



Committee of the Whole Agenda

The agenda for the **Freestanding Committee of the Whole (Corporate Services Committee-Budget)** meeting to be held in the **Council Chambers** of the Municipal Hall, 8645 Stave Lake Street, Mission, British Columbia on **Wednesday, November 18, 2015**, commencing at 1:00 p.m.

1. CALL TO ORDER

2. ADOPTION OF AGENDA

3. CORPORATE SERVICES

(a) Agenda Overview Presentation

(b) Public Feedback on Proposed 2016 Budget

Page 2

This report is to provide Council with all the public feedback, comments and survey results received through the 2016 budget consultation process. No staff recommendation accompanies this report and Council action is not required.

(c) 2016 Draft Operating Budget Status

Page 19

Recommendations: Council consider and resolve:

1. *That the District's 2016 to 2020 Financial Plan include a 1.68% increase in the property tax levy as noted in the report entitled "2016 to 2020 Financial Plan" dated November 18, 2015 from the Deputy Treasurer/Collector;*
2. *That the District's 2016 to 2020 Financial Plan include the two drainage spending packages totaling \$198,785 as noted in the report entitled "2016 to 2020 Financial Plan" dated November 18, 2015 from the Deputy Treasurer/Collector and be included in the drainage utility rate;*
3. *That the District's 2016 to 2020 Financial Plan include a drainage utility fund by moving the budget for drainage from the general operating fund to the drainage utility fund as noted in the report entitled "2016 to 2020 Financial Plan" dated November 18, 2015 from the Deputy Treasurer/Collector;*
4. *That a 1% water user rate increase be approved effective January 1, 2016;*
5. *That a 4% sewer user rate increase be approved effective January 1, 2016; and*
6. *That the District's 2016 to 2020 Financial Plan includes the objectives and policies as noted in the report entitled "2016 to 2020 Financial Plan" dated November 18, 2016 from the Deputy Treasurer/Collector.*

4. ADJOURNMENT



Finance Department Staff Report to Council

File Category: 05 Finance
File Folder: 1700-20-16

DATE: November 18, 2015

TO: Mayor and Council

FROM: Kerri Onken, Deputy Treasurer/Collector &
Michael Boronowski, Manager of Civic Engagement and Corporate Initiatives

SUBJECT: **Public Feedback on Proposed 2016 Budget**

ATTACHMENT(S): **Appendix A** – Excerpt from the Draft Minutes from the Council (Budget Consultation) Meeting held on November 2, 2015
Appendix B – Final 2016 Budget Questionnaire Report
Appendix C – Preliminary 2016 Budget Mini-Questionnaire Results

This report is to provide Council with all the public feedback, comments and survey results received through the 2016 budget consultation process. No staff recommendation accompanies this report and Council action is not required.

BACKGROUND:

The *Community Charter Section 166* requires the local government to undertake the process of public consultation regarding the proposed financial plan before it is adopted by Council. This is an opportunity for the public to provide feedback to Council and to help inform the budgeting process.

This year, preliminary budget consultation, as mini-questionnaires (Appendix C), asking for input on the District's services and budget, took place in July and August with the results reported to Council at the first Freestanding Committee of the Whole (Corporate Services – Budget) meeting held on September 9, 2015.

The public budget consultation meeting took place on Monday, November 2, 2015 at the evening portion of the Regular Council Meeting. In addition to the meeting presentation, budget/financial information was provided to the public through the District's website as well as being available at the Leisure Centre, Library, Municipal Hall, and other locations throughout the community.

DISCUSSION AND ANALYSIS:

Public Meeting

Members of the public were in attendance at the Council (Budget Consultation) Meeting on November 2, 2015 and provided comments and asked questions of Council and staff. An excerpt of the budget consultation portion of the draft minutes are attached as Appendix A to this report for Council's review.

Public input was also gathered by means of a final questionnaire available both online and in-person, as well as comments/questions by email. A summary of the questionnaire questions, as well as the written comments from the survey and emails are provided to Council for their review as Appendix B.

FINANCIAL IMPLICATIONS:

There are no financial implications associated with this report.

COMMUNICATION:

No further communication, outside of this report being on a public agenda, is required.

