from sale/write down of tangible capital assets	89,864	94,291
Changes to financial assets/liabilities:		
Increase in accounts receivable	(323,798)	(106,465)
(Increase) decrease in MFA cash deposits	172,810	(45,031)
Decrease in loan receivable	109,032	54,460
Increase (decrease) in accounts payable	210,461	(952,370)
(Decrease) Increase in deferred revenue	(583,478)	352,542
Increase (decrease) in development cost charges	24,939	(130,404)
(Decrease) increase in other restricted revenue	(172,810)	45,031
Cash provided by operating transactions	7,565,671	5,176,480
Capital transactions:		
Acquisition of tangible capital assets	(3,788,094)	(6,439,970)
Proceeds from the sale of tangible capital assets	-	2,609,819
Cash applied to capital transactions	(3,788,094)	(3,830,151)
Financing transactions:		
Debt repayment	(367,738)	(2,331,949)
Proceeds of MFA Loan for Creston Emergency Services Building	-	1,500,000
Actuarial Adjustments	(156,959)	(141,062)
Cash applied to financing transactions	(524,697)	(973,011)
Increase in cash and investments	3,252,880	373,318
Cash and investments at beginning of year	12,273,751	11,900,433
Cash and investments at end of year	\$ 15,526,631	\$ 12,273,751
Represented by		
Bank deposits and petty cash	937,372	998,967
Investments	14,589,259	11,274,784
	\$ 15,526,631	\$ 12,273,751

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

General

The Town of Creston (the "Town") was incorporated in 1924, under the Local Government Act of British Columbia. The Town's principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, health and welfare, water, sewer and parks.

1. Significant Accounting Policies

a. Basis of Presentation

The Consolidated Financial Statements of the Town of Creston (the Town), which are the representation of management, are prepared in accordance with Canadian Public Sector Accounting Standards as prescribed by the Public Sector Accounting Board (PSAB). The Consolidated Financial Statements reflect the combined results and activities of the reporting entity which is comprised of the Operating, Capital and Reserve funds controlled or owned by the Town. Inter-fund transactions have been eliminated on consolidation.

- i. Operating Funds: These funds include the General, Water and Sewer operations of the Town. They are used to record the operating costs of the services provided by the Town.
- ii. Capital Funds: These funds include the General, Water and Sewer Capital Funds. They are used to record the acquisition and disposal of property and equipment and their related financing.
- iii. Reserve Funds: Under the Community Charter, Town Council may, by bylaw, establish statutory reserve funds for specified purposes. Money in a reserve fund, and interest earned thereon, must be expended by bylaw only for the purpose for which the fund was established. If the amount in a reserve fund is greater than required, Town Council may, by bylaw, transfer all or part of the balance to another reserve fund. Reserves created as non-statutory segregations of surplus do not have the same formal restrictions as those created by bylaw.
- iv. Trust Funds: These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries. In accordance with PSAB recommendations on financial statement presentation for local governments, trust funds are not included in the Town's consolidated financial statements. Trust funds administered by the Town are presented in Note 11.

b. Revenue Recognition

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that give rise to the revenues, and expenses in the period the goods and services are acquired and a liability is incurred or transfers are due. Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Sale of services and user fee revenues are recognized when the service or product is rendered by the Town. Grant revenues are recognized when all eligibility criteria has been met. Unconditional government transfers are recognized upon receipt. Revenue unearned in the current period is recorded as deferred revenue.

c. Investments

Investments are carried at market value. Accrued interest and any accrued gains and losses are recognized when investments are adjusted to reflect market value.

d. Use of Estimates

The preparation of financial instruments in accordance with PSAB, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring estimates include the useful lives of tangible capital assets for amortization, asset retirement obligations, provision for contingencies, inventory valuation and obsolescence, impairment of long-lived assets, accrued liabilities, fair value of investments, pension plans, and deferred revenue. Actual results could differ from management's best estimates as additional information becomes available in the future.

