

# Financial Information Regulation, Schedule 1

## Checklist – Statement of Financial Information (SOFI)

### For the Corporation:

Corporate Name: Town of Creston Contact Name: Steffan Klassen

Fiscal Year End: 31 December, 2024 Phone Number: (250) 428-2214 ext.211

Date Submitted: \_\_\_\_\_ E-mail: Steffan.Klassen@creston.ca

### For the Ministry:

Ministry Name: \_\_\_\_\_ Reviewer: \_\_\_\_\_

Date Received: \_\_\_\_\_ Deficiencies: 

Yes		No	
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Date Reviewed: \_\_\_\_\_ Deficiencies Addressed: 

Yes		No	
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Approved (SFO): \_\_\_\_\_ Further Action Taken: \_\_\_\_\_

Distribution: Legislative Library ☐ Ministry Retention ☐

<b>FIR Schedule 1 Section</b>	<b>Item</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
<b>General</b>					
1 (1) (a)	Statement of assets and liabilities	Y			
1 (1) (b)	Operational statement	Y			
1 (1) (c)	Schedule of debts	Y			
1 (1) (d)	Schedule of guarantee and indemnity agreements			N/A	
1 (1) (e)	Schedule of employee remuneration and expenses	Y			
1 (1) (f)	Schedule of suppliers of goods and services	Y			
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	Y			Consolidated statements presented for all funds together.
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	Y			

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Statement of Assets &amp; Liabilities</b>					
2	<ul style="list-style-type: none"> <li>A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and</li> <li>Show changes in equity and surplus or deficit due to operations</li> </ul>	Y			
<b>Operational Statement</b>					
3 (1)	Prepared in accordance with GAAP or stated accounting principles / policies and consists of: <ul style="list-style-type: none"> <li>a Statement of Income or Statement of Revenue and Expenditures, and</li> <li>a Statement of Changes in Financial Position</li> </ul>	Y			
3 (2) 3 (3)	<ul style="list-style-type: none"> <li>The Statement of Changes in Financial Position may be omitted if it provides no additional information</li> <li>The omission must be explained in the notes</li> </ul>			N/A	
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund			N/A	Consolidated statements presented for all funds together. Notes contain reconciliation for Equity in Tangible Capital Assets.
<b>Schedule of Debts</b>					
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date	Y			
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts	Y			
4 (3) 4 (4)	<ul style="list-style-type: none"> <li>The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information</li> <li>The omission must be explained in a note to the schedule</li> </ul>			N/A	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Schedule of Guarantee and Indemnity Agreements</b>					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)			N/A	
5 (2)	State the entities involved, and the specific amount involved if known			N/A	
5 (3) 5 (4)	<ul style="list-style-type: none"> <li>The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information</li> <li>The omission must be explained in a note to the schedule</li> </ul>			N/A	
<b>Schedule of Remuneration and Expenses</b> (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	Y			
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	Y			
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	Y			
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	Y			
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	Y			

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
<b>Schedule of Remuneration and Expenses</b> (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	Y			
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: <ul style="list-style-type: none"> <li>the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and</li> <li>the range of equivalent months' compensation for them</li> </ul> (see Guidance Package for suggested format)	Y			
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses			N/A	
<b>Schedule of Suppliers of Goods or Services</b> (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding \$25,000	Y			
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	Y			
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	Y			
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	Y			

<b>FIR Schedule 1 Section</b>	<b>Item</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI			N/A	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible			N/A	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)			N/A	
<b>Approval of Financial Information</b>					
9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)			N/A	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	Y			
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at <a href="http://www.gov.bc.ca/cas/popt/">http://www.gov.bc.ca/cas/popt/</a> )	Y			
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	Y			
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	Y			



**Financial Information Act**  
**Financial Information Regulation (FIR), Schedule 1**

**Statement of Financial Information (SOFI)**  
**Index to FIR Schedule 1 and the Checklist**

**Page 1: Corporation Information**

**Ministry Information**

**General: Section One**

- 1(1)(a) Statement of assets and liabilities
- 1(1)(b) Operational statement
- 1(1)(c) Schedule of debts
- 1(1)(d) Schedule of guarantee and indemnity agreements
- 1(1)(e) Schedule of employee remuneration and expenses
- 1(1)(f) Schedule of suppliers of goods and services
- 1(2) [Explanatory information for reference]
- 1(3) Statements prepared on a consolidated basis or for each fund
- 1(4) & (5) Notes to the statements and schedules in section 1(1)

**Page 2: Statement of Assets & Liabilities: Section Two**

- 2 Balance sheet
- Changes in equity and surplus or deficit

**Operational Statement: Section Three**

- 3(1) Statement of Income / Statement of Revenue and Expenditures
- Statement of Changes in Financial Position
- 3(2) & (3) Omission of Statement of Changes in Financial Position, with explanation
- 3(4) Requirement for community colleges, school districts and municipalities

**Statement of Debts: Section Four**

- 4(1)(a) & 4(2) List and detail the schedule of long-term debts
- 4(1)(b) Identify debts covered by sinking funds / reserves
- 4(3) & (4) Omission of schedule, with explanation

**Page 3: Schedule of Guarantee and Indemnity Agreements: Section Five**

- 5(1) List agreements under the Guarantees and Indemnities Regulation
- 5(2) State the entities and amounts involved
- 5(3) & (4) Omission of schedule, with explanation

**Page 3 & 4: Schedule of Remuneration and Expenses: Section Six**

- 6(1) [Definitions for reference]
- 6(2)(a) List remuneration / expenses for each elected official, member of board, Cabinet appointees
- 6(2)(b) List each employee with remuneration exceeding \$75,000, plus expenses
- 6(2)(c) Consolidated total for all employees with remuneration of \$75,000 or less
- 6(2)(d) Reconcile difference in total remuneration above with operational statement
- 6(3) Exclude personal information other than as required