SUMMARY AND CONCLUSION:

The *Community Charter Section 166* requires the local government to undertake the process of public consultation regarding the proposed financial plan before it is adopted by Council.

Preliminary budget consultation, as mini-questionnaires, asking for input on the District's services and budget, took place in July and August with the results reported to Council on September 9, 2015.

A budget consultation meeting took place on November 2, 2015 with members of the public in attendance. Public input was also gathered by means of a final questionnaire available both online and in-person, as well as comments/questions by email. An excerpt of the draft minutes from the November 2, 2015 meeting as well as a summary of the questionnaire questions, and the written comments from the survey and emails are provided to Council for their review.

SIGN-OFFS:


Kerri Onken, Deputy Treasurer/Collector



Reviewed by:
Michael Boronowski, Manager of Civic
Engagement and Community Initiatives

Comment from the Chief Administrative Officer:

Reviewed

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EXCERPT of the Draft 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 November 2, 2015 commenced at 1:00 p.m. for **COMMITTEE OF THE WHOLE**, and was immediately followed by a **CLOSED MEETING** of Council, and reconvened at 7:00 p.m. for **REGULAR COUNCIL** proceedings.

1. NEW/OTHER BUSINESS

RC15/602
NOV. 02/15

Public Budget Consultation

The Deputy Treasurer/Collector presented a slideshow overview of the draft 2016-2020 Financial Plan/proposed budget, including:

- A 1.68% increase in property taxes;
- A 1% increase in water user rates;
- A 4% increase in sewer user rates;
- No increase in the garbage, recycling/compost curbside collection rates;
- Spending packages;
- Key budget drivers totaling \$488,967;
- The impact on the average homeowner;
- How Mission compares with neighbouring communities;
- Municipal utilities including the establishment of a new drainage utility; and
- Encouraged the public to provide feedback

The Mayor opened the floor to the public for comments.

Judith Ray asked what the new drainage utility covers. Council responded that drainage includes storm sewers and drainage ditches, and that the drainage reserve fund is being implemented to ensure there is money available to maintain and replace the existing systems as necessary.

Sandra Sharpe expressed concern with the \$2.9 million dollar capital expenditure for the artificial turf field, stating that the cost is too high. Ms. Sharpe also questioned how much money Mission receives each year from the Gas Tax fund. Staff responded that Mission receives \$1.6 million each year from the Gas Tax Agreement and that a large amount of these funds has been transferred to a reserve fund for large projects such as the artificial turf field.

Sandra Sharpe questioned why, in January of 2015, money was transferred from the debt retirement reserve fund to the general budget. Council responded that the transfer was intended to limit property tax increases for the year.

Unidentified resident asked why the change to bi-weekly collection of solid waste is expected to save only \$40,000. Council responded that the amount of waste being processed will remain the same despite the new collection schedule, and it is hoped that this change to the garbage collection schedule will divert more compostable waste from the landfill.

Final 2016 Budget Questionnaire Report

Overall Support for Tax Increase as Proposed

Response	Chart	Percentage	Count
Support the Increase		19.8%	16
Passive		22.2%	18
Oppose the Increase		58.0%	47
		Total Responses	81
		Net Promoter Score	-38.3

Notes: Overall, respondents were not in support of an increase to municipal taxes to support the budget as proposed with just 42% either neutral or supportive of this aspect.

Support for Savings and Services as Proposed

	Strongly Support	Support	Neutral	Oppose	Strongly Oppose	Total Responses
\$290,000 Transfer to General Capital Reserve	16 (19.5%)	25 (30.5%)	22 (26.8%)	6 (7.3%)	13 (15.9%)	82 (100%)
\$152,567 In spending to maintain services	16 (19.5%)	36 (43.9%)	18 (22.0%)	5 (6.1%)	7 (8.5%)	82 (100%)

Notes: 50% of respondents support or strongly support the proposed transfer to reserves, while only 23.2% oppose or strongly oppose this item.

63.4% of respondents support or strongly support the \$152,567 to maintain services, while only 14.6% oppose or strongly oppose this item.