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

1. Significant Accounting Policies (continued):

e. Cash and Equivalents

Cash and Equivalents include cash on hand, bank balances, and Municipal Finance Authority (MFA) pooled investment funds and guaranteed investment certificates.

f. Tangible Capital Assets

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year after the asset is put in to service. Donated tangible capital assets are reported at fair value at the time of donation. Estimated useful lives as follows:

Asset Type	Useful Life
Parks Infrastructure	15-50
Building Structure	20-50
Building Improvements	10-40
IT Equipment/Furniture	3-10
Equipment/Vehicles	7-25
Capital Lease Assets	35
Infrastructure (dependent upon component and material)	
Transportation	10-100
Water Infrastructure	10-100
Sewer Infrastructure	10-100
Drainage Infrastructure	10-100

g. Budget Figures

The budget figures are from the Annual Five-Year Financial Plan Bylaw adopted before May 15 of each year.

h. Inventories

The inventories are stated at the lesser of cost and net realizable value. Cost is generally determined on a first-in first-out basis. Obsolete items are written off.

i. Post Employment Benefits

Vacation and sick pay are charged in the year incurred. Sick time is non-accumulative and vacation has limited accumulation based on language in the collective agreement for CUPE employees or by administrative policy for staff. Employment contracts of certain non-union employees obligate the Town to the payment of severance and benefit amounts on termination under certain conditions.

j. Reserve for Future Expenditures

The reserve for future expenditures represents amounts set aside for future operating expenditures.

k. Statutory Reserve Funds

The use of these funds is restricted by the Community Charter and associated Municipal Bylaws. Statutory reserve funds are funded 100% by cash and temporary investments.

l. Financial Instruments

The Town carries several financial instruments. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

1. Significant Accounting Policies (continued):

m. Government Transfers

Government transfers are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, have been met, and a reasonable estimate of the amount to be received can be made.

n. Contributed Tangible Capital Assets

Contributed tangible capital assets have been recognized at fair market value at the date of contribution. Developer asset contributions consist of infrastructure built by the developer as required to service newly developed lands. Upon acceptance by the Town, all risks and rewards of ownership for those assets are passed on to the Town.

o. Segment Disclosure

A segment is defined as a distinguishable activity or group of activities of government for which it is appropriate to separately report financial information. The Town has provided definitions of segments used for the presentation of financial information in segmented format (Note 22). Schedule 3 provides a table of the segmented revenue and expenses for the Town.

p. Contaminated Sites

Under PS3260 governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities under the standard including sites that are no longer in productive use and sites which the Town accepts responsibility. There were no such sites that had contamination in excess of an environmental standard which required remediation at this time, therefore no liability at December 31, 2023.

q. Asset Retirement Obligations

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that the Town will be required to settle. The Town recognizes asset retirement obligations when there is a legal obligation to incur retirement costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities.

Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset. Subsequently, the asset retirement costs are allocated to expenses over the useful life of the tangible capital asset. The obligation is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and for revisions to either the timing or the amount of the original estimate of the undiscounted cash flows or the discount rate.

r. Deferred Revenue

Deferred revenue represents funds received for specific purposes which are externally restricted by legislation, regulation, or agreement and are not available for general municipal purposes as well as licences, permits, other fees and grants which have been collected, but for which the related services have not been performed and or projects have not been constructed. These amounts will be recognized as revenues in the fiscal year in which it is used for the specific purpose, the services are performed and or the projects are constructed.

2. Change in Accounting Policy

On January 1, 2023, the Town adopted Public Accounting Standard PS 3280 *Asset Retirement Obligation*. This new standard establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets.

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

3. Cash and Equivalents

	2023	2022
Restricted cash and investments		
Statutory Reserves (Schedule 2)	\$ 2,554,404	\$ 207,576
Restricted Revenues (Notes 9 and 10)	892,614	698,649
	<u>3,447,018</u>	<u>906,225</u>
Unrestricted cash and investments	12,079,613	11,367,526
Total cash and investments	<u>\$ 15,526,631</u>	<u>\$ 12,273,751</u>

4. Accounts Receivable

	2023	2022
Property Taxes	\$ 506,292	\$ 438,114
Other Governments	577,712	328,853
Trade and other	189,623	182,862
Total accounts receivable	<u>\$ 1,273,627</u>	<u>\$ 949,829</u>

5. Deposit and Reserve - Municipal Finance Authority

The Municipal Finance Authority of British Columbia (the Authority) provides capital financing for regional districts and their member municipalities. The Authority is required to establish a Debt Reserve Fund. The Authority must then use this fund if at any time there are insufficient funds to meet payments on its obligations. If this occurs the regional districts may be called upon to restore the fund.

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund, less administrative expenses, becomes an obligation of the Authority to the regional districts.