**Page 3 & 4: Schedule of Remuneration and Expenses: Section Six (continued)**

- 6(4) & (5) [Explanatory information for reference]
- 6(6) Report employer portion of EI and CPP as a supplier payment

- 6(7)(a) & (b) Statement of severance agreements
- 6(8) Explain an omission of statement of severance agreements
- 6(9) [Statement of severance agreements to minister – not required unless requested]

**Page 4: Schedule of Suppliers of Goods or Services: Section Seven**

- 7(1)(a) List suppliers receiving payments exceeding \$25,000
- 7(1)(b) Consolidated total of all payments of \$25,000 or less
- 7(1)(c) Reconcile difference in total above with operational statement
- 7(2)(a) [Explanatory information for reference]
- 7(2)(b) Statement of payments of grants or contributions
- 7(2)(c) [Explanatory information for reference]

**Page 5: Inactive Corporations: Section Eight**

- 8(1) Ministry to report for inactive corporations
- 8(2)(a) Contents of report – statements and schedules under section 1(1) to extent possible
- 8(2)(b) Contents of report – operational status of corporation

**Approval of Financial Information: Section Nine**

- 9(1) Approval of SOFI for corporations (other than municipalities)
- 9(2) Approval of SOFI for municipalities
- 9(3) Management report
- 9(4) Management report must explain roles and responsibilities
- 9(5) Signature approval is for all contents of the SOFI

**Access to the Financial Information: Section Ten**

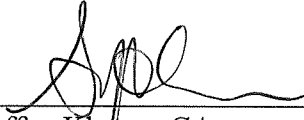
- 10(1) to (3) [Explanatory information for reference]



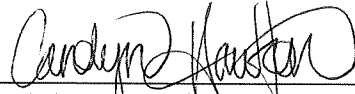
**TOWN OF CRESTON**

**STATEMENT OF FINANCIAL INFORMATION APPROVAL**

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.



Steffan Klassen CA  
Director of Finance & Corporate Services  
June 30, 2025



Acting Mayor Carolyn Hawton  
Council Member on behalf of Council  
June 30, 2025

☐ Prepared pursuant to the Financial Information Regulation, Schedule 1, section 9



# **Town of Creston**

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## **FINANCIAL STATEMENT 2024**

# TOWN OF CRESTON

## INDEX TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

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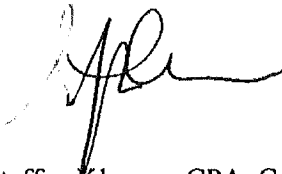
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## **MANAGEMENT REPORT**

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.

A handwritten signature in black ink, appearing to read 'Steffan Klassen', with a stylized, flowing script.

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

April 22, 2025

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## INDEPENDENT AUDITORS' REPORT

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**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, 2024, 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, 2024, 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.



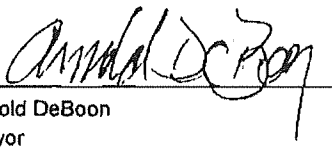
**Chartered Professional Accountants**

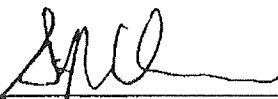
Creston, BC  
April 22, 2025

**Town of Creston**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2024**

	2024	2023
<b>Financial Assets</b>		
Cash and investments (Note 2)	\$ 18,173,190	\$ 15,526,631
Accounts receivable (Note 3)	1,748,744	1,273,627
MFA deposits (Note 4)	216,336	213,699
Loans receivable (Note 5)	1,820,129	1,929,488
	<u>21,958,399</u>	<u>18,943,445</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities (Note 6)	3,958,654	2,042,816
Deferred revenue (Notes 7 & 8)	1,248,956	1,083,147
Development cost charges (Note 9)	515,339	486,995
Reserve MFA	216,336	213,699
Long-term debt (Note 11)	4,800,137	5,068,800
Asset Retirement Obligations (Note 12)	760,338	667,175
	<u>11,499,760</u>	<u>9,562,632</u>
<b>Net Financial Assets</b>	<u>10,458,639</u>	<u>9,380,813</u>
<b>Non-financial assets</b>		
Tangible capital assets (Notes 1 & 13, Schedule 1)	54,344,225	52,637,883
Supply inventory	609,122	628,602
Prepaid expenses	166,199	178,046
	<u>55,119,546</u>	<u>53,444,531</u>
<b>Accumulated surplus</b>	<u>\$ 65,578,185</u>	<u>\$ 62,825,344</u>
<b>Represented by:</b>		
Operating fund (Schedule 2)	13,242,589	12,282,026
Capital fund (Schedule 2)	1,086,996	1,086,996
Statutory reserve fund (Schedule 2)	2,464,842	2,554,405
Equity in tangible capital assets (Note 14)	48,783,758	46,901,917
	<u>\$ 65,578,185</u>	<u>\$ 62,825,344</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, 2024**

	2024 Budget	2024	2023
<b>Revenue</b>			
Property Taxes (Note 15)	\$ 6,578,623	\$ 6,577,966	\$ 6,150,043
Grants in Lieu of Taxes	8,400	8,986	8,160
Sale of services (Note 16)	2,437,326	2,672,653	2,428,878
Government transfers (Note 18)	19,990,482	2,753,893	4,722,989
Investment income	454,924	1,179,898	1,180,477
Utility user fees and connection charges	4,914,479	3,541,716	3,388,283
Developer Asset Contributions	-	-	142,310
Other	410,898	474,082	1,294,904
	34,795,132	17,209,194	19,316,044
<b>Expenses</b>			
General government	2,568,712	2,557,947	2,382,042
Municipal contribution for RCMP services	1,481,730	1,608,465	1,307,635
Protective services	1,951,849	2,075,952	1,958,300
Transportation	1,540,148	1,301,705	1,151,703
Health and Welfare	576,760	574,272	547,984
Recreation and Community Services	1,730,850	960,383	838,508
Water Services	1,189,787	1,222,954	1,187,966
Sewer Services	333,058	411,827	296,127
Waste water treatment plant operation	1,161,352	1,329,238	1,150,253
Debt financing	200,751	237,555	281,457
Bank Charges	5,100	6,592	6,021
Amortization (Note 1, Schedule 1)	2,092,815	2,127,738	2,230,055
Accretion	-	29,246	27,383
Loss on write down of accounts receivable	-	-	120,941
Loss from sale/write down of tangible capital assets	-	12,479	89,864
	14,832,912	14,456,353	13,576,239
<b>Annual surplus</b>	19,962,220	2,752,841	5,739,805
<b>Accumulated surplus at beginning of year</b>	62,825,344	62,825,344	57,085,539
<b>Accumulated surplus at end of year</b>	\$ 82,787,564	\$ 65,578,185	\$ 62,825,344