Support for Increases to Municipal Utilities

	Strongly Support	Support	Neutral	Oppose	Strongly Oppose	Total Responses
1% Increase to Municipal Water Utility Fees	8 (9.8%)	29 (35.4%)	16 (19.5%)	16 (19.5%)	13 (15.9%)	82 (100%)
4% Increase to Sewer Utility Fees	5 (6.1%)	25 (30.5%)	19 (23.2%)	17 (20.7%)	16 (19.5%)	82 (100%)

Notes: 45.2% of respondents support or strongly support the 1% increase to Municipal Water Utility Fees, while 35.4% oppose or strongly oppose this item.

36.6% of respondents support or strongly support the 4% increase to Sewer Utility Fees, while 40.2% oppose this item.

Summary of Additional Comments

There were 29 additional comments received. Many common themes arose throughout including:

- Need for increased transportation and to develop business in the downtown core.
- Services to rural residents being an important consideration given tax rates.
- Confusion over the cost-neutral change to maintenance and operations at Heritage Park.

Additionally, specific comments related to concerns over the cost of specific projects, particularly the artificial turf field, skateboard park, and the spring-ice trial at the leisure centre.

Respondents who most strongly opposed the tax increase referenced specific projects, as well as comparisons to neighbouring municipalities' tax rates. (See next pages for full comments).

Comments Received by Email:

Two emails were received by staff regarding the 2016 budget (see attached for emails).

- One email questioned the dollar amounts for the turf field and the skateboard park and if the turf field was for multiple playing surfaces.
- The second email was not in favour of the proposed tax increase, and felt that spending should be cut.

Additional Comments |

#	Response
1.	While I realize that there is a need for improvements, I would like to see some work done on 1) creating a proper bypass for the Lougheed Hwy, 2) efforts made to decrease traffic on the streets in the lower part of Mission, 3) create through ways using Cherry or Best to allow the increasing traffic to access the Highway at Silverdale - rather than driving through residential areas and using residential streets as shortcuts 4) fix the Cedar/7th intersection, also the Lougheed/Wren/Walmart intersection. Who allowed that to happen anyway?
2.	I have read that the District is going to take over the operation of Heritage Park and am wondering what sort of increase that will mean to costs for operating the parks. One of the reasons that I really like Mission is the number of people who care about their community and do volunteer work to try to make it better. It stands to reason that the employees that work In the parks will not appreciate their work being done in Heritage Park if the District is running it so am wondering about the wisdom of changing a successful formula.
3.	I would like to know why the city is taking over a primarily volunteer run park and re allocating it the city. Now what wasn't costing citizens now is likely a prime reason for this ridiculous increase. I am not a happy citizen. Take the extra expense out of you salaries!
4.	my only concern is the almost \$3million on artificial turf. I'm sure it's very costly and very necessary, but that stands out over and above everything else that is very necessary such as extra police, affordable housing or programs to house the homeless whether be work make/home projects or similar. How many residents will actually use that turf and what is the life span? Is this for all parks or just sports park? Maybe do 1/2 areas? I have no problem with any of the other expenditures
5.	Would like to see additional funding for bus transportation in the upper Dewdney & Cedar area.
6.	I notice there is no change in curbside collection even though our collection of trash will be changed to billing weekly from what I understand. Why is it being cut? If it is cost saving shouldn't I see a reduction in what I'm being charged?
7.	We are not for tax increase. We don't want more tax for services we don't use. We live in Rural Mission and and strongly disagree on this tax increase.
8.	Increases are not needed every year. The previous council did more with less. Infastructure spending increased and they kept a good lid on spending. Tax and spend needs to stop being a yearly activity.
9.	We've just had a " increase " in our taxes and are now paying taxes on par with much larger cities , our garbage pick up is going to every two weeks I believe we pay for that take the funds your saving the other two weeks of the month if we are going to keep getting increases in our taxes might I suggest a little more bang for our buck It would be nice to see some things done around mission FOR mission for a change
10.	I like much of what you have asked about, but the priority should be lowering taxes. Cut firehall spending and go back to more volunteers. Increase economic development ██████████ to get more business revenue.
11.	1. I wonder why there aren't more savings from the move to a twice a month garbage pick up than just \$40,000 a year. The math seems wrong. Should there not be a more significant savings. Also, there may not be an increase to garbage fees but there is a reduction in service and an increase in tipping fees. This amounts to an increase to the taxpayer to which I object.