Upon the 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 comprised of:

	2023	2022
Cash deposits	\$ 75,741	\$ 128,434
Demand notes	137,958	258,075
	<u>\$ 213,699</u>	<u>\$ 386,509</u>

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

6. Loans Receivable

Effective November 2022, The Town signed a 30 year agreement with British Columbia Emergency Health Services (BCEHS) to provide a home for the BCEHS ambulance service for the Creston Valley. The agreement requires the BCEHS to pay \$1,964,228 over a 20 year loan amortization with interest at prime set every 3 years. The rate for the first 3 years is 5.95%. In addition to the capital payments, the BCEHS will contribute annually to its' share of operating costs. If the lease is terminated early, BCEHS will pay back any remaining loan balance at the time of termination.

Since 2008, the Creston Valley Regional Airport Society (CVRAS) has operated the Town owned airport on behalf of the Town. In 2010, Town of Creston loaned \$25,001 to the CVRAS in order to help with working capital requirements for the on-going fuel sales which the CVRAS assumed. The loan is without interest, secured either by fuel receipts or fuel inventory, and is repayable upon the end of the operating agreement and any renewals.

In 2017, The Town of Creston loaned the CVRAS \$107,000 towards the purchase of a caretaker's residence located at the airport. The loan is being repaid over 10 years with annual installments paid every November and bears an interest rate of 3%. The residence would become the property of the Town in the event that the CVRAS would discontinue operating. The balance at December 31, 2023 was \$46,655.

	2023	2022
Creston Valley Airport Society	\$ 71,656	\$ 82,476
British Columbia Emergency Health Services	1,857,832	1,956,044
	<u>\$ 1,929,488</u>	<u>\$ 2,038,520</u>

7. Accounts payable and accrued liabilities

	2023	2022
Other governments	\$ 1,080,809	\$ 641,817
Accrued wages and benefits	599,753	618,722
Trade and other	344,224	553,786
	<u>\$ 2,024,786</u>	<u>\$ 1,814,325</u>

8. Deferred Revenue

	2023	2022
Prepaid taxes	\$ 220,458	\$ 120,878
Deposits	150,142	794,773
Federal gas tax (Note 9)	405,619	236,593
Other	306,928	514,381
	<u>\$ 1,083,147</u>	<u>\$ 1,666,625</u>

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

9. Federal Gas Tax

Gas Tax funding is provided by the Government of Canada and use of the funding is restricted by the terms of a funding agreement between the local government and the Union of British Columbia Municipalities. Gas Tax funding may be used towards certain public transit, community energy, water, wastewater, solid waste and Town building projects, as specified in the funding agreements. This amount is reported in the Deferred Revenue line on the Statement of Financial Position.

Federal Gas Tax Agreement Funds	2023	2022
Opening balance of unspent funds	\$ 236,593	\$ 353,561
Add: Amount received during the year	306,477	293,388
Interest earned	10,356	9,142
Less: Amount spent on eligible project costs	(147,807)	(419,498)
Closing balance of unspent funds	<u><u>\$ 405,619</u></u>	<u><u>\$ 236,593</u></u>

10. Development Cost Charges

Development Cost Charges are restricted revenue liabilities representing funds received from developers and deposited into a separate reserve fund for capital expenses. In accordance with PSAS, the Town records these funds as restricted revenue which is then recognized as revenue when the related costs are incurred.

	Opening Balance	Receipts	Interest	Transfers Out	Closing Balance	
Infrastructure DCC	\$ 462,056	\$ -	\$ 24,939	\$ -	\$ 486,995	
Reserve by Bylaw						
	Roads	Water	Sanitary	Storm	Parks	Total
Duganville (BL 839)	\$ -	\$ 18,331	\$ 4,152	\$ 26,024	\$ -	\$ 48,507
Parks Reserve (BL 1264)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
McLaren (BL 1331)	\$ -	\$ 6,512	\$ -	\$ -	\$ -	\$ 6,512
Alice Siding (BL 1463)	\$ 629	\$ 186,767	\$ 58,214	\$ 15	\$ -	\$ 245,625
Alice Siding (BL 1712)	\$ 107,088	\$ 19,673	\$ 45,367	\$ -	\$ 14,223	\$ 186,351
Grand Total:	<u><u>\$ 107,717</u></u>	<u><u>\$ 231,283</u></u>	<u><u>\$ 107,733</u></u>	<u><u>\$ 26,039</u></u>	<u><u>\$ 14,223</u></u>	<u><u>\$ 486,995</u></u>

11. Trust Funds

The Town operates the cemetery and maintains a cemetery perpetual care fund in accordance with the Cremation, Interment and Funeral Services Act. The trust fund assets and liabilities are not included in the consolidated financial statements. At December 31, 2023, the balance of funds held in trust was \$280,048 (2022 - \$246,698).

