

The agenda for the **Meeting of the Administration and Finance Committee (Budget discussions)** to be held in the **Council Chambers** of the Municipal Hall, 8645 Stave Lake Street, Mission, British Columbia on Wednesday, February 9, 2011 commencing at 4:00 p.m.

1. **NEW BUSINESS**

- (A) Fee for Service Agreements Page 2

- (B) Financial Plan/Budget Bylaw Page 4
 - (a) Budget Scenarios
 - (b) Analysis of the Impact of each scenario on an average assessed home
 - (c) Minutes from January 31, 2011, public consultation session
 - (d) Public feedback forms/emails

2. **ADJOURNMENT**



Corporate Administration
Memorandum

File Category: FIN.GRA.FEE 2011
File Folder: General

TO: Chief Administrative Officer
FROM: Deputy Director of Corporate Administration
DATE: January 27, 2011
SUBJECT: Fee for Service Agreements

RECOMMENDATION:

That a fee for service agreement be signed with the following agencies for a three year period from January 1, 2011 to December 31, 2013 in the following amounts:

Mission Adopt a Block	\$27,551
Mission Heritage Association	\$11,356
Mission Arts Council	\$23,094
New Horizons Lawn Bowling	\$ 5,623
Fraser Valley Humane Society	\$23,840
Lifetime Learning Centre Society	\$11,246
Mission Regional Chamber of Commerce	\$34,067
Mission District Historical Society	\$75,097
Mission Community Services	\$37,000
Mission Search and Rescue – Mershon St	\$ 4,737 – Use of existing building in kind

That no increases in fee for service grants be approved in 2011 with letters going out to the agencies indicating this decision; and

That no new fee for service agreements be entered into in 2011 and that the new applicants be advised of this decision.

BACKGROUND:

The above noted agencies fee for service agreements expired on December 31, 2010. Council passed the following resolution at the December 8, 2010 Administration and Finance Meeting:

RECOMMENDED:

1. That all current (2010) Fee-for-Service grant recipients be given an amount equal to that which they received in 2010 on January 2, 2011, and
2. That when council makes the final decisions for 2011, and if an increase in the grant amounts are approved, that the increased amount be forwarded to all grant recipients at that time.

CARRIED

Staff has sent out the fee for service cheques at the beginning of January 2011 as per the recommendation above.

Staff has received Fee for Service Grant Applications from the following agencies for the years 2011 to 2013.

<u>Fee-for-Service Grants (20499)</u>	<u>2011 Actual</u>	<u>2011 Request</u>	<u>Difference</u>
Chamber of Commerce	34,067	50,000	15,933
Mission Heritage Association	11,356	11,356	0
Mission Arts Council	23,094	30,500	7,406
Mission Lawn Bowling	5,623	6,000	377
FV Humane Society	23,840	50,000	26,160
Lifetime Learning Society	11,246	15,000	3,754
M District Historical Society	75,097	73,116	-1,981
M Community Services	10,000	0	0
Seniors	15,000	18,000	3,000
ARC	12,000	15,000	3,000
Food Centre Program	0	15,000	15,000
Mission Adopt-a-Block	27,551	27,551	0
		Additional funds requested	\$72,649
NO EXISTING FEE FOR SERVICE AGREEMENT			
Note: (MASH received grant funding for the busy bus but no fee for service agreement was signed)			
Mission Assoc for Senior Housing - Gas	2,562	3,000	438
Vehicle Maintenance	4,000		0
M Downtown Business Association	0	28,600	28,600
SAINTS (Sr Animals in Need Today)	0	20,000	20,000
Actual totals	255,346	363,123	
		Additional funds requested	\$49,038
		Total Difference	\$121,687

The agencies that received Fee for Service funding in previous years have submitted requests totaling \$72,649 more than last year. In addition we received requests for fee for service agreements from Mission Association for Senior Housing, Mission Downtown Business Association and SAINTS in the amount of \$49,038 for a total increase in the fee for service requests of \$121,687.00. This would equate to an approximate .48% budget increase.

Council had indicated that it would provide funding for \$3000.00 worth of gas for the MASH Busy Bus last year. Staff feel that this request could be covered under the donations in kind budget – account 20505 rather than a fee for service agreement.

Based on the above information, it is staff's recommendation that fee for service agreements be entered into with those agencies that have already received funding, that no additional funding be granted to these agencies in 2011 with a review being done in the 2012 budget year; and that no new fee for service agreements be entered into in 2011.

Kelly Ridley
Kelly Ridley

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Finance Department
Memorandum

FILE: FIN.BUD.DOM
2011 Budget

To: Chief Administrative Officer
From: Director of Finance
Date: February 3, 2011
Subject: Financial Plan/Budget Bylaw

Recommendation

1. That council provide final direction to staff in terms of the District's 2011 financial plan/budget including the final 2011 property tax increase; and,
2. That the District's 2011-2015 financial plan bylaw be brought forward to council for first three readings on Monday, March 7, 2011, and for final adoption on Monday, March 21, 2011.

Report

Council has now received feedback from the public in regards to the District's draft 2011 financial plan including the various tax increase scenarios. Attached are the budget scenarios that were presented to the public, an analysis of the impact of each of the scenarios on an average assessed value home in Mission, the minutes from the public budget consultation session held on January 31, 2011, and the public feedback form/emails received.

A recent review of the budget has resulted in a positive budget change that is the equivalent of a 0.28% or \$69,471 budget reduction. There are a number of options as to how these savings can be utilized including reducing the overall tax increase, paying for the cost of any added services, etc. Council should decide on how they would like to utilize these savings.

We need to finalize the District's 2011 budget/tax increase and proceed with first three readings and adoption of the associated 2011 financial plan and tax rates bylaws. Staff needs final direction from council in order to prepare the said bylaws. Staff would like to present the 2011 financial plan bylaw for first three readings on March 7, 2011, and final adoption on March 21, 2011. This timing would allow staff to incorporate all budget changes, including carry forwards, into the financial plan bylaw.