<p>2. There is very strong feeling in the community that this Council has badly handled the maintenance issue of Heritage Park. Even if there are some issues with the buildings maintenance and construction, the real issue is that this Council has insulted community members and volunteers who have contributed greatly to this park. On the budget item for the future ongoing maintenance of the park, how is it possible that there isn't an increase in the budgeted amount for this purpose? Volunteers and donations from the community will decrease because of the way this whole issue was handled and the District will then have to pick up the extra costs. I don't feel that this has been sufficiently explained in detail to the community.</p>
<p>12. Some wage increase in the upper management are out of line.</p>
<p>13. My taxes will go up and I live in a rural area that has no garbage pick up, sewer, water etc. Also the only one thing my kids really used has been taken away because you feel hockey is more important. The new ice will cost \$25,000/year although you say it will not effect the budget this year, it will. That \$25,000 could have been used in so many other places and offset the tax increase. The city could have saved that \$25,000 over three years and upgraded the outdoor box and then attempted the "ice" pilot program. Now that one of our dry land facilities is being taken from us in the name of more important sports needing time, where is the allotment in the budget to upgrade the outdoor facility to make it more user friendly ?</p>
<p>14. Have we considered charging for the consumption of water a house uses like Abby and Langley do. Monitoring it and charging accordingly... Like heat or hydro.</p>
<p>15. I support water meters. People need incentive to reduce waste.</p>
<p>16. Ditching and drainage issues in rural areas have been ignored for at least a decade. Property has been damaged due to this neglect.</p> <p>In general service levels in rural areas is poor and services like road snow removal have to be specifically and repeatedly requested.</p>
<p>17. Why do we have to pay for the sewer when we should get people like ██████ that just add 50 houses or more to the sewer and what does he pay nothing except for the costs to run pipes down a road we should make developers pay a 20 year value of 5% estimated or more.</p>
<p>18. I don't believe that mission needs another skateboard park. I think it is something that should not be a high standard, the district of mission has many many higher needs yet our money is going to be wasted on that.</p>
<p>19. I support that there is a rising cost, adjust accordingly.</p> <p>I want to see downtown mission utilize it's waterfront and become the place to be for me and my family... or I can continue to spend money in Abbotsford.</p>
<p>20. Does that increase mean we will have more RCMP members in Mission. If it does then I am ok with this. I believe the first thing that needs to improve is our crime rate go down and that's where you need the money to go.</p>
<p>21. I am in strong support for improving services in the city of mission. That said I would like council to think about improvements for all regions in mission. I live in stave falls and as you know we don't have sewer or water or garbage which I understand. What I would like to see is continued road improvements, improvement to winter road clearing when necessary, improvements to our fire service in order to reduce property insurance rates, and a plan for development up here since there is a number of large properties that will more than likely come up for development in the next few years in my area.</p>

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|-----|---|
| 22. | Not only is it time to stop increasing taxes and fees, it's time to start decreasing them. We pay far more than other nearby communities (your averages are clearly bogus). It's time to focus on infrastructure and forget about the frivolous projects such as skateboard parks and artificial turf fields. I don't use these and don't think I should have to pay for them. Users of recreational facilities should pay the full cost of operating those facilities. I am a user of the rec center and would be willing to pay more to use it. We also need water meters. Again user pay. |
| 23. | It is deeply disappointing that there is no allowance to increase Full time Fire Firefighter staffing to 24hr coverage. It is imperative that we have 24/7 coverage at the level currently provided during the day. With us being a bedroom community risks to life actually increase during off hours yet risk to property stays the same while people are out of town. Where are the priorities? |
| 24. | I have not heard about the contract negotiations with CUPE union. Has there been a settlement? What impact on budget does this have? |
| 25. | I pay over \$5000.00 a year now times that by most properties in mission. What's happening with all of that money??? |
| 26. | I don't agree with the imposed tax increases. Mission residents already pay high property taxes. For residents such as myself whom are on a septic sewer and are dealing with new construction in our area that we strongly opposed it's frustrating that we're now being asked to pay for this. A lot of the budget priorities seem in check. I hope the district staff listens to the residents and really elvaulted the impact of a tax increase for families. It feels as though we are powerless when the district proceeds with items that are opposed by the residents including the change to the pound, the new development on the Hatzic bench and increasing our property taxes last year. |
| 27. | I would like to see you keep the animal control here in Mission, increase the road repairs and deal with 14th ave road problems near the pub, the road is caving in and repeated complaints to the district have been brushed aside with "quick fixes" that have not worked. Install sidewalks along 14th ave since it is now a school bus route and unsafe for the children walking. Deal with the homeless issues on main street and increase the police presence in our town. Install Security cameras to protect the volunteer fire dept out in Dewdney that had their vehicles vandalized again. |
| 28. | Everything goes up these day but our wages !! We are just hanging on by a thread right now .. Start by increasing the wages then we will support the increase of property taxes... |
| 29. | Basically the proposed budget says your doing nothing to improve Mission, but you are taking money from my pocket to put into reserves; we pay more but get less and Mission fattens its bank accounts. Downtown Mission is a disgrace, we keep adding Tattoo parlors, Pawn shops, and help for the homeless. Anyone can go downtown and buy drugs in less than 5 minutes. If we are going to build another (half million dollar) skate board park, charge a user fee, as a (senior citizen) tax payer I can't use the recreation center for free. Mission exemplifies how not to run a successful community. Stop paying outlandish salaries and golden parachutes to fat politicians and think about the citizens of this community for once. |