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

12. Long-Term Debt

Purpose	By-law	Remaining Term	Rate	2023	2022
GENERAL FUND					
Debenture Debt					
Prepaid Capital Lease	1769	0	4.93% (a)	-	265,565
Emergency Services Building	1872	28	2.58% (a)	2,856,204	2,928,902
Emergency Services Building	1872	29	3.36% (a)	1,465,834	1,500,000
				<u>4,322,038</u>	<u>4,694,467</u>
SEWER FUND					
Debenture Debt					
Water Pollution BVF Cover	1734	4	4.52%	148,562	194,637
WWTP Upgrade	1707	6	3.15% (a)	598,200	704,396
				<u>746,762</u>	<u>899,033</u>
				\$ 5,068,800	\$ 5,593,500

(a) Interest repaid on a straight line basis

The following principal amounts are payable over the next five years:
Future minimum principal payments and actuarial additions of existing debt are due as follows:

	General Fund	Sewer Fund	Total
2024	105,264	127,957	233,221
2025	105,264	129,700	234,964
2026	105,264	131,506	236,770
2027	105,264	80,200	185,464
2028	105,264	80,200	185,464
2029 and subsequent	2,455,250	-	2,455,250
	<u>2,981,570</u>	<u>549,563</u>	<u>3,531,133</u>
Actuarial addition *	1,340,468	197,199	1,537,667
	<u>\$ 4,322,038</u>	<u>\$ 746,762</u>	<u>\$ 5,068,800</u>

* Actuarial Adjustments represent interest earned on sinking funds held by the Municipal Finance Authority. Such interest is used to reduce the principal amount of outstanding debt.

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

13. Asset Retirement Obligations

The Town owns and operates assets that are known to have asbestos and lead paint, which represent a health hazard upon demolition or renovation of the assets. There is a legal obligation to remove and dispose of the hazardous materials. Following the adoption of Public Account Standard PS 3280 *Asset Retirement Obligation*, the Town recognized an obligation relating to the removal of the hazardous materials in these assets as estimated at January 1, 2023. The transition and recognition of asset retirement obligations involved an accompanying increase to the Buildings, Other, and Water Infrastructure capital assets. The increase in capital assets is amortized on a straight-line basis over the remaining expected useful life of the related assets.

The Town has adopted this standard prospectively. Under the projective method, the discount rate and assumptions used on the initial recognition are those as the date of the adoption of the standard. Estimated costs totalling \$2,786,519 have been discounted using a present value calculation with a discount rate of 4.28%. The timing of these expenditures is estimated to occur between 2024 and 2072 with the regular replacement, renovation or disposal of assets. No recoveries are expected at this time.

	2023	2022
Opening asset retirement obligations	\$ -	\$ -
Initial recognition of expected cash flows		
General Fund Assets		
Buildings	438,476	-
Other	140,548	-
Water Assets	48,612	-
Sewer Assets	12,156	-
	<u>639,792</u>	<u>-</u>
Increase due to accretion	27,383	-
Closing asset retirement obligation	<u><u>\$ 667,175</u></u>	<u><u>\$ -</u></u>

14. Tangible Capital Assets

	2023	2022
	Net Book	Net Book
	Value	Value
Land	\$ 4,454,465	\$ 3,471,390
Building	12,366,999	11,749,750
Machinery and Equipment	1,429,120	1,699,037
Engineering structures		
Water	8,195,504	8,124,827
Sewer	13,531,504	13,638,447
Drainage	2,369,629	2,308,272
Roads	6,394,887	6,683,860
Other	2,020,722	1,640,186
WIP	1,875,053	1,214,150
Total	<u><u>\$ 52,637,883</u></u>	<u><u>\$ 50,529,919</u></u>

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 1)

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

15. Equity in Tangible Capital Assets

Equity in tangible capital assets (TCA) represents the net book value (NBV) of total capital assets less long term obligations assumed to acquire those assets. The change in consolidated equity in tangible capital assets is as follows:

	2023	2022
Proof:		
Equity in Physical Assets, opening	\$ 44,936,427	\$ 42,334,502
Add:		
Capital Acquisitions	3,788,094	6,439,970
Debt principal repayment	367,738	2,331,949
Asset Retirement Obligation Asset additions	639,792	-
Actuarial Adjustments	156,961	141,062
Less:		
Net Proceeds from the issue of debt	-	(1,500,000)
Proceeds of Disposition	-	(2,609,819)
Loss on Disposals	(32,262)	(94,291)
Asset Retirement Obligation	(639,792)	-
ARO Accretion	(27,383)	-
ARO Amortization	(139,692)	-
Write-down of WIP	(57,603)	-
Amortization	(2,090,363)	(2,106,946)
	\$ 46,901,917	\$ 44,936,427