*Commitments and Contingencies are specified in Note 19.*

***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, 2024**

	2024 Budget	2024	2023
<b>Annual surplus</b>	\$ 5,269,212	\$ 2,752,841	\$ 5,739,805
Acquisition of tangible capital assets	(4,609,906)	(3,782,541)	(3,788,094)
Increase in tangible assets due to asset retirement obligations	-	(63,917)	(639,792)
Amortization of tangible capital assets	2,092,815	2,127,738	2,230,055
Loss from sale/write down of tangible capital assets	-	12,479	89,864
	2,752,121	1,046,600	3,631,838
Acquisition of supply inventory		(103,229)	(126,445)
Acquisition of prepaid expense		(196,115)	(196,552)
Deposit made on property purchase		-	-
Consumption of supply inventory		122,608	157,679
Use of prepaid expense		207,962	188,699
		31,226	23,381
<b>Increase in net financial assets</b>	2,752,121	1,077,826	3,655,219
<b>Net financial assets at beginning of year</b>	9,380,813	9,380,813	5,725,594
<b>Net financial assets at end of year</b>	\$ 12,132,934	\$ 10,458,639	\$ 9,380,813

***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, 2024**

<b>(Indirect method)</b>	<b>2024</b>	<b>2023</b>
<b>Operating transactions:</b>		
Annual surplus	\$ 2,752,841	\$ 5,739,805
Non-cash and non-financial items:		
Amortization	2,127,738	2,230,055
Accretion	29,246	27,383
Decrease (increase) in prepaid expenses	11,847	(7,853)
Decrease in supply inventory	19,480	31,231
Loss from sale/write down of tangible capital assets	12,479	89,864
Changes to financial assets/liabilities:		
Increase in accounts receivable	(475,117)	(323,798)
(Increase) decrease in MFA cash deposits	(2,637)	172,810
Decrease in loan receivable	109,359	109,032
Increase in accounts payable	1,915,838	228,491
Increase (decrease) in deferred revenue	165,809	(583,478)
Increase in development cost charges	28,345	24,939
Increase (decrease) in MFA Reserves	2,637	(172,810)
Cash provided by operating transactions	6,697,865	7,565,671
<b>Capital transactions:</b>		
Acquisition of tangible capital assets	(3,782,541)	(3,788,094)
Cash applied to capital transactions	(3,782,541)	(3,788,094)
<b>Financing transactions:</b>		
Debt repayment	(233,221)	(367,738)
Actuarial Adjustments	(35,544)	(156,959)
Cash applied to financing transactions	(268,765)	(524,697)
<b>Increase in cash and investments</b>	<b>2,646,559</b>	<b>3,252,880</b>
<b>Cash and investments at beginning of year</b>	<b>15,526,631</b>	<b>12,273,751</b>
<b>Cash and investments at end of year</b>	<b>\$ 18,173,190</b>	<b>\$ 15,526,631</b>
<b>Represented by</b>		
Bank deposits and petty cash	600,069	937,372
Investments	17,573,121	14,589,259
	<b>\$ 18,173,190</b>	<b>\$ 15,526,631</b>

## **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 10.

#### **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.

**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 20). 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, 2024.

**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.

**s. Consolidation of Town owned Corporation**

The Town owns 100% of Creston Valley Housing Corporation. The financial statements of Creston Valley Housing Corporation are fully consolidated with those of the Town. All inter-entity transactions and unrealized gains are eliminated in the consolidated financial statements. The accounting policies of the Creston Valley Housing Corporation are adjusted to conform to those of the Town.

**Town of Creston**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2024**

**2. Cash and Equivalents**

	2024	2023
Restricted cash and investments		
Statutory Reserves (Schedule 2)	\$ 2,464,842	\$ 2,554,404
Restricted Revenues (Notes 8 and 9)	746,834	892,614
	<u>3,211,676</u>	<u>3,447,018</u>
Unrestricted cash and investments	14,961,514	12,079,613
<b>Total cash and investments</b>	<b>\$ 18,173,190</b>	<b>\$ 15,526,631</b>

**3. Accounts Receivable**

	2024	2023
Property Taxes	\$ 552,909	\$ 506,292
Other Governments	820,392	577,712
Trade and other	375,443	189,623
<b>Total accounts receivable</b>	<b>\$ 1,748,744</b>	<b>\$ 1,273,627</b>

**4. 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:

	2024	2023
Cash deposits	\$ 75,741	\$ 75,741
Demand notes	140,595	137,958
	<u>\$ 216,336</u>	<u>\$ 213,699</u>

## 5. 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, 2024 was \$35,507.

	2024	2023
Creston Valley Airport Society	\$ 60,508	\$ 71,656
British Columbia Emergency Health Services	1,759,621	1,857,832
	<u>\$ 1,820,129</u>	<u>\$ 1,929,488</u>