Ken Bjorgaard

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2011 Draft Budget/Tax Increase Scenarios		
	2011 Draft Budget	
	Budget Increases	% Tax Increase
<u>Full-Service Budget Scenario</u>		
<i>Cost Increase for Maintaining Existing Services</i>		
Police services (includes RCMP member wages)	\$ 302,915	1.19%
Transit	305,113	1.22%
Salaries/benefits	493,806	1.97%
Contractual increases and other commitments	100,209	0.39%
<i>Subtotal Cost of Maintaining Existing Services</i>	1,202,043	4.77%
<i>Additional Revenue</i>		
Revenue from new development	(236,000)	-0.93%
Other revenue (user fees, grants in-lieu, etc.)	(273,614)	-1.09%
<i>Subtotal Additional Revenue</i>	(509,614)	-2.02%
<i>Remove Inflationary Increases from the Budget</i>		
	(108,491)	-0.43%
<i>New or Enhanced Services</i>		
Additional police officer (domestic violence coordinator) (effective January 1, 2011)	122,000	0.48%
Second assistant Fire Chief (effective July 1, 2011)	66,525	0.26%
Downtown security (funding from taxation not gaming funds)	38,940	0.15%
Increased funding for Economic Development Office	35,000	0.14%
Increase in Community Special Events Grants	5,000	0.02%
<i>Subtotal New or Enhanced Services</i>	267,465	1.05%
<i>Subtotal Before Adding Cost of Full-Time Fire Fighters and Capital Contribution</i>	\$ 851,403	3.37%
<i>Full-Time Fire Fighters (funds to pay for second half of 2nd complement hired in October of 2010)</i>	\$ 259,650	1.03%
<i>Capital Contribution</i>	\$ 252,196	1.00%
<i>Cost of Full-Service Budget Scenario</i>	\$ 1,363,249	5.40%

2011 Draft Budget/Tax Increase Scenarios (cont'd)		
	2011 Draft Budget	
	Budget Increases	% Tax Increase
<i>Cost of Full-Service Budget Scenario (balance from previous page)</i>	\$1,363,249	5.40%
<u>Reductions Required for a 4.66% Budget Scenario</u>		
Forego hiring additional police officer (see page 2)	(122,000)	-0.48%
Forego hiring second assistant Fire Chief (see page 2)	(66,525)	-0.26%
<i>Subtotal 4.66% Budget Scenario</i>	\$1,174,724	4.66%
<u>Reductions Required for a 3.88% Budget Scenario</u>		
Downtown security (fund from gaming) (see page 2)	(38,940)	-0.15%
Defer electronic document management system upgrade	(25,000)	-0.10%
Delay LiveScan implementation (police budget)	(30,000)	-0.12%
Corporate Administration (reduce corporate training, legal, etc.)	(39,080)	-0.15%
Engineering/Public Works (reduce survey consulting, roads budget, remove insurance on municipal bridges)	(66,639)	-0.26%
<i>Subtotal 3.88% Budget Scenario</i>	\$975,065	3.88%
<u>Reductions & Revenue Required for a 3.50% Budget Scenario</u>		
Fire/Rescue (reduce training)	(22,972)	-0.09%
Planning budget (reduce overtime at public hearings)	(2,500)	-0.01%
Recreation & Culture (reduce afternoon reception coverage)	(15,000)	-0.06%
Finance budget (reduce training budget)	(5,000)	-0.02%
New Revenue		
Institute a \$10/player field fee for minor sports participants	(12,000)	-0.05%
Advertising opportunities at the Mission Leisure Centre	(7,000)	-0.03%
Subdivision engineering administration fees	(30,000)	-0.12%
<i>Subtotal 3.50% Budget Scenario</i>	\$ 880,593	3.50%

Projected 2011 Property Tax & Utilities Increases
 (Based on various tax scenarios and Average Home Assessment in Mission)

For Residential Properties Connected to Water & Sewer

Average Assessed Home (2010) \$381,000
 Average Assessed Home (2011) \$393,000

	2010	Estimated 2011 Tax Increases				Notes
		5.40%	4.66%	3.88%	3.50%	
Estimated increase in Tax Rates						
Municipal & Library Property Taxes						
Municipal Taxes	1,666.27	1,716.94	1,704.91	1,692.18	1,686.01	
Increase in Municipal Taxes		50.67	38.64	25.91	19.74	
Library Taxes	73.27	76.16	76.16	76.16	76.16	Includes increase of 4.86%
Increase in Library Taxes		2.89	2.89	2.89	2.89	
Subtotal Municipal & Library Property Taxes	1,739.54	1,793.10	1,781.07	1,768.34	1,762.17	
Increase in Municipal & Library Taxes Only		53.56	41.53	28.80	22.63	
Municipal Utilities						
Water	389.16	447.53	447.53	447.53	447.53	Includes estimated increase of 15%
Sewer	309.48	340.43	340.43	340.43	340.43	Includes estimated increase of 10%
Refuse	159.00	159.00	159.00	159.00	159.00	
Recycling	125.00	125.00	125.00	125.00	125.00	
Subtotal Municipal Utilities	982.64	1,071.96	1,071.96	1,071.96	1,071.96	
Increase in Utility Charges Only		89.32	89.32	89.32	89.32	
Total Municipal & Utility Charges	2,722.18	2,865.06	2,853.03	2,840.30	2,834.13	
Total Increase in dollars		\$142.88	\$130.85	118.12	\$111.95	
Total Increase as a percentage		5.25%	4.81%	4.34%	4.11%	

Projected 2011 Property Tax & Utilities Increases
 (Based on various tax scenarios and Average Home Assessment in Mission)