16. Net Taxation

	2023	2022
General Municipal purposes	\$ 5,327,229	\$ 5,037,709
Collections for other governments		
Provincial Education	2,140,281	1,936,205
Regional Hospital District - East Kootenay	428,922	414,067
Municipal Finance Authority	277	239
BC Assessment Authority	50,497	45,726
Regional District of Central Kootenay	3,056,330	2,883,985
	11,003,536	10,317,931
Transfers to other governments		
Provincial Education	2,140,281	1,936,205
Regional Hospital District - East Kootenay	428,922	414,067
Municipal Finance Authority	277	239
BC Assessment Authority	50,497	45,726
Regional District of Central Kootenay	3,056,331	2,883,985
	5,676,308	5,280,222
Net Municipal Taxes	5,327,228	5,037,709
Water and Sewer Funds - Frontage Taxes	822,815	822,457
	\$ 6,150,043	\$ 5,860,166

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

17. Sale of Services, User Rates, Rentals

	2023		2022
Sale of cemetery plots and burial charges	\$ 72,989	\$	58,424
Regional District - cemetery	106,185		88,132
- fire protection and rescue	982,345		756,735
Provincial - fire suppression and rescue	182,729		64,545
Fines	42,015		44,037
Licences and permits	121,561		190,516
Rents	352,868		608,012
Solid Waste Collection and Disposal Fees	445,548		383,940
Concessions and franchises	93,914		71,142
Total	\$ 2,400,154	\$	2,265,483

18. Expenditure by Object

	2023		2022
Goods and Services	\$ 5,743,295	\$	5,235,018
Interest and Finance Charges	281,457		395,583
Salaries, wages and benefits	4,932,106		4,568,715
Amortization	2,230,055		2,106,946
Accretion	27,383		-
Other	343,911		265,219
Total	\$ 13,558,207	\$	12,571,481

19. Government Transfers

		2023		2022
Federal:	Conditional transfers	\$ 643,300	\$	690,676
	Unconditional transfers	-		-
Provincial:	Conditional transfers	2,625,777		2,254,022
	Unconditional transfers	562,000		724,000
Total		\$ 3,831,077	\$	3,668,698

20. Lease-in; Lease-out (LILLO)

In 2005 the Town entered into a 35 year capital lease with FortisBC Inc. (formerly Terasen Gas Inc.) for the natural gas distribution system within the municipal boundary. The value of the Town's rights in the lease has been set at \$5,500,000 of which 95% or \$5,225,000 has been prepaid to FortisBC. \$3,360,000 of the funds required for this prepayment together with transaction costs (approximately \$135,000) have been borrowed from the Municipal Finance Authority (MFA). Surplus Town funds that were on deposit with MFA have been used to fund the remaining \$2,000,000. Subsequent to establishing this capital lease the Town has leased back the operation of the system to FortisBC under a 17 year operating lease through which the risks inherent in such an operation have been transferred back to FortisBC. The terms of the operating lease required FortisBC to make annual payments which were used by the Town to pay down the MFA debt and fund new capital projects. In 2022, FortisBC exercised its option to terminate the capital lease and refund the remaining portion of the prepaid amount. The Town used the refund to pay down the remaining debt. Over the life of the agreement, the Town realized income of \$2,140,000 which helped fund many different capital projects with the downtown revitalization project and the Creston Emergency Services Building being the two largest over the years.

21. Commitments and Contingencies

- a. The municipality and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2023, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3.761 billion funding surplus for basic pension benefits on a going concern basis.

In 2023, the Town paid \$296,155 (2022 - \$266,672) in employer contributions to the plan.

The next valuation will be at December 31, 2024 with results available in 2025.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

- b. The Town is responsible, as a member of the Regional District Central Kootenay, for its portion of any operating deficits or long-term debt related to functions in which it participates.
- c. The Town 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 Town is assessed a premium and specific deductible for its claims based on population. The obligation of the Town 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 Town 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. The nature of the Town's activities is such that there is litigation pending or in progress at any time. With respect to unsettled claims at December 31, 2023, management is of the opinion that the Town has valid defences and appropriate insurance coverage in place, or if there is unfunded risk, such claims are not expected to have material effect on the Town's financial position. Outstanding contingencies are reviewed on an ongoing basis and are provided for based on management's best estimate of the ultimate settlement.