## 6. Accounts payable and accrued liabilities

	2024	2023
Other governments	\$ 2,021,869	\$ 1,080,809
Accrued wages and benefits	556,902	599,753
Trade and other	1,379,883	362,254
	<u>\$ 3,958,654</u>	<u>\$ 2,042,816</u>

## 7. Deferred Revenue

	2024	2023
Prepaid taxes	\$ 240,661	\$ 220,458
Deposits	273,230	150,142
Federal gas tax (Note 8)	231,495	405,619
Other	503,570	306,928
	<u>\$ 1,248,956</u>	<u>\$ 1,083,147</u>

**Town of Creston**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2024**

**8. 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

	2024	2023
Federal Gas Tax Agreement Funds		
Opening balance of unspent funds	\$ 405,619	\$ 236,593
Add: Amount received during the year	317,627	306,477
Interest earned	13,032	10,356
Less: Amount spent on eligible project costs	(504,783)	(147,807)
Closing balance of unspent funds	<u>\$ 231,495</u>	<u>\$ 405,619</u>

**9. 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	\$ 486,995	\$ -	\$ 28,344	\$ -	\$ 515,339	
Reserve by Bylaw	Roads	Water	Sanitary	Storm	Parks	Total
Duganville (BL 839)	\$ -	\$ 19,398	\$ 4,394	\$ 27,538	\$ -	\$ 51,330
Parks Reserve (BL 1264)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
McLaren (BL 1331)	\$ -	\$ 6,891	\$ -	\$ -	\$ -	\$ 6,891
Alice Siding (BL 1463)	\$ 685	\$ 197,609	\$ 61,627	\$ -	\$ -	\$ 259,921
Alice Siding (BL 1712)	\$ 113,246	\$ 20,845	\$ 48,069	\$ -	\$ 15,037	\$ 197,197
Grand Total:	\$ 113,931	\$ 244,743	\$ 114,090	\$ 27,538	\$ 15,037	\$ 515,339

**10. 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, 2024, the balance of funds held in trust was \$318,404 (2023 - \$280,048).



**Town of Creston**  
**Notes to the Consolidated Financial Statements**  
**for the year ended December 31, 2024**

**11. Long-Term Debt**

Purpose	By-law	Remaining Term	Rate	2024	2023
<b>GENERAL FUND</b>					
<b>Debenture Debt</b>					
Emergency Services Building	1872	28	2.58% ( a )	\$ 2,781,871	\$ 2,856,204
Emergency Services Building	1872	29	3.36% ( a )	1,430,813	1,465,834
				<u>4,212,684</u>	<u>4,322,038</u>
<b>SEWER FUND</b>					
<b>Debenture Debt</b>					
Water Pollution BVF Cover	1734	4	4.52%	100,806	148,562
WWTP Upgrade	1707	6	3.15% ( a )	486,647	598,200
				<u>587,453</u>	<u>746,762</u>
				<u>\$ 4,800,137</u>	<u>\$ 5,068,800</u>

( 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
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	105,264	-	105,264
2030 and subsequent	2,349,986	-	2,349,986
	2,876,306	421,606	3,297,912
Actuarial addition *	1,336,378	165,847	1,502,225
	<u>\$ 4,212,684</u>	<u>\$ 587,453</u>	<u>\$ 4,800,137</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.

## 12. 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 prospective 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 \$3,142,851 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 2025 and 2072 with the regular replacement, renovation or disposal of assets. No recoveries are expected at this time.

	2024	2023
Opening asset retirement obligations	\$ 667,175	\$ -
Initial recognition of expected cash flows		
General Fund Assets		
Buildings	63,917	438,476
Other	-	140,548
Water Assets	-	48,612
Sewer Assets	-	12,156
	<u>731,092</u>	<u>639,792</u>
Increase due to accretion	29,246	27,383
Closing asset retirement obligation	<u>\$ 760,338</u>	<u>\$ 667,175</u>

## 13. Tangible Capital Assets

	2024 Net Book Value	2023 Net Book Value
Land	\$ 4,660,939	\$ 4,454,465
Building	13,155,118	12,366,999
Machinery and Equipment	1,761,347	1,429,120
Engineering structures		
Water	8,011,216	8,195,504
Sewer	13,082,355	13,531,504
Drainage	2,369,201	2,369,629
Roads	7,150,917	6,394,887
Other	3,682,827	2,020,722
WIP	470,305	1,875,053
Total	<u>\$ 54,344,225</u>	<u>\$ 52,637,883</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, 2024**

**14. 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.

	2024	2023
Proof:		
Equity in Physical Assets, opening	\$ 46,901,917	\$ 44,936,427
Add:		
Capital Acquisitions	3,782,541	3,788,094
Debt principal repayment	233,221	367,738
Asset Retirement Obligation Asset additions	63,917	639,792
Actuarial Adjustments	35,544	156,961
Less:		
Loss on Disposals	(12,479)	(32,262)
Asset Retirement Obligation	(63,917)	(639,792)
ARO Accretion	(29,246)	(27,383)
ARO Amortization	(16,860)	(139,692)
Write-down of WIP	-	(57,603)
Amortization	(2,110,880)	(2,090,363)
	<u>\$ 48,783,758</u>	<u>\$ 46,901,917</u>

**15. Net Taxation**

	2024	2023
General Municipal purposes	\$ 5,755,084	\$ 5,327,229
Collections for other governments		
Provincial Education	2,268,162	2,140,281
Regional Hospital District - East Kootenay	519,792	428,922
Municipal Finance Authority	288	277
BC Assessment Authority	53,471	50,497
Regional District of Central Kootenay	3,147,811	3,056,330
	<u>11,744,608</u>	<u>11,003,536</u>
Transfers to other governments		
Provincial Education	2,268,162	2,140,281
Regional Hospital District - East Kootenay	519,792	428,922
Municipal Finance Authority	288	277
BC Assessment Authority	53,471	50,497
Regional District of Central Kootenay	3,147,811	3,056,331
	<u>5,989,524</u>	<u>5,676,308</u>
Net Municipal Taxes	5,755,084	5,327,228
Water and Sewer Funds - Frontage Taxes	822,882	822,815
	<u>\$ 6,577,966</u>	<u>\$ 6,150,043</u>