Emails Received:

Name: Francis McCann

Comments:

You report taxes in Mission being below Langley, but that is not the case. Further to this you report the average property taxes as \$900/year less than what it actually is. Mission property taxes are above Maple Ridge, Port Coquitlam, West Saanich, Invermere, Langley, Surrey, Pitt Meadows, Tofino, Esquimalt, and the list goes on; housing prices in these areas are at a minimum \$50000 more than Mission (Most are much more than that).

Reading between the lines, the amount of administrative costs in a small municipality like Mission, are out of control. Seeing as bylaws are rarely enforced and complaints are rarely addressed, I have a hard time figuring out what my taxes are being spent on administratively. Your office spends over 25% of the budget but does not seem to accomplish much. Instead of raising taxes, you need to look at cutting spending.

Just a heads up, I am going to start being more active in the local community and taking closer looks at my taxes and where they are going. Judging by Falcon Crescent and the archaic sewage pump, and the condition of the street I am guessing there are quite a few people that receive good income for not doing much.

My question is about the total recreation facility spending this year in the capital budget (mainly turf field and skate park).

For the skate park, last year's budget had \$200k allocated. Was that spent last year? Does that mean the skate park will cost \$200k + \$400k = \$600k? Or was the \$200k not spent?

And for the turf field, is that \$2.9M for one playing surface? Or a facility of multiple playing surfaces? How many soccer fields does this provide for for example?

My questions are geared toward asking if council feels they are getting good value for these expenses. If the goal is to provide facilities for youth to play sports, those seem pretty pricey.

Sorry for my late feedback and I look forward to the answers.

Thanks,

Rocky

2016 Budget

Summer Mini-Questionnaires – September, 2015 Results

Table of Contents

Capital Infrastructure	2
Select Comments.....	2
Parks, Recreation & Culture	4
Priorities for Parks, Recreation and Cultural Activities.....	4
Select Comments.....	4
Community Health	6
Priorities for Supporting a Healthy Community.....	6
Select Comments.....	7
Communication	8
What's the best way to provide you with information?	8

Introduction

Over the 2015 summer a series of mini-questionnaires were posted online, and delivered in print through the city page in the Record. The results below are a summary for each questionnaire. Preliminary results were provided to department heads in mid-August to assist in planning.

Capital Infrastructure

This question asked respondents to chart, out of 10, their support for establishing and maintaining healthy reserves for capital infrastructure.

Respondents generally agreed that saving for capital infrastructure was important, however many comments noted a strong opposition to increased taxation to fund reserves.