For Residential Properties With Rural Recycling Only

Average Assessed Home (2010) \$381,000
 Average Assessed Home (2011) \$393,000

	2010	Estimated 2011 Tax Increases			
Estimated increase in Tax Rates		5.40%	4.66%	3.88%	3.50%
Municipal & Library Property Taxes	1,666.27	1,716.94	1,704.91	1,692.18	1,686.01
Municipal Taxes		50.67	38.64	26.91	19.74
Library Taxes	73.27	76.16	76.16	76.16	76.16
Increase in Library Taxes		2.89	2.89	2.89	2.89
Subtotal Municipal & Library Property Taxes	1,739.54	1,793.10	1,781.07	1,768.34	1,762.17
Increase in Property Taxes Only		53.56	41.53	28.80	22.63
Municipal Utilities	17.00	17.00	17.00	17.00	17.00
Rural Recycling	17.00	17.00	17.00	17.00	17.00
Subtotal Municipal Utilities	17.00	17.00	17.00	17.00	17.00
Increase in Utility Charges Only		-	-	-	-
Total Charges	1,756.54	1,810.10	1,798.07	1,785.34	1,779.17
Total Increase in dollars		\$53.56	\$41.53	28.80	\$22.63
Total Increase as a percentage		3.05%	2.36%	1.64%	1.29%

Includes increase of 4.86%

Notes

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MINUTES of the REGULAR MEETING of the COUNCIL of the DISTRICT OF MISSION held in the council chambers of the municipal hall, 8645 Stave Lake Street, Mission, British Columbia on Monday, January 31, 2011 commencing at 6:30 p.m.

Council Members Present: Mayor James Atebe
Councillor Jenny Stevens
Councillor Terry Gidda
Councillor Paul Horn
Councillor Danny Plecas
Councillor Heather Stewart

Staff Members Present: G. Robertson, chief administrative officer
P. Gipps, deputy chief administrative officer
T. Mooney, administrative clerk

Council Members Absent: Councillor Mike Scudder

DRAFT

1. NEW BUSINESS

PH11/001
JAN 31/11

Flick Billingsley and Margret Crawford – Bylaw Enforcement Dispute – 8757 Cedar Street

A report from the senior bylaw enforcement officer dated January 25, 2011 regarding Flick Billingsley and Margret Crawford and a bylaw enforcement dispute was provided for council's information.

Moved by Councillor Plecas, seconded by Councillor Horn, and

RECOMMENDED: That the practice of auto wrecking and salvage not be allowed at 8757 Cedar Street in accordance with District of Mission Zoning Bylaw 5050-2009.

CARRIED

2. PUBLIC BUDGET CONSULTATION SESSION

PH11/002
JAN 31/11

2011 Financial Plan / Budget Highlights – Powerpoint Presentation by Ken Bjorgaard, Director of Finance

Ken Bjorgaard, director of finance, presented information and highlights of the proposed 2011 financial plan and budget as follows:

- Mission's relationship to other municipalities in regards to 2010 property taxes and utility charges, noting Mission was rated at 11th place out of 27 communities.
- The full-service scenario (5.40%) includes the cost of maintaining existing services, additional revenue and new or enhanced services that include an additional police officer and a second assistant fire chief.
- The 4.66% tax increase scenario is the 5.40% scenario minus funding for the police officer and the second assistant fire chief.
- The 3.88% tax increase scenario continues with the reductions from the 4.66% scenario and includes:
 - Funding downtown security from the gaming reserve;
 - Defer electronic document management system upgrade;

- Delay LiveScan implementation (RCMP);
- Budget reductions within corporate administration i.e. reduce corporate training, legal costs; and,
- Budget reductions within engineering/public works areas i.e. survey consulting, roads budget, remove insuring municipal bridges.
- The 3.50% tax increase scenario continues with the reductions from the 3.88% scenario with the following additional reductions and new revenue sources:
 - Reduce fire/rescue service training;
 - Reduce public hearing overtime budget for Planning;
 - Reduce parks recreation & culture afternoon reception coverage;
 - Reduce finance department training budget;
 - Institute a \$10/player field fee for minor sports participants;
 - Advertising opportunities at the mission leisure centre; and
 - Implement subdivision engineering administration fees.
- All of the tax increase scenarios include the 1.03% for the full-time fire fighters and a 1.00% for a capital contribution. If you take the fire fighter and capital contribution percentages away from the 3.50% scenario, it comes out to an approximate 1.50% increase for general operations.
- Projected 2011 property tax and utilities Increases based on various tax scenarios and average home assessment of \$393,000 in Mission.
 - Estimated Increase in municipal and library taxes for 2011 on an average assessed home
 - 5.40% = \$53.56
 - 4.66% = \$41.53
 - 3.88% = \$28.80
 - 3.50% = \$22.63
 - Increase in utility charges only for urban areas equals \$89.32 for each of the scenarios; and
 - Increase in rural recycling charge equals \$17.00 for each of the scenarios.

The mayor thanked the director of finance for the information and invited members of the public to provide their comments.

PH11/002
JAN 31/11

Public Feedback Question and Answer Period

Various members of the public provided comments and questions as follows:

Terry Mortimer

- (a) How are exempt staff yearly increases determined, do other municipalities have an increase every year and are these increases linked to the union increases?

The chief administrative officer responded that increases are proposed to council based on information gathered from other municipalities and an independent consulting firm completed a comparative which compares similar size municipalities with similar size budgets and responsibilities. The increases are not put before council at the same time as the union negotiations.

- (b) Why are exempt staff's wages not listed in the budget and why was the remuneration schedule not included in the budget.

The chief administrative officer noted that they are included in the overall salaries section of the budget.

The director of finance responded that in compliance with the Community Charter the remuneration schedule is published in a public bodies report which is available prior to June 30.

- (c) In previous years the staff remuneration contained three columns. Could a fourth column identifying the actual real cost of exempt staff which would include the non-taxable and non-wage benefits as CPP, dental, pensions and medical etc. be incorporated?
- (d) He noted an increase in exempt staff earning in excess of \$75,000.00. How many exempt staff is presently on payroll?

The deputy treasure/collector replied there are 32 exempt staff.

- (e) Would council consider putting forward a motion at the next UBCM conference that all municipalities negotiate union contracts together in unison?