22. Segmented Disclosure

The Town of Creston has identified the General Government, Municipal Share of RCMP Costs, Protective Services, Transportation Services, Sanitation and Waste Removal, Cemetery Services, Community Planning, Recreation, Water Utility and Sewer Collection and Treatment as distinguishable activities of the municipality for which it is appropriate to separately report financial information.

The nature of the activities of these identified segments are as follows:

The General Government function provides for the on-going daily operations for the municipality

The Municipal Share of RCMP Costs - function are the activities associated with the cost of having the RCMP detachment in Creston including the officers, administrative and victim services staff, jailing costs as well as building costs.

The Protective Services function includes fire department, building inspection, animal control and bylaw compliance and enforcement services.

The Health and Welfare function is divided into two distinct services, Sanitation and Waste Removal and Cemetery Services.

Recreation and Community Services are divided into two distinct services, the Community Planning function administer all land development applications as zoning and Official Community Plan management, and the Recreation Services function takes care of the parks and trails in Creston.

The Water Utility function is a self funded service which is responsible for the procurement and delivery of drinking water throughout the municipality.

The Sewer Utility function is a self fund services which is responsible for the collection and treatment of wastewater for residences, commercial and industry.

The financial activities of these segments are reported in the following Schedule of Consolidated Operations by Segment (Schedule 3).

Town of Creston
Notes to the Consolidated Financial Statements
for the year ended December 31, 2023

23. Accumulated Surplus

	2023	2022
Unappropriated Surplus/(Deficit)		
General Fund	\$ 1,421,635	\$ 1,444,094
Water Fund	3,132,051	2,737,343
Sewer Fund	2,208,378	2,106,431
Capital Surplus	1,086,996	1,086,996
	<u>7,849,060</u>	<u>7,374,864</u>
Less: Non-financial component (prepaids & inventory)	(806,648)	(830,026)
Amount available to finance operations	<u>7,042,412</u>	<u>6,544,838</u>
 Non-Statutory Reserves		
Operating Reserves	623,523	605,005
Operating Capital Replacement Reserves	4,914,468	3,961,666
	<u>5,537,991</u>	<u>4,566,671</u>
 Statutory Reserves		
Property purchase reserve	25,563	-
Parking reserve	36,851	34,964
Water district reserve	210,332	172,612
Growing Communities Fund reserve	2,281,658	-
	<u>2,554,404</u>	<u>207,576</u>
Subtotal	15,134,807	11,319,085
Equity in Tangible Capital Assets	<u>46,901,917</u>	<u>44,936,427</u>
 Add back unappropriated surplus amounts not available to finance operations	806,648	830,026
	<u>\$ 62,843,372</u>	<u>\$ 57,085,538</u>

The Unappropriated Surplus is the amount of Accumulated Surplus remaining after deducting the other appropriated surplus balances (see below). It is available to temporarily finance operations until planned revenues (i.e. property taxes, grants etc.) are received, or for other operating or capital purposes as determined by Council, to the extent that it is available as cash.

The Non-Statutory and Statutory Reserves are Accumulated Surplus that have been set-aside by decision of Council for a specified purpose. The Statutory Reserves have been established by bylaw in accordance with the *Community Charter* and their use is restricted by the related bylaw and legislation. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated.

Equity in Tangible Capital Assets is equal to the book value of the tangible capital assets less related long-term debt. In the normal course of operations the tangible capital assets will not be available to finance operations, but will be consumed/used to provide services, and the debt will be repaid by future period revenues.

Schedule 1

Town of Creston
Consolidated Schedule of Tangible Capital Assets
Year Ended December 31, 2023