Response	Chart	Percentage
Support Saving for Capital Infrastructure		36.4%
Neutral		40.0%
Do not Support Saving for Capital Infrastructure		23.6%
Net Promoter Score		12.9

Select Comments

2.	Mission, along with other municipal governments, should press the provincial government (maybe via the Union of BC Municipalities - UBCM among other possible bodies) to negotiate other supports for capital goods building, renewal, innovation and so on. Current formulae imposed on municipal governments often prevent long-term planning and funding due to provincial controls, proportional funding, tax arrangements, etc.
3.	using the forest fires as an example, you never know when an emergency may arise in the form of a fire, flood, snow fall, or electrical problems, that the district will have to partially, or wholly fund. as much as we need basic infrastructure kept up, we also need the "rainy day fund". Therefore we need a healthy reserve, but not to the point that everything else is neglected
4.	Well it is important to save for a "rainy day" many of our parks are in need of repair and playground equipment needs replacing. The mission sports park need a play structure for children to play on while sibling are participating in sports. Hatzic and Nelson park have no play structures.
5.	As long as it doesn't further raise taxes
6.	Yes saving for future capital expenditures is necessary. That said, we believe that Mission is in need of a robust plan and appropriate funding to deal with some issues in the here and now. There are issues with current infrastructure capacity (water,

	sewer) due to new construction in the north side of town. Steps should be undertaken to lessen the degree of loss when the full impact of a failure finally reveals itself.
7.	I am a resident of Cherry Ave and was grateful for the new road we received last summer. The work was done fast, respectfully and well
8.	Amen.
10.	What kind of survey question is that!! We pay property taxes so the city can set budgets to maintain our city in a good state. "Healthy reserve"--- means you want to raise taxes!! No!! Do your job! Set a budget, stick to it.
11.	It is imperative to ensure there is adequate funds for future infrastructure needs, however, only once an assessment has been completed on what the projects would cost currently and then with a 5-10% cost increase.
16.	Maintain strong reserves but not at the expense of the immediate needs of the community including infrastructure badly needed to make mission more pedestrian friendly
17.	I agree you need reserves but I do not agree with increasing property taxes as a means of creating this reserve.
24.	Develop a communication program to educate and create understanding of the importance in maintaining our infrastructure. This will identify the importance, convenience, safety and value that so often is taken for granted. Often ratepayers are caught unaware of the need until the Mayor and Councillors seek increases to the tax rate. While we assign responsibility to govern oft times we, as voters, do not seek information in a timely manner with which to contribute in a constructive manner.

Parks, Recreation & Culture

Priorities for Parks, Recreation and Cultural Activities

Respondents indicated which areas would have the highest impact on their quality of life in Mission.

- Increased or improved equipment and infrastructure in parks along with improving the paths and trails network were the top selections.
- Seniors activity and programming was the lowest selection, however this could be due to respondents skewing younger.

	Little impact	Moderate impact	High impact	N/A
Increased or improved equipment and infrastructure in parks	12.1%	29.7%	57.7%	0.5%
More programming and activities in neighbourhood parks	18.1%	39.6%	41.8%	0.5%
A better paths and trails network	9.3%	32.2%	57.4%	1.1%
More activities and programming specifically for seniors	40.7%	25.8%	17.0%	16.5%
More public art and performances around the community	20.4%	42.5%	34.8%	2.2%

Select Comments

Recreation Dept. needs to cooperate with other groups providing programs to adults 55+ and not compete against these groups. Recreation Dept. needs to build relationships with groups and better understanding of programming for adults 55+. They need to seek input and learn from groups currently doing programming.

Benches & bathrooms in the parks!

Would love to see programming in and around schools!

We need a turf field for soccer - most communities have them and we don't so we end up travelling in inclement weather to play in other cities. Please!!!

centennial park needs more equipment fir a variety of ages, and big fun stuff like a climbing rock (see maple ridge park) and a spin tower. maple ridge park is where we go due to their huge variety of equipment. i overheard kids saying they liked the old park better because this new equipment is to small, for much younger kids. my kid agrees, he's 9

every play ground should have accessible washrooms! I can understand the vandalism and drug use concern, but even if they had a sign stating the hours it would be unlocked (ie. open 8am - 8pm) would be better than nothing at all. or even a permanent outhouse like they have at the park entrances ie. cascade.

I'm not sure if you are referring to trails in the mountains but we use those a lot. And we use the leisure centre a lot.

More Adult Events, we have more than enough for families and kids. Better exposure for Aboriginal Days should be done they need the support of the people. Maybe actually getting the local paper to show up would be a great start.

As a family with 3 children under 10 yrs, we would like more programs geared to this age. The timing of these programs are also very important. Why have a park play date at dinner hour? We did not and will not be participating.