The mayor responded that all municipalities are autonomous and each collective agreement is negotiated differently.

Councillor Horn noted that this comment would be considered and discussed by council.

- (f) Are there any new raw logs being exported from the Mission Tree Farm.

The manager of forestry responded that they have an independent log marketing contractor and logs are only exported when they pass the export test which is required by provincial law and there is not viable domestic markets for certain products.

- (g) What has the forestry department done to mitigate loses and the break even forecasts?

The manager of forestry responded that council has been presented with several cost saving ideas and one example is that staff are now sharing a vehicle rather than each having a vehicle. Further information could be provided to Mr. Mortimer at his request.

Councillor Horn noted that the forestry department has been instrumental in looking at the Stave Lake forest as more than just a logging operation and have played a key role in not only producing lumber but also as a place for people to engage in tourist activities etc.

- (h) Has there been any staff reductions or part-time offers to staff to create savings?

The manager of forestry responded that if the economy is low they reduce the amount of work that consultants are retained to do.

- (i) Do we need a full time manager in the forestry department?

Mayor Atebe noted that a full time manager is required. Our forest is the first historical community forest established and still continues to provide leadership in the province. Taxpayers are protected from impacts of an economic downturn by ensuring that the forestry department has its own reserves to keep it self-sustaining.

Councillor Stevens stated that in earlier years the forestry department was making large profits and those profits were used for many projects within the community. Now that the timber industry has declined, the forestry department is looking at ways to profit and develop cultural and recreational tourism incorporating our forests and an experienced full time manager is required to move this forward.

- (j) Has staff looked at privatizing the forestry department in order to make a profit.

The mayor responded that the forestry department is made up of few staff members and work is performed by contractors so the department is kept viable by reducing contract work when necessary.

- (k) The crime rate appears to be declining and why are there savings noted in the RCMP budget.

The director of finance noted that the RCMP provides updates to the contract budget frequently and the changes reflected projections for member salaries and benefits. The RCMP projections are provided well in advance and those projections change.

Mayor Atebe noted that in 2006 it was agreed to add a new member to the RCMP every year in order to reduce crime in our community. With the addition of new members, crime has been reduced but you do not abandon the strategy that works by reducing or not adding another new member as this strategy has proven to be successful since 2006.

Councillor Horn noted that there has been a distinct improvement in our community in the reduction in crime and this is noticeable in the downtown area.

Councillor Stevens noted that there has been a reduction in crime however in the area of family violence the crime has increased. This new RCMP member could co-ordinate all the resources in dealing with family violence as it is needed in our community.

- (l) If we could get through the Olympic month with six fewer members why would we add new members now? Mission taxes should not go towards funding members to attend the Olympics and was there overtime paid to members during the Olympic months?

Inspector Walsh noted that well in advance of the Olympics plans were put in place to ensure that there was adequate coverage in the community. Every detachment in the province supplied members and it was a short time span. He noted that crime did not increase because the community spirit was recognized throughout the province. Overtime was paid to members, but not as a result of the Olympics as members incur overtime hours over the course of a year despite attendance at the Olympics.

Othmar Kagi

- (a) Under what revenue, how is the money collected and entered from public safety inspection team.

The director of finance noted that there is a specific PSIT revenue account and more detailed information can be obtained from the finance department.

- (b) If the public safety inspection team includes police and fire officers and the program is to be self-supporting, why do we require the addition of another assistant fire chief and new RCMP member?

Mayor Atebe noted that the program is independent and the taxpayers are not responsible for covering the cost of PSIT inspections. The inspection fee is for the recovery of that program and this is for PSIT inspections.

The director of finance confirmed that the fees recovered from the program have covered all the expenses incurred which include the fire inspection and the police officer and no property taxes have gone to the public safety inspection program.

- (c) Will the new RCMP member be responsible only for domestic disputes?

Inspector Walsh noted that there is a very detailed business case to support the hiring of a new member in this function and is available if requested.

Councillor Horn noted that while crime has decreased, domestic violence has not and the analysis shows that we haven't had the decrease that is required.

- (d) If we do not hire a further RCMP or fire member then this would reduce the increases in the budget and councils needs to freeze the salaries and cut back benefits.

Mayor Atebe noted that council is not taking a salary increase this year and feels the benefits that council receives are justified.

Shannon Higg expressed concern with council instituting a \$10.00 player field fee for minor sport participates as the children should not be penalized.

Ian MacKenzie noted the following items are excessive and if reduced cost savings could be found:

- (a) staff recognition budget, could it be reduced;
- (b) corporate training budget could it be reduced;
- (c) building inspection relief staff; and
- (d) economic development department – has there been a cost benefit analysis performed and can anything be reduced

Mayor Atebe noted that there has been a cost benefit analysis and the department has been instrumental in bringing in new commercial development to Mission. The majority of taxes collected in Mission are from residential property but the commercial tax base is increasing and we need to change the balance from a highly residential revenue generated base to a more diversified economy and to strengthen the economics in the community. Our economic development officer is working to accomplish this.

- (e) engineering department vehicle expenses could be reduced;
- (f) taxpayers should not be covering the cost for coffee for the employees in the public works department;

The director of finance responded that the coffee budget for the public works department is to accommodate individuals attending meetings and not staff.

- (g) why are we projecting a 50% increase in sign vandalism if property damage appears to be declining and is there a way to reduce this amount?

The director of finance responded that the figures that are being compared are from 2009 and the actual amounts for 2010 have not yet been calculated.

The director of engineering noted that there was excessive damage on the overpass which was costly but it is extremely hard to anticipate these figures.

- (h) Street light maintenance hydro costs – he noted that the ornamental Christmas lights this past season were still on until January 27, 2011 and they should be taken down sooner to reduce costs.
- (i) If only one position could be hired at this time, consideration should be made on if new assistant fire chief or another fire fighter would be utilized more efficiently.

Councillor Horn noted that the fire chief or the assistant fire chief are first on the scene and are on call 24 hours a day, 7 days a week which adds up to each spending 50% of their lives on call.