	Equipment/ Engineering Structures										2023	2022
	Land	Buildings	Furniture/ Vehicles	Water	Sewer	Drainage	Streets	Other	WIP	Total	Total	Total
Historical Cost:												
Opening Balance	\$ 3,471,390	\$ 13,669,740	\$ 5,672,163	\$ 13,021,970	\$ 26,077,387	\$ 5,101,255	\$ 19,789,476	\$ 4,836,124	\$ 1,214,150	\$ 92,853,655	\$ 91,809,163	
Additions	1,008,414	505,570	59,829	294,358	407,810	127,934	255,906	405,862	722,411	3,788,094	6,439,970	
Additions due to ARO Recognition	-	438,476	-	48,612	12,156	-	-	140,548	-	639,792	-	
Note (13)	(25,339)	-	-	(18,860)	-	-	-	-	-	(44,199)	(5,395,478)	
Disposals	-	-	-	-	-	-	-	-	(61,508)	(61,508)	-	
Write Downs and Adjustments	-	-	-	-	-	-	-	-	-	-	-	
Closing Balance, Dec. 31	\$ 4,454,465	\$ 14,613,785	\$ 5,731,992	\$ 13,346,080	\$ 26,497,353	\$ 5,229,189	\$ 20,045,383	\$ 5,382,534	\$ 1,875,053	\$ 97,175,834	\$ 92,853,655	
Accumulated Amortization:												
Opening Balance	\$ -	\$ 1,919,990	\$ 3,973,126	\$ 4,897,143	\$ 12,438,940	\$ 2,792,984	\$ 13,105,617	\$ 3,195,937	\$ -	\$ 42,323,737	\$ 42,908,157	
Amortization Expense	-	236,014	329,746	254,773	526,489	66,576	544,879	131,886	-	2,090,363	2,106,946	
Amortization of ARO Assets	-	90,782	-	14,502	419	-	-	33,989	-	139,692	-	
Effects of Disposals and	-	-	-	(15,842)	-	-	-	-	-	(15,842)	(2,688,242)	
Closing Balance, Dec. 31	-	2,246,786	4,302,872	5,150,576	12,965,848	2,859,560	13,650,496	3,361,812	-	44,537,950	42,323,737	
Net book value for year ended December 31, 2023	\$ 4,454,465	\$ 12,366,999	\$ 1,429,120	\$ 8,195,504	\$ 13,531,504	\$ 2,369,629	\$ 6,394,887	\$ 2,020,722	\$ 1,875,053	\$ 52,637,883	\$ 50,529,919	

	Balances, Beginning of Year	Contributions From Operations	Withdrawals for Capital Purposes	Withdrawals for Operating Purposes	Interest Earnings	Balances, End of Year
OPERATING FUND SURPLUS						
SURPLUS						
General Fund Surplus	\$ 1,353,570		\$ 68,065		\$ -	\$ 1,421,635
COVID 19 Safe Start Grant Surplus	90,524	-	(90,524)	-	-	-
Water Fund Surplus	2,737,343	546,756	(152,048)	-	-	3,132,051
Sewer Fund Surplus	2,106,431	454,224	(352,277)	-	-	2,208,378
	<u>6,287,868</u>	<u>1,000,980</u>	<u>(526,784)</u>	<u>-</u>	<u>-</u>	<u>6,762,064</u>
NON STATUTORY RESERVES						
Police Operating Reserve	101,773	35,417	-	-	-	137,190
Health Promotion & EDC Reserve	128,939	-	-	(40,867)	-	88,072
Green Initiatives Reserve	215,754	86,082	-	(59,851)	-	241,985
Engineering Reserve	77,096	-	-	-	-	77,096
Bin Replacement Reserve	24,205	27,634	-	-	-	51,839
Cemetery Operating Reserve	57,238	16,490	(46,387)	-	-	27,341
	<u>605,005</u>	<u>165,623</u>	<u>(46,387)</u>	<u>(100,718)</u>	<u>-</u>	<u>623,523</u>
CAPITAL REPLACEMENT RESERVES						
Public works equipment reserve	226,177	191,000	(79,933)	-	-	337,244
Fire equipment replacement reserve	502,592	122,377	(47,612)	-	-	577,357
Infrastructure Reserve	1,015,913	407,308	-	-	-	1,423,221
Wastewater treatment plant reserve	2,216,985	240,000	-	-	119,662	2,576,647
	<u>3,961,667</u>	<u>960,685</u>	<u>(127,545)</u>	<u>-</u>	<u>119,662</u>	<u>4,914,469</u>
TOTAL OPERATING FUND SURPLUS	<u>10,854,540</u>	<u>2,127,288</u>	<u>(700,716)</u>	<u>(100,718)</u>	<u>119,662</u>	<u>12,300,056</u>
CAPITAL FUND SURPLUS						
General Capital Fund Surplus	190,536	-	-	-	-	190,536
Water Capital Fund Surplus	321,995	-	-	-	-	321,995
Sewer Capital Fund Surplus	574,465	-	-	-	-	574,465
	<u>1,086,996</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,086,996</u>
STATUTORY RESERVES						
Property purchase reserve	-	25,375	-	-	188	25,563
Parking reserve	34,964	-	-	-	1,887	36,851
Water district reserve	172,612	28,404	-	-	9,316	210,332
Growing Communities Fund	-	2,350,000	(157,149)	-	88,807	2,281,658
	<u>207,576</u>	<u>2,403,779</u>	<u>(157,149)</u>	<u>-</u>	<u>100,198</u>	<u>2,554,404</u>
TOTAL SURPLUS AND RESERVES	<u>\$ 12,149,112</u>	<u>\$ 4,531,067</u>	<u>\$ (857,865)</u>	<u>\$ (100,718)</u>	<u>\$ 219,860</u>	<u>\$ 15,941,456</u>