**Town of Creston****Notes to the Consolidated Financial Statements  
for the year ended December 31, 2024****16. Sale of Services, User Rates, Rentals**

	2024	2023
Sale of cemetery plots and burial charges	\$ 74,505	\$ 72,989
Regional District - cemetery	94,453	106,185
- fire protection and rescue	1,063,578	982,345
Provincial - fire suppression and rescue	136,261	182,729
Fines	39,530	42,015
Licences and permits	176,145	121,561
Rents	491,472	352,868
Solid Waste Collection and Disposal Fees	464,778	445,548
Concessions and franchises	96,894	93,914
Miscellaneous fees and charges	35,037	28,724
Total	<u>\$ 2,672,653</u>	<u>\$ 2,428,878</u>

**17. Expenditure by Object**

	2024	2023
Goods and Services	\$ 6,356,568	\$ 5,761,327
Interest and Finance Charges	237,556	281,457
Salaries, wages and benefits	5,555,812	4,932,106
Amortization	2,127,738	2,230,055
Accretion	29,247	27,383
Other	149,432	343,911
	<u>\$ 14,456,353</u>	<u>\$ 13,576,239</u>

**18. Government Transfers**

	2024	2023
Federal: Conditional transfers	\$ 500,200	\$ 643,300
Provincial: Conditional transfers	520,329	2,625,777
Unconditional transfers	615,051	562,000
Regional/Other: Conditional transfers	1,118,313	891,912
Total	<u>\$ 2,753,893</u>	<u>\$ 4,722,989</u>

**19. 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, 2024, the plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 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 2024, the Town paid \$331,849 (2023 - \$296,155) 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, 2024, 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.

## **20. 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, 2024**

**21. Accumulated Surplus**

	2024	2023
Unappropriated Surplus/(Deficit)		
General Fund	\$ 1,545,099	\$ 1,421,635
Water Fund	3,570,590	3,132,051
Sewer Fund	2,227,208	2,208,378
Capital Surplus	1,086,996	1,086,996
	<u>8,429,893</u>	<u>7,849,060</u>
Less: Non-financial component (prepaids & inventory)	(775,321)	(806,648)
Amount available to finance operations	<u>7,654,572</u>	<u>7,042,412</u>
Non-Statutory Reserves		
Operating Reserves	711,120	605,495
Operating Capital Replacement Reserves	5,188,572	4,914,468
	<u>5,899,692</u>	<u>5,519,963</u>
Statutory Reserves		
Property purchase reserve	27,051	25,563
Parking reserve	38,996	36,851
Water district reserve	251,671	210,332
Growing Communities Fund reserve	2,147,124	2,281,658
	<u>2,464,842</u>	<u>2,554,404</u>
Subtotal	16,019,106	15,116,779
Equity in Tangible Capital Assets	<u>48,783,758</u>	<u>46,901,917</u>
Add back unappropriated surplus amounts not available to finance operations	775,321	806,648
	<u>\$ 65,578,185</u>	<u>\$ 62,825,344</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.

**22. Comparative Figures**

Certain of the comparative figures for 2023 have been restated to conform with the financial statements presentation adopted in the current year.

Schedule 1

Town of Creston  
Consolidated Schedule of Tangible Capital Assets  
Year Ended December 31, 2024

	Land	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures	Water	Sewer	Drainage	Streets	Other	WIP	2024		2023	
											Total	Total	Total	Total
Historical Cost:														
Opening Balance	\$ 4,454,465	\$ 14,613,785	\$ 5,731,992	\$ 13,346,080	\$ 26,497,353	\$ 5,229,189	\$ 5,382,534	\$ 20,045,383	\$ 1,875,053	\$ 97,175,835	\$ 97,175,835	\$ 97,175,835	\$ 92,853,657	\$ 92,853,657
Additions	206,474	989,127	657,380	87,930	103,640	63,299	1,824,162	1,255,277	(1,404,748)	3,782,541	3,782,541	3,782,541	3,788,094	3,788,094
Additions due to ARO Recognitor	-	63,917	-	-	-	-	-	-	-	63,917	63,917	63,917	639,792	639,792
Note (13)	-	-	(196,273)	-	(25,068)	-	-	(3,653)	-	-	(224,994)	(224,994)	(44,199)	(44,199)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	(61,508)	(61,508)
Write Downs and Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance, Dec. 31	\$ 4,660,939	\$ 15,666,829	\$ 6,193,100	\$ 13,434,010	\$ 26,575,925	\$ 5,292,488	\$ 7,206,697	\$ 21,297,006	\$ 470,305	\$ 100,797,299	\$ 100,797,299	\$ 97,175,835	\$ 97,175,835	\$ 97,175,835
Accumulated Amortization:														
Opening Balance	\$ -	\$ 2,246,786	\$ 4,302,872	\$ 3,150,376	\$ 12,965,848	\$ 2,859,560	\$ 3,361,812	\$ 13,650,496	\$ -	\$ -	\$ 44,537,958	\$ 44,537,958	\$ 42,323,737	\$ 42,323,737
Amortization Expense	-	255,594	313,921	271,511	551,224	63,727	155,656	499,247	-	-	2,110,880	2,110,880	2,090,363	2,090,363
Amortization of ARO Assets	-	9,332	-	708	419	-	6,401	-	-	-	16,860	16,860	139,692	139,692
Effects of Disposals and	-	-	(185,041)	-	(23,921)	-	-	(3,653)	-	-	(212,615)	(212,615)	(15,840)	(15,840)
Closing Balance, Dec. 31	-	2,511,711	4,431,752	5,422,794	13,493,570	2,922,286	3,523,869	14,146,090	-	-	46,453,075	46,453,075	44,537,952	44,537,952
Net book value for year ended December 31, 2024	\$ 4,660,939	\$ 13,155,118	\$ 1,761,347	\$ 8,011,216	\$ 13,082,355	\$ 2,369,201	\$ 3,682,827	\$ 7,150,917	\$ 470,305	\$ 54,344,224	\$ 54,344,224	\$ 52,637,883	\$ 52,637,883	\$ 52,637,883