Fire Chief Ian Fitzpatrick noted that the second assistant fire chief position was adopted by council as a master plan. The new position would assume some of the fire chief's responsibilities as he is presently performing fire chief/administrative duties and handling the operations and emergency preparedness.

- (j) Why is the cemetery not self-sustaining and having to be subsidized?

The director of parks responded that the increase in the budget will allow for reserve funds to look at future nearby development when and if the current cemetery reaches capacity. There are also recommendations to beautify the existing cemetery.

(k) Why is the Columbia Street rental property not showing any rental revenue?

The director of finance noted that the property has been sold.

(l) Why is the Clegg Street rental property not showing any rental revenue?

The director of finance responded that the rental income has been used towards repairs and allocated for future improvements on the home.

(m) Why is there is a 20% reduction in the vending machines at the leisure centre.

The director of parks, recreation and culture noted that the vending machines are included in the contract with the concession contract at the leisure centre and the District of Mission receives a percentage of the sales. This 20% reduction will be reviewed to determine why there is a 20% reduction projected.

(n) Why has the arena revenue been reduced by 20%.

The director of parks, recreational and culture noted that revenue is based on a percentage split with user groups including minor hockey and junior B. The District of Mission is dependent on the sales they generate and through a reduction in volunteers in these user groups, they have not been able to secure more advertising.

(o) Why is there a 30% reduction in pool shop sales?

The director of parks, recreation and culture responded that the sporting goods store that was leased has subsequently closed and therefore the leisure centre front desk is now selling some swimming accessories.

(p) Why is there a projected 80% increase in the vandalism budget and can this be decreased?

The director of parks, recreation and culture noted that vandalism goes up and down and is very hard to predict.

(q) There is an error in the detailed budget as it indicates that the revenue is \$2,867,678.00 and should be \$2,732,467.00. There is a deficit of \$135,211.00. Is the deficit coming from general revenue to subsidize the forestry operation?

The director of finance responded that there is a forestry reserve established so that taxation does not support forestry. There is in excess of \$400,000.00 remaining in the forestry reserve should a loss be incurred.

(r) The projected increase in the water and sewer budgets is large and will substantially increase in the next 15 years. How will these increases be collected without a large impact on taxpayers?

The director of finance noted that the increases are significant due to the need for a second water source. The amounts required will decrease if the District of Mission is able to secure a grant for this project and the development cost charge rates are currently under review. A report will be submitted to council which will include the majority of the growth related costs for water and the effect of the increase in development costs charges. He noted improvements made on the growth related projects as the District of Mission has negotiated a new formula with the City of Abbotsford as Mission was responsible to pay 25% but that figure has been reduced to 12%. The District is hopeful that this 12% figure will also apply to the sewer costs. He noted that high costs are associated with water and sewer increases due to the fact that the District has had to react to the projects and did not have the opportunity to plan for them.

Mayor Atebe responded that the water and sewer expansion has been expensive. The water rates have not increased for 10 – 15 years. Mission and Abbotsford have been working together to avoid extensive borrowing to avoid a negative impact. A grant application has been submitted and will be beneficial to both communities if the funding is granted.

- (s) a domestic violence co-ordinator is essential in our community and should be a priority to reduce these types of crimes in our community.

Harpreet Grewal expressed concern with the implementation of a \$10.00 field fee for minor sport participants. This is short term revenue and not a long term solution. We encourage children to be active and we should not place barriers for kids to participate. He is not opposed to user fees and suggests that if council was to approve a fee that it be implemented in minor amounts over the course of a couple of year and not a large fee all at once.

Sonia Barker

- (a) Closing the library for one day a week could reduce the costs.
- (b) How many fires do we have in Mission per year that would justify the hiring of a new assistant chief?

The fire chief encouraged Ms. Barker to contact him for this information.

- (c) Does the fire department respond to ambulance calls as well?

The fire chief responded that paid full-time members now attend medical calls if they are available. Prior to the implementation of full-time members, all fire calls were responded to by on-call members and therefore they only responded to certain medical emergencies. This is an important addition to our community as it increases response time by having fire department and ambulance members attend medical emergencies and quick response times save lives.

- (d) Eliminate off leash dog parks to reduce costs.
- (e) Can we reduce cost within the restorative resolutions department as there are other services available in the community and school to handle conflict

resolution?

Mayor Atebe responded that some of the social issues are addressed through other programs. However this program is beneficial to both youth and members in the community as it utilizes volunteers to facilitate conflicts and resolves issues in a timely manner.

Pam Willis

- (a) Supports hiring a domestic violence co-ordinator within the RCMP. These types of crimes are increasing in our community as approximately 30% of women that are battered contact police as they have trust issues but with the addition of a co-ordinator this may alleviate some of those issues.
- (b) She does not support the \$10.00 user fee increase for participants using sports fields as this will put up further barriers that affect youth participation and this increase goes against the District of Mission's commitment to a healthy community.
- (c) She does not support the reduction in recreation services which includes the afternoon leisure centre reception hours. What is the rational for this reduction?

The director of parks, recreation and culture responded that this was proposed as the afternoon hours on Monday to Friday is less busy and if they could reduce the hours of staff during this time it would be a cost savings.

- (d) There are cuts for arena programs for 14 years and under. Is this because the programs were undersubscribed?

The director or parks, recreation and culture noted that this was a redistribution of revenue and is now included in children's programs and there are no cuts to programming.

- (e) She supports continued heritage funding.
- (f) She supports increased costs for water, sewer, recycling and garbage disposal.
- (g) She expressed concern on the financial impact if Abbotsford withdraws from the regional district next year.

Mayor Atebe noted that if decisions are made that Abbotsford will withdraw from the Regional District a further analysis will be performed which would be available to the public.

Tony Luck stated that he challenges council to find deficiencies to reduce the budget by 3 to 6% in order to meet a 0% increase. Taxpayer salary increases are not increasing at the same rate as property taxes. Council needs to seriously review its budget and questioned what has been done in Mission to decrease expenditures from the many departments within the District of Mission?