Perhaps looking at other municipalities parks & rec programs where they offer daytime park groups for kids during the work week. Calgary, Alberta has a budget that provides this to children free of charge. Stratford, Ontario does not so they offer the program at a nominal fee to families. Both are offered on a first come basis. Both programs are led by trained adults with support by teens (training received) providing valuable work experience for the future.

Art of any kind in public spaces add so much beauty, thought, and feeling to all who experience it. Mission needs more of it and a higher diversity in type and location of art.

I would love a dog park for small dogs. It would have benches for the doggy parents to sit on and socialize and an area that's wide open for the dogs to play in. Also it would need to be fully enclosed so the dogs can't escape. Thanks.

There are limited places for people who have medium to large size dogs to walk their dogs and socialize them safely.

Mission also really needs a proper seniors centre, and more activities for seniors

We primarily use Heritage Park and the Leisure Center. We don't feel safe at other parks in Mission (Centennial, one by the lawn bowling club, etc.).

Parks and trails have had a good amount of work and updates. Which is great. I do see lacking events/groups/ leisure activities for adults 18+. It would be a good way to connect with the community and possibly stay local rather than leaving Mission.

More neighbourhood participation is choosing and creating the amenities in local parks. Also, more parks for walkable neighbourhoods. Better use of existing parks. More dog parks, including some agility equipment. Natural playground equipment please, something different so we have choices. More outdoor exercise equipment. More fruit trees and edible landscaping. Thanks.

I am particularly interested in improvements to the number of dog parks available in Mission, and to their quality (appropriate fencing, access to water, benches, etc.) Thank you.

Community Health

Priorities for Supporting a Healthy Community

Respondents indicated where they would volunteer their time and expertise in support of fostering a healthy community.

This question was intended to surface where investment of funds and staff time might best match with a high volunteer participation rate.

- Respondents were most likely to volunteer time and expertise in efforts focused on families, housing and homelessness, and public spaces.
- Respondents indicated they would be least likely to volunteer on efforts focused specifically on seniors.

	Not at all likely	Somewhat likely	Very likely
Services, resources, or activities with a special focus on youth	19.1%	58.5%	22.3%
Services, resources, or activities with a special focus on seniors	44.1%	43.0%	12.9%
Services, resources, or activities with a special focus on families	22.1%	52.6%	25.3%
Services, resources, or activities with a special focus on housing and homelessness	35.1%	40.4%	24.5%
Services, resources, or activities with a special focus on addictions and/or mental health	50.5%	30.5%	18.9%
Services, resources, or activities with a special focus public spaces like parks, playing fields, and pathways	25.3%	50.5%	24.2%
Services, resources, or activities with a special focus on education and literacy	28.4%	52.6%	18.9%

Respondents also indicated which channel would be best for further communication.

Response	Chart	Percentage
Email information and dialogue		72.7%
Telephone information and dialogue		14.8%
An in-person meeting and dialogue		22.7%
Printed information		33.0%
Other, please specify...		20.5%

Select Comments

also I would like to see more opportunities for children and teenagers to volunteer.

I am interested in improving the local dog park by providing better parking and easier access for seniors with disabilities. I am also interested in improving our play grounds by providing more park benches and easy and safe areas for children 5yrs and under and more wheel chair friendly.

i would love to volunteer for things but i can't volunteer if my children are not able to be onsite. I already don't see them when I work a regular full time job. I am not going to ditch them to volunteer.

I would like to be involved in some kind of volunteer work. However, I cannot seem to locate anything that I believe to be viable or necessary. We already have lots of people working with youth, with families, homeless and addicted.

Would love to see (and would be willing to help in creating and bringing together) some advisory communittees to make recommendations.

Council and Staff need to find a way to quantify the dollar value of the services and work done in the community through the monies spent supporting organizations and programs via it's Grant processes. These funds leverage massive amounts of good in the community but local government doesn't get enough credit for value created through those expenditures.

I am already heavily involved in volunteer activities so my ability to commit to additional activities is limited.

I already volunteer as a coach and exec member for mission minor softball. No other time.

Communication

What's the best way to provide you with information?

Respondents indicated their preferred communication channels for official DOM information in the future.