Town of Creston  
Consolidated Schedule Surplus and Reserves  
Year Ended December 31, 2024

SCHEDULE 2

	Balances, Beginning of Year	Contributions From Operations	Withdrawals for Capital Purposes	Withdrawals for Operating Purposes	Interest Earnings	Balances, End of Year
<b>OPERATING FUND SURPLUS</b>						
<b>SURPLUS</b>						
General Fund Surplus	\$ 1,421,635	\$ 123,464	\$ -	\$ -	\$ -	\$ 1,545,099
Water Fund Surplus	3,132,051	575,627	(137,088)	-	-	3,570,590
Sewer Fund Surplus	2,208,378	339,859	(321,029)	-	-	2,227,208
	<u>6,762,064</u>	<u>1,038,950</u>	<u>(458,117)</u>	<u>-</u>	<u>-</u>	<u>7,342,897</u>
<b>NON STATUTORY RESERVES</b>						
Police Operating Reserve	137,190	-	-	(133,248)	-	3,942
Health Promotion & EDC Reserve	70,042	22,242	-	(4,156)	-	88,128
Green Initiatives Reserve	241,985	236,786	-	(18,189)	-	460,582
Engineering Reserve	77,096	-	-	(11,670)	-	65,426
Bin Replacement Reserve	51,839	27,634	-	-	-	79,473
Cemetery Operating Reserve	27,341	-	(13,772)	-	-	13,569
	<u>605,493</u>	<u>286,662</u>	<u>(13,772)</u>	<u>(167,263)</u>	<u>-</u>	<u>711,120</u>
<b>CAPITAL REPLACEMENT RESERVES</b>						
Public works equipment reserve	337,244	222,200	(197,984)	-	-	361,460
Fire equipment replacement reserve	577,357	125,377	(35,498)	-	-	667,236
Infrastructure Reserve	1,423,221	486,187	(716,142)	-	-	1,193,266
Wastewater treatment plant reserve	2,576,647	240,000	-	-	149,963	2,966,610
	<u>4,914,469</u>	<u>1,073,764</u>	<u>(949,624)</u>	<u>-</u>	<u>149,963</u>	<u>5,188,572</u>
<b>TOTAL OPERATING FUND SURPLUS</b>	<u>12,282,026</u>	<u>2,399,376</u>	<u>(1,421,513)</u>	<u>(167,263)</u>	<u>149,963</u>	<u>13,242,589</u>
<b>CAPITAL FUND SURPLUS</b>						
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>
<b>STATUTORY RESERVES</b>						
Property purchase reserve	25,563	-	-	-	1,488	27,051
Parking reserve	36,851	-	-	-	2,145	38,996
Water district reserve	210,332	29,098	-	-	12,241	251,671
Growing Communities Fund	2,281,658	-	(240,137)	-	105,603	2,147,124
	<u>2,554,404</u>	<u>29,098</u>	<u>(240,137)</u>	<u>-</u>	<u>121,477</u>	<u>2,464,842</u>
<b>TOTAL SURPLUS AND RESERVES</b>	<u>\$ 15,923,426</u>	<u>\$ 2,428,474</u>	<u>\$ (1,661,650)</u>	<u>\$ (167,263)</u>	<u>\$ 271,440</u>	<u>\$ 16,794,427</u>

Town of Creston  
Schedule of Consolidated Operations by Segment  
Year Ended December 31, 2024

	General Government	Municipal Share of RCMP Costs	Health & Welfare					Recreation and Community Services			Sewer Utility	Unallocated	2024 Total	2023 Total
			Protection Services	Transportation	Sanitation and Waste Removal	Cemetery Services	Community Planning	Recreation	Water Utility					
Revenue														
Taxation	\$ -	\$ 1,266,263	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,503	\$ 432,379	\$ 4,497,807	\$ 6,586,952	\$ 6,158,203	
Sale of services and rents	294,667	144,939	4,500	1,379,063	463,955	168,958	96,111	23,568	-	-	96,892	2,672,653	2,428,878	
Government transfers	1,065,230	42,455	659,084	195,987	-	6,236	32,617	21,173	-	116,059	615,052	2,753,893	4,722,989	
Investment income	2,735	-	-	-	-	-	-	-	182,288	282,734	712,141	1,179,898	1,180,477	
Utility user fees and connection charges	-	-	-	-	-	-	-	-	1,414,051	2,127,664	-	3,541,715	3,388,283	
Developer Asset Charge Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	
Developer Asset Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	230,756	-	105,458	22,632	-	-	200	300	-	-	114,736	474,082	1,294,904	
	1,593,388	1,453,657	769,042	1,597,682	463,955	175,194	128,928	45,041	1,986,842	2,958,836	6,036,628	17,209,193	19,316,044	
Expenses														
Salaries and Wages	1,584,138	115,953	648,444	1,434,356	17,036	113,462	281,004	367,523	238,864	755,032	-	5,555,812	4,932,106	
Goods and Services	527,073	1,492,512	628,830	639,097	409,509	27,409	188,740	123,116	956,850	963,432	-	6,356,568	5,761,327	
Debt Financing	-	-	-	163,622	-	-	-	-	-	73,934	-	237,556	281,457	
Amortization	-	-	499,247	-	-	-	-	-	272,219	551,643	804,629	2,127,738	2,230,055	
Accretion	-	-	-	-	-	-	-	-	2,170	543	26,534	29,247	27,383	
Other	65,805	-	24,430	2,500	6,856	-	-	-	27,241	22,600	-	149,432	343,911	
	2,577,016	1,608,465	1,800,951	2,239,575	433,401	140,871	469,744	490,639	1,497,344	2,367,184	831,163	14,456,353	13,576,239	
Total	\$ (981,628)	\$ (154,808)	\$ (1,031,909)	\$ (641,893)	\$ 30,554	\$ 34,323	\$ (340,816)	\$ (445,598)	\$ 489,498	\$ 591,652	\$ 5,205,465	\$ 2,752,840	\$ 5,739,805	