Mayor Atebe encouraged Mr. Luck to provide written comments on what services he, as a taxpayer, would like to see expanded, maintained or reduced in order to council to put forward a 0% budget. He would like to see the current council and any candidates running in the 2011 municipal election defer any pay raises until budget increases can be reduced.

The director of finance noted that in the district's budget there are cyclical revenues (ie building permit fees, subdivision inspection fees and planning development fees). The District of Mission relies on a base amount of those fees and does not rely on the excess fees to fund on-going expenditures.

Mike Gilldersleeve

- (a) Would like to see if a budget committee could be organized so that citizens could be involved in budget planning prior to any scenarios being presented to the public.
- (b) Would like to see a 0% budget put forth.
- (c) He is opposed to the \$10.00 field user fee for youth participating in field sports as this creates barrier for families.
- (d) A domestic violence co-ordinator hired for the RCMP would be an important addition to our community.

Mayor Atebe responded that the budget planning commences in September and the meetings are advertised. Community members are encouraged to attend and participate in the meetings.

Larry Nundal

- (a) Restorative resolution and social development are non-core services that are budgeted for approximately \$300,000.00.
- (b) A core review should be prepared on senior staff to see if any positions could be eliminated.
- (c) Expressed concerns that over the last 6 years, all departments appear to show a large increase in staff except the public works department.

Ali Kia

- (a) Some services may need increase to prepare for future planning.
- (b) He supports the restorative resolutions program as it requires minimal paid staff and utilizes many highly trained community volunteers. This program enhances Mission by building a community and helps individuals solve problems and conflicts within the community.
- (c) Youth programs should be budgeted for, sustained and expanded for the future of Mission.

Kevin Frances

- (a) He supports a 0% increase and supports the comments made by previous speakers.
- (b) Has council thought of other options that maybe available to decrease the budget.

Councillor Horn responded that our forestry department is unique and has been around for 52 years and it could expand the forestry operations into more recreational areas. The District has also explored gravel operations and developing industrial land.

- (c) Is there a parameter on what the District of Mission can and can't do?

Mayor Atebe noted that decision making is governed under the Community Charter.

- (d) Who is responsible for the District of Mission's investment portfolio and what is the percentage rate of return?

The director of finance responded that municipal investments are restricted to the type of investing as set out in the Community Charter. Most municipalities invest in the Municipal Finance Authority and they have three funds including a money market fund, intermediate fund and a bond fund.

- (e) What is our average rate of return?

The deputy director of finance responded that our average rate of return is about 3%.

Shelly Clarkson

- (a) Are the gaming revenues projected to increase or decrease?

The director of finance noted that when our gaming centre was first opened the projected revenues was \$300,000.00. The present projection is \$500,000.00 and should remain stable.

- (b) If the downtown security monies are to be funded from taxation rather than gaming monies, could the gaming monies be allocated to funding the \$10.00 proposed increase in the field user fees. If you charge extra fees for children to participate in activities it is more difficult to keep them active.

Councillor Horn noted that gaming monies are not considered continued revenue as they can change and the District does not like to allocate them to necessary core services as this could affect future budgeting.

- (c) Is the reciprocal agreement between the School District and the Leisure Centre still in place as far as maintaining fields etc.

The director of parks, recreation and culture noted that the agreement has expired and it will be re-negotiated but they continue to honour the previous agreement.

Michelle Cummings noted that Mission taxes are high and this deters people from purchasing property in Mission. The services appear to have decreased and property taxes do not.

Mike Denier

- (a) Is the Minnie's Pit \$1,000,000.00 reserve part of the general reserves and surpluses that totals \$25,000,000.00.

The director of finance noted that there are two parts to the landfill reserve. One is for opening new cells and the second is a liability amount required to close cells. The general reserve includes only the liability for closing the cells.

- (b) If a legal action is brought against the District of Mission would any amounts be withdrawn from the contingency fund?

The director of finance responded that the District is covered under the insurance program through Municipal Insurance Association.

- (c) What is the deductible on that insurance and would the rates increase if the District lost in a legal action?

The director of finance responded the deductible is \$250,000.00 and he cannot confirm if the District lost a legal action if the Municipal Insurance Association would raise rates.

Jim Heinz

- (a) Does the monies for the Downtown Security include an increase or is it based on the same hours as last year?

The director of finance responded that the amount is similar to last year.

PH11/003
JAN 31/11

Moved by: Councillor Horn, seconded by Councillor Gidda; and

RECOMMENDED: That the meeting be extended until all business on the agenda has been concluded.

CARRIED

Terry Mortimer

- (a) Why do full-time fire fighters drive in the truck in full gear to Safeway for lunch?

The fire chief replied that with a full-time team of fire fighters they must spend their shift together. If a member must attend the store to pick up nourishment, the entire team must go as they must be together as a group and have their equipment, including their vehicle, should a call be received to reduce response time to the emergency.

- (b) Does the PSIT team have an expensive vehicle?

The fire chief responded that the PSIT team has a vehicle to drive to inspections.

(c) How many municipal bridges are there?

The director of engineering and public works responded that there are 13 – 15 bridges.

(d) How many meetings were in camera or public for budget discussions?

Mayor Atebe noted that the Community Charter dictates what information must be heard in closed meetings.

(e) Was the controlled substance bylaw vetted by Mission's counsel? If so and a legal action is brought against the District, is the District of Mission counsel also liable?

(f) How many staff members are employed in the environmental department and why did they increase?

Mayor Atebe responded that there is two full-time staff in this department and this department is an integral part of the District especially working with the landfill.

Councillor Horn noted that this department has applied for numerous grants that were awarded to the District and they continue to educate the community about environmental concerns and how to reduce the environmental impacts in our community. This department has added a quality of life and a financial benefit to our community.

(g) Why should taxpayers fund an off leash dog park?