Schedule 3

Town of Creston
 Schedule of Consolidated Operations by Segment
 Year Ended December 31, 2023

	Recreation and													
	General Government	Municipal Share of RCMP Costs	Health & Welfare				Community Services			Water Utility	Sewer Utility	Unallocated	2023 Total	2022 Total
			Protection Services	Transportation	Sanitation and Waste Removal	Cemetery Services	Community Planning	Recreation						
Revenue														
Taxation	\$ -	\$ 1,162,306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,472	\$ 432,343	\$ 4,173,082	\$ 6,158,203	\$ 5,868,288
Sale of services and rents	254,033	109,536	1,255,381	4,500	444,929	179,174	619	58,068	619	-	-	93,914	2,400,154	2,265,483
Government transfers	2,499,287	-	126,490	-	-	-	643,300	-	-	-	-	562,000	3,831,077	3,668,698
Investment income	71,941	-	-	-	-	-	-	-	-	147,747	233,355	712,235	1,165,278	502,287
Utility user fees and connection charges	-	-	-	-	-	-	-	-	-	1,389,507	2,013,973	-	3,403,480	3,136,710
Development Cost Charge Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	158,874
Other	240,256	27,401	206,290	22,128	-	-	1,480,005	35,900	1,480,005	-	19,520	184,040	2,215,540	896,213
	3,065,517	1,299,243	1,588,161	26,628	444,929	179,174	2,123,924	93,968	2,123,924	2,070,036	2,699,191	5,725,271	19,316,042	16,496,553
Expenses														
Salaries and Wages	1,430,186	79,969	1,138,682	601,769	26,180	127,194	352,695	291,583	352,695	217,623	666,225	-	4,932,106	4,568,715
Goods and Services	883,482	1,227,666	817,118	529,438	352,736	35,489	111,642	82,587	111,642	944,914	758,223	-	5,743,295	5,235,018
Debt Financing	83,309	-	129,233	-	-	-	-	-	-	-	68,915	-	281,457	395,583
Amortization	-	-	-	544,879	-	-	-	-	-	269,275	526,908	888,993	2,230,055	2,106,945
Accretion	-	-	-	-	-	-	-	-	-	2,081	520	24,782	27,383	-
Other	267,170	-	2,500	20,496	6,385	-	-	-	-	25,429	21,931	-	343,911	265,219
	2,664,147	1,307,635	2,087,533	1,696,582	385,301	162,683	464,337	374,170	464,337	1,459,322	2,042,722	913,775	13,558,207	12,571,480
Total	\$ 401,370	\$ (8,392)	\$ (499,372)	\$ (1,669,954)	\$ 59,628	\$ 16,491	\$ (280,202)	\$ 1,659,587	\$ 610,714	\$ 656,469	\$ 4,811,496	\$ 5,757,835	\$ 3,925,073	

Town of Creston
 Schedule of Provincial COVID 19 Safe Restart Grant Utilization
 Year Ended December 31, 2023

SCHEDULE 4

	2023	2022
Beginning Balance	\$ 90,524	\$ 169,942
COVID 19 Safe Restart Grant Revenue	-	-
Operating Costs		
Supplies	-	1,851
Extra Cleaning Labour	-	41,307
Communications	-	6,745
Equipment Rentals & Costs	-	60
Fire Department Costs	-	-
Sick Pay	-	29,455
Total	<u>-</u>	<u>79,418</u>
Capital Costs		
Contribution towards Excess Emergency Services Building Costs	90,524	-
Remaining Grant Funds (included in General Fund Surplus)	<u>\$ -</u>	<u>\$ 90,524</u>

Town of Creston
 Growing Communities Fund Reserve
 Year Ended December 31, 2023

SCHEDULE 5

	2023	2022
Beginning Balance	\$ -	\$ -
Growing Communities Fund Grant	2,350,000	-
Interest Earned on Funds	88,807	-
Eligible Costs		
Purchase of Birch Street Property for Future Housing Development	(157,149)	-
Remaining Reserve Balance	<u>\$ 2,281,658</u>	<u>\$ -</u>

The Province of BC distributed conditional Growing Communities Fund grants to local governments to help them build community infrastructure and amenities to meet the demands of population growth. The Town of Creston received \$2,350,000 in March of 2023.