Town of Creston  
Schedule of Provincial COVID 19 Safe Restart Grant Utilization  
Year Ended December 31, 2024

**SCHEDULE 4**

	2024	2023
Beginning Balance	\$ -	\$ 90,524
COVID 19 Safe Restart Grant Revenue	-	-
Operating Costs		
Supplies	-	-
Extra Cleaning Labour	-	-
Communications	-	-
Equipment Rentals & Costs	-	-
Fire Department Costs	-	-
Sick Pay	-	-
Total	-	-
Capital Costs		
Contribution towards Excess		
Emergency Services Building Costs	-	90,524
Remaining Grant Funds (included in General Fund Surplus)	\$ -	\$ -

Town of Creston  
 Growing Communities Fund Reserve  
 Year Ended December 31, 2024

**SCHEDULE 5**

	2024	2023
Beginning Balance	\$ 2,281,658	\$ -
Growing Communities Fund Grant	-	2,350,000.00
Interest Earned on Funds	105,603	88,807.00
Eligible Costs		
Purchase of Birch Street Property for Future Housing Development	-	(157,149.00)
Municipal Housing Corporatation Start-up costs	(19,899)	-
Purchase of Armitage Centre (Former Chamber Building)	(220,238)	-
Remaining Reserve Balance	<u>\$ 2,147,124</u>	<u>\$ 2,281,658</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.

# The Town of Creston

## SCHEDULE SHOWING REMUNERATION AND EXPENSES PAID FOR 2024

### 1. 6 (2) (a) Elected Officials

NAME	POSITION	REMUNERATION	EXPENSES
Ares, Monique	Councillor	21,994	5,291
Baldwin, Keith	Councillor	23,134	10,494
DeBoon, Arnold	Mayor/Councillor	43,557	1,728
Dumas, Denise	Councillor	23,134	7,733
Eisler, Norman	Councillor	20,159	123
Hawton, Carolyn	Councillor	16,445	5,364
Holland, Megan	Councillor	16,095	5,354
Total Elected Officials		\$ 164,518	\$ 36,086

### 2. 6 (2) (b) Employees Exceeding \$75,000

NAME	POSITION	REMUNERATION	EXPENSES
Bergman, Robert A.	Carpenter	78,844	0
Cassel, Tim	Parks and Cemeteries Operator	75,393	0
Collins, Jesse	Operator 2	75,402	0
Comer, Joel	Manager of Community Planning & Development	106,865	5,695
Dodman, Laura	Assistant Fire Chief	101,359	6,356
Dunbar, Kirsten	Corporate Officer	100,064	5,197
Dyer, Brandy	Communications Coordinator	76,450	0
Ewashen, Natasha	Planner	78,231	2,090
Fabbro, Randall T.	Fire Captain	84,203	2,188
Farymowski, Colin	Manager of Engineering	153,029	692
Fuller, C. Terrence	Mechanic	84,339	0
Grant, Tyler	Operator 2	77,595	0
Hilttermann, Michael	Pipefitter	75,397	0
Johnston, L. Trent	Utilities Chargehand	85,039	0
Klassen, Steffan	Director of Finance & Corporate Services	156,989	3,233
Lam, Andrew	Operator 2	77,178	0
Mendoza, Hilario	Utilities - Operator	83,513	0
Messinger, Ron	Operator 3	77,121	0
Moore, Michael	Chief Administrative Officer	202,832	13,653
Neufeld, Marsha	Executive Assistant	86,328	4,514
Riel, Jared	Fire Chief	113,006	6,894
Schmidt, Ferdinand	Director of Infrastructure Services	132,809	324
Todaro, Toby	Utilities - Chief Operator	121,539	224
Valer, Brent	Chief Mechanic	84,341	0
Vigne, Brandon	Manager of Building Services and Bylaw Services	90,865	7,001
Jeff Webb	Waste Water Treatment Plant Operator	84,223	0
Ziefflie, Brad	Public Works Superintendent	112,252	2,983
		\$ 2,685,008	\$ 61,044

### 6 (2) (c) Employees Remuneration

\$75,000 or less	1,583,173	67,341
Total Employees	\$ 4,268,181	\$ 128,386

### 3. Reconciliation

	REMUNERATION
Total Elected Officials	\$ 164,518
Total Employees	4,268,181
Subtotal	4,432,699
Total	Included in Statement of Revenue and Expenditure \$ 4,432,699

2024

**Town of Creston – Statement of Financial Information**

**SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES**

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

<b>Supplier name</b>	<b>Aggregate amount paid to supplier</b>
As per attached list	\$ 17,219,379
Deduct grants below	\$ 0
	\$
<b>Total aggregate amount paid to suppliers</b>	<b>\$ 17,219,379</b>

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

	<b>\$ 2,120,549</b>
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**3. Total of payments to suppliers for grants and contributions exceeding \$25,000**

Consolidated total of grants exceeding \$25,000	\$ 0
Consolidated total of contributions exceeding \$25,000	\$ 0
Consolidated total of all grants and contributions exceeding \$25,000	\$ 0