Councillor Stevens responded that many community members requested an off leash dog park and some families do not live in an area where their dog can run so it is maintained to accommodate the entire community.

Councillor Horn asked what is the operational cost for the dog leash park at Centennial Park?

The director of parks and recreation replied that operational costs for the off leash dog park consist of purchasing dog litter bags and emptying the garbage cans. The estimate cost is a couple of thousand dollars per year.

Ian McKenzie

(a) Why did the dike maintenance fees increase 180% from 2009.

The director of finance responded that the dike maintenance needs to be increased as they were in disrepair for a long period of time and they have been significantly improved. The District has also received grants to improve the dikes.

(b) Why under crime prevention have the amounts not increased? What do we have for crime prevention?

The director of finance stated that crime prevention budget is now included in the community policing access centre budget.

Inspector Walsh discussed various community initiatives that are implemented.

(c) Would like to see more information put forth to the community by the RCMP?

3. QUESTION PERIOD (on new business only)

There were no questions from the public.

Mayor thanked everyone for coming out and voicing their concerns.

4. ADJOURNMENT

Moved by Councillor Horn , seconded by Councillor Gidda, and

RESOLVED: That the meeting be adjourned.

CARRIED

The meeting was adjourned at 9:40 p.m.

MAYOR JAMES ATEBE

PAUL GIPPS, DEPUTY CHIEF
ADMINISTRATIVE OFFICER

2011 PUBLIC BUDGET CONSULTATION SESSIONS
JANUARY 20 AND JANUARY 31, 2011
COMMUNITY FEEDBACK FORM

NAME P. Cooke CONTACT INFO: _____
(not required) (not required)

I do not mind planning ahead or pay a little extra to pay for infrastructure but I do mind City Hall continuing to hire staff and spend like there is no tomorrow. Home owners did not get raises of 35% or even 10% so City Hall must learn to cut their spending on wages and a lot of other waste. We do not need a second assistant fire chief - one assistant fire chief is enough for this small of a city. No new police. We need to count up how many we now pay and how many really work in Mission and area. How many do we never see. Heavens, we pay some little security people to walk around downtown instead of having a police presence. That is sad!!

I really do believe City Hall could service their own vehicles instead of sending them out. We used to have that service in the yards. Our taxes are going up and up but we get less and less for it. Your staffing is far higher than needed to run a small city. I used to work for The Federal Govt. and we were always being told to do more with less. City's could do the same. There was a time 20 years ago when things were good - spending high etc etc. Now we must be more careful. My husband & I are retired but not with a lot of money. We must be careful how we spend and we expect you to do the same with our TAX money. It just doesn't go as far and you must find ways to stretch it further just as we must.

PLEASE ENSURE ALL COMMENTS ARE RECEIVED BY THE FINANCE DEPARTMENT NO LATER THAN FRIDAY, FEBRUARY 4, 2011

Thank you.

DUER

I just got notified that my pension raise is 1.4%. The rate of ~~inflation~~ "indexation". City's should have to work under the same. Please don't tell us about what other city's spend because ~~just~~ we should be doing what is right for our people - not spending because that is what others are doing. Others should be looking at us and saying what a great job our Council is doing on a limited budget. We can set a scale and have others look at us. Be proud to spend less.

We don't need more studies about the waterfront. Look in your Archives. There was a great one done by some people from Oregon & think of California. There have been many done, and done well. Look at the past ones and take what you like out of each one. LEARN not to spend more money by looking at things differently.

RECEIVED

FEB 02 2011

DISTRICT OF MISSION

Budget 2011

Budgeting should start with council representing the goals and objectives of the community and not just their own objectives.

Many items in this budget show a lack of transparency. It leaves the Citizens uninformed and creates distrust towards the creators involved.

One example, as the information from the PSIT is not available in the detailed budget document, my questions are. Where the revenues collected put? What, in detail, are the expenses paid for and from what account are they being paid from? In almost every case, project expenses do not equal the amount of revenue created by the project in question. Please inform me and the citizens of Mission with the answers to the above questions.

Bylaw's that pertain to high financial involvement should be created with more public input and not just council's.

The action taken by the PSIT team and the information on the District's website clearly demonstrates that the PSIT was created dominantly to find controlled substance properties and not for public safety.

We have an RCMP Crime Prevention in place. For any other building inspection issues we have a Building Inspection Department.

This bylaw has been proven to be a very serious matter. This troublesome and costly empire building needs to be stopped. The (PSIT) Controlled Substance Property bylaw should never have been created and must be abolished immediately.

I am asking that no extra Police Officer and no extra Fireman are hired as these trades are involved in this team.

There are many other questionable and high increases in this budget which need to be addressed e.g. utilities, planning department and administration. In order to bring our District's finances under control we must foremost become more responsible and effective with the resources we presently have in place.

Furthermore, you have accepted for yourselves an outrageously high salary and benefit package. Whether you think you deserve it or not during these economical hard times this is not appropriate and I am asking you to freeze salaries and cut back on benefits until better performance from staff and council is achieved. We all need to do better.

I am asking for a zero property tax increase this year.

Sincerely

Othmar Kagi



Tina Mooney

From: Chris Ryan >
Sent: Monday, January 31, 2011 4:39 PM
To: James Atebe; Information INet
Cc: Bobby Brar; Chris Ryan; Denny (Danesh) Bahadur; 'Frank Steigh'; Gurpreet Chamal; 'jeanette and ralph'; Jim Byle; 'Othmar Kagi'; Roopchand Seebaran
Subject: 2011 Budget

Dear Mayor Atebe;

As per our conversation in Starbucks, I have taken a look at the 2011 Proposed Budget with a view to suggesting areas where cuts could be made. All of my comments below represent my own personal opinion.