**4. Reconciliation**

Total of aggregate payments exceeding \$25,000 paid to suppliers	\$ <u>15,098,830</u>
Consolidated total of payments of \$25,000 or less paid to suppliers	\$ <u>2,210,549</u>
Consolidated total of all grants and contributions exceeding \$25,000	\$ <u>0</u>
Reconciling items*	\$ <u>( 2,763,026)</u>
Total per Statement of Revenue and Expenditure	\$ <u>14,456,353</u>

- \* The Town prepares the schedule of payments based on actual disbursements processed through its Accounts Payable system. This provides assurance on completeness as the reported amounts are reconciled to the financial system cheque register and electronic funds transfer records. The schedule of payments is a "cash basis" listing. This figure therefore will differ significantly from the expenditures in the consolidated financial statements which are reported on an accrual basis resulting in timing differences. Furthermore, there are disbursements which are not considered expenditures including payments made to other taxing jurisdictions, tangible capital asset additions, employee payroll deductions, debt principal repayments. Conversely there are expenditures which do not involve an actual disbursement (in addition to accruals) such as amortization.

**TOWN OF CRESTON**  
**YTD Paid Report**



AP5070

Date : May 23, 2025

Page : 1

Time : 2:55 pm

Supplier Code From : 00001

To : STMP000022

Categories From : 35 - Paper Products Supplier

To : W - Subcontractors

Sequence : By Name Date Range From : 01-Jan-2024

To : 31-Dec-2024

Suppress Printing for \$ Under

25,000.00

Supplier Code	Name	Total
10107	3-D CONCRETE	141,545.30
10951	AARDVARK PAVEMENT MARKING SERVICES	40,748.54
10324	ACTION ENGINE OUTDOOR MACHINERY GROUP LTD.	31,369.30
10316	ADVANCE DIVING PROJECTS LTD.	154,901.25
11086	ANDREW SHERET LIMITED	74,506.10
4081	APEX ACCOUNTING CHARTERED PROFESSIONAL ACCOUNTANT	37,380.00
1758	ASSOCIATED ENGINEERING ALBERTA LTD	159,606.79
10912	ASSOCIATED FIRE SAFETY GROUP INC.	56,906.01
14205	BAREFOOT PLANNING LTD.	67,414.20
13900	BC ASSESSMENT AUTHORITY	53,556.59
8515	BF ROOFING LTD.	102,795.00
5514	BROGAN FIRE & SAFETY	45,127.41
16350	CANADIAN UNION OF PUBLIC EMPLOYEES - LOCAL 2092	32,925.98
16389	CENTRALSQUARE CANADA SOFTWARE INC	31,323.82
8999	CHANDOS CONSTRUCTION LTD.	48,048.93
16040	CIBC VISA (by EFT)	421,461.51
14648	CIVIC LEGAL LLP	31,305.24
16488	CLEARTECH INDUSTRIES INC.	44,256.13
16600	COMFORT WELDING LTD.	40,634.05
16524	COVER ARCHITECTURAL COLLABORATIVE INC.	59,325.00
17709	CRESTON VALLEY REGIONAL AIRPORT SOCIETY	96,655.04
17983	CUBEX LTD.	31,260.03
8004	DHC COMMUNICATIONS INC	34,645.28
2701	FORTIS BC - Electricity	297,375.31
2705	FORTISBC - NATURAL GAS ACCOUNT #420622	156,357.13
8674	FULL CIRCLE PLASTICS LTD.	33,469.71
5405	GREEN ROADS RECYCLING LTD.	1,148,246.20
0325	HM AERO INC.	58,748.56
8600	INSURANCE CORPORATION OF BRITISH COLUMBIA	40,757.00
0193	JB IDEAL CONTRACTING LTD	47,715.15
2180	KEMLEE EQUIPMENT LTD.	96,852.23
6502	KOOTENAY EAST REGIONAL HOSPITAL DISTRICT	520,517.95
1700000459	LABATT BREWING CO LTD	564,000.00
8657	LAMBOURNE ENVIRONMENTAL LTD.	30,450.00
6160	LORNE D MANN "IN TRUST"	575,136.79
6252	MAYDAY ELECTRIC LTD.	65,478.57
6286	MCTAVISH RESOURCE & MANAGEMENT CONSULTANTS	32,065.06
6030	MEQUIPCO LTD	33,447.65
7145	MOUNTAIN MECHANICAL SALES & SERVICE LTD	30,678.54
5382	MOUNTAIN SPARKLE CLEANING INC	72,495.06
7880	MUNICIPAL INSURANCE ASSOCIATION OF BC	145,958.21
7905	MUNICIPAL PENSION PLAN	560,883.41
7909	MUNICIPAL PENSION PLAN - Group 5	76,209.01
8090	NAPA AUTO PARTS	27,297.46
1118	OUT OF TOWN HOTEL (by VISA)	39,960.39
2002	PACIFIC BLUE CROSS (by EFT)	265,299.20
3067	PETERBILT PACIFIC INC.	29,920.34
2463	POWER PAVING	199,647.00
6298	RECEIVER GENERAL FOR CANADA - THE COMMISSIONER	1,322,687.63
6300	RECEIVER GENERAL FOR CANADA - FULL TIME	968,470.63
6301	RECEIVER GENERAL FOR CANADA - PART TIME	236,189.45
6500	REGIONAL DIST. CENTRAL KOOTENAY - DEBENTURES	433,972.37
6501	REGIONAL DIST. OF CENTRAL KOOTENAY - SUN	3,585,684.67
6892	ROLLINS MACHINERY LIMITED	103,712.00

2024

**Town of Creston – Statement of Financial Information**

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**SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS**

The Town of Creston has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.



2024  
**Town of Creston – Statement of Financial Information**

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***TOWN OF CRESTON***

**STATEMENT OF SEVERANCE AGREEMENTS**

There were no severance agreements made between the Town of Creston and its non-unionized employees during fiscal year 2024.

☐ Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