1. The first item that leapt off the page at me was the amount being spent on Council itself. At \$295,027 it is outlandish for a community of this size.
2. Administration, at \$869,732 is also far too high and indicates that there is too much "fat".
3. Transit Services are costing us \$1,192,136 according to the document. It appears to me that we are running 40-foot leviathans around with, most of the time, fewer than 6 people on board. I can only recall having seen larger numbers on two occasions, both times on the Mission/Abbotsford run. This seems to me to be a very poor return on the investment.
4. The Public Safety Investigation Team is budgeted at \$0.00. That is because of what I, as a layperson, see as an attempt to subvert the provisions in the Canadian Charter of Rights and Freedoms regarding unreasonable search and seizure, and the unconscionable imposition of a \$5,200 levy on those inspected, many of whom are perfectly law-abiding people. This fee constitutes an unreported, unannounced and I would suggest probably illegal tax.
5. The Planning Department at \$892,434 seems overblown.
6. I am concerned over the size of the various Transfers shown on page 32 of the Proposed Budget document. This is an area that could definitely be targeted for reduction in my view. These are lean times in Mission, not times of plenty.
7. I am curious how much of the money allocated to major projects in the Water Utility budget is going to support the still highly contentious Genstar Development. A specific answer, in writing, would be appreciated.

These are my observations and suggestions.

Council and Staff MUST find a way to live within the means of the taxpayers of Mission. Our taxes are out of line with those of other municipalities and cities in the Lower Mainland, including West Vancouver, arguably the richest community in Canada. Mission is an economically depressed area. This community, the Province of British Columbia, Canada and the rest of the world are all just coming out of the worst recession since the 1930's. Council and staff have run up taxes every year for the last few years. This is unacceptable.

I strongly oppose any property tax increases in 2011 and, in fact, respectfully submit that a tax-rollback would be a very good idea.

Sincerely,
Chris Ryan

FEEDBACK AND CONCERNS – DISTRICT OF MISSION, PROPOSED 2011 BUDGET

FROM: Ian MacKenzie, Mission, B.C. **PHONE:**

EMAIL:

CORPORATE ADMINISTRATION:

1. Staff Recognition Budget for 2009 increased by over 80%.
2. Corporate Training Budget increased by approximately 80%.
3. Inspection Services: Building Inspection Relief Staffing Budget increased by 80%.

SUGGESTED COST SAVINGS:

1. Reduce budget by **\$8,000.00**.
2. Reduce budget by **\$21,000.00**.
3. Reduce budget by **\$13,400.00**.

ECONOMIC DEVELOPMENT:

Net cost increase of 45% from 2009.

1. Suggest lobbying Provincial Federal Government for grants.
2. Suggest cost/benefit analysis to determine value for \$ savings.

ENGINEERING DEPARTMENT:

Fuel Costs: Expenditures increased by approx. 70%.

1. Reduce budget by approx. **\$5,900.00**.

Public Works: Sign Vandalism Budget increased by about 50%.

Projections appear to be excessive and unsupported by RCMP

Property Damage Data. Suggest 24% decrease.

1. Reduce budget by **\$15,000**.

Street Light Maintenance/Hydro Costs:

Christmas Lights Decorations still burning as of

January 27th.

1. Take down Christmas Lights Decorations by January 2nd, save **\$2,000.00**.

Transit Services: Pedestrian Overpass Maintenance.

1. Suggest **\$2,000.00** reduction in this budget.

West Coast Express Train Bus expenses increased by about 30%. 1. Recommendation to reduce Train Bus service to 2009 level and save **\$74,000.00.**

FIRE RESCUE SERVICES:

60% increase in fire department administrative costs. 1. Insufficient business case for second assistant fire chief.
2. Delegate authority to fire captains.
3. Cost savings **\$66,525.00.**

PARKS RECREATION & CULTURE:

Cemetery Administration costs up almost 100%. 1. Reduce staffing to ¾ position, saving approx. **\$10,000.00.**
Cemetery Operation Costs increased by about 45%. 2. Reduce operation budget by 20% or approx. **\$40,000.00.**
Cemetery Vandalism costs increased by 40%. 3. Reduce by **\$1,200.00.**

RENTAL OF PUBLICLY OWNED BUILDINGS:

Property at 6037 Clegg. Projected 2011 revenue is zero. 1. Recommend maintenance costs be no more than 20% of rental revenue. Cost savings to be **\$14,000.00.**
2. Or, sell above property for a net gain of **\$300,000.00.**
Rental at 9043 Dewdney Trunk is projected to be less than in 2009. 1. Suggest a 1.5% increase for a cost savings of **\$1,700.00.**
Vending Machine Revenue: down approx. 20%. 1. Negotiate with vending machine distributor to restore to 2009 levels. Cost savings will be **\$2,100.00.**
Arena Advertising Revenue: down by 20%. 1. Suggest staff contact businesses to enhance arena advertising revenue. Cost savings approx. **\$1,200.00.**

Vandalism and Theft at Leisure Centre: 180% increase.

1. Suggest that increase in projected budget is excessive in light of reduced crime rate. Cost savings, **\$4,400.00.**

FORESTRY: Error in 2009 Actual figures.

Total Revenue of correct amount is \$2,732,467.00.

25% increase for vandalism costs.

1. Vandalism budget appears to be excessive. Suggest savings of **\$4,200.00.**

700% increase projected for bridge maintenance costs.

2. Suggestion to reduce by **\$7,000.00.**

Sign costs budget increased by 1,000%.

3. Suggest **\$1,000.00** savings by reducing budget.

Environmental Budget increased by 1,000%.

4. Reduce by **\$7,000.00.**

TOTAL PROJECTED COST SAVINGS:
\$301,625.00.

SUMMARY:

These reductions and recommendations are, for the most part, over and above reductions and new Revenue already identified by the District of Mission staff.

This would mean approximately a 1% increase in taxation for Capital, and a 1% increase for full-time Fire Fighters. Total would be approximately a 2% increase overall.

I do believe it should be a priority for the RCMP to provide a Domestic Violence Coordinator, but I don't believe the District can afford a new police officer position. Suggest that City Council recommend to the local RCMP detachment that the position be created from existing staff. With the reduction in crime statistics, hopefully they can take someone from a general duty position for this new position