Response	Chart	Percentage
Newspaper		38.8%
Mail-outs (flyers, newsletters, cards)		23.3%
Email newsletters		47.6%
The District website (mission.ca)		45.4%
Facebook		86.8%
Twitter		14.1%
Posters in public locations		18.5%
Other, please specify...		6.2%

*In response to this question and the question specific to communication and community health / volunteering the Manager, Civic Engagement & Corporate Initiatives has completed implementation of an email marketing platform and contact database.



Finance Department
Staff Report to Council

File Category: 05 Finance
File Folder: 1715-20-16

DATE: November 18, 2015
TO: Mayor and Council
FROM: Kerri Onken, Deputy Treasurer/Collector
SUBJECT: 2016 to 2020 Financial Plan

RECOMMENDATIONS: Council consider and resolve:

1. That the District's 2016 to 2020 Financial Plan include a 1.68% increase in the property tax levy for 2016 as noted in the report entitled "2016 to 2020 Financial Plan", dated November 18, 2015 from the Deputy Treasurer/Collector;
2. That the District's 2016 to 2020 Financial Plan include the two drainage spending packages totaling \$198,785 as noted in the report entitled "2016 to 2020 Financial Plan", dated November 18, 2015 from the Deputy Treasurer/Collector and be included in the drainage utility rate;
3. That the District's 2016 to 2020 Financial Plan include a drainage utility fund by moving the budget for drainage from the general operating fund to the drainage utility fund as noted in the report entitled "2016 to 2020 Financial Plan", dated November 18, 2015 from the Deputy Treasurer/Collector;
4. That a 1% water user rate increase be approved effective January 1, 2016;
5. That a 4% sewer user rate increase be approved effective January 1, 2016; and
6. That the District's 2016 to 2020 Financial Plan Bylaw includes the objectives and policies as noted in the report entitled "2016 to 2020 Financial Plan", dated November 18, 2015 from the Deputy Treasurer/Collector.

PURPOSE:

The purpose of this report is to provide an overview of the 2016 draft operating budget for Council to provide staff with final direction in terms of the overall District's 2016 financial plan/budget and related tax and utility rate increases. In preparation of the 2016-2020 Financial Plan Bylaw, Council's objectives and policies as outlined in section 165(3.1) of the *Community Charter*, is a requirement.

EXECUTIVE SUMMARY

At the November 2, 2015 Council (Budget Consultation) meeting, the 2016 general operating budget indicated the net overall budget increase over 2015 of \$488,967, which represents a 1.68% increase in property taxes. This increase includes staffing related expenditures, spending packages, RCMP costs, contractual and operational increases, the Animal Control contract, removal of the 2015 FLEX funding, and various revenue increases including new construction.

The 1.68% increase in property taxes has an impact of approximately \$30.82 on the average home owner in Mission for municipal services.

The budget impacts from the increased costs to the BC Transit 2016/2017 contract in light of the Provincial Government's freeze on their contribution and the final budget for the Westcoast Express Train Bus Service are not known at this time and are not reflected in the budget.

Staff continues to work with BC Assessment to get a firmer estimate of the value of additional property taxation revenue to be received from new construction.

As part of the budget discussions, Council approved in principle a 1% increase in water user rates and a 4% increase in sewer user rates to ensure additional funds for future capital projects and was presented at the budget consultation. This equates to an increase just under \$20.00 for a home owner with both utilities.

The establishment of a drainage utility has been approved and two drainage related spending packages, totaling \$198,785, have been approved in principle. Staff will be addressing the funding model in a separate report to Council at a later date.

Under Section 165(3.1) of the *Community Charter*, the District of Mission is required to include in its Five-Year Financial Plan (2016 - 2020) bylaw objectives and policies regarding the proportion of total revenue that comes from each of the funding sources, the distribution of property taxes among the property classes, and the use of permissive tax exemptions. The District's current 2015-2019 version, with tables that include updated 2016 data, is provided for Council's consideration.

DISCUSSION AND ANALYSIS:

At the November 2, 2015 Council (Budget Consultation) meeting, the 2016 general operating budget indicated the net overall budget increase over 2015 of \$488,967, which represents a 1.68% increase in property taxes. The major changes are as follows:

	Budget Dollars	Potential Tax Impact
Staffing related expenditures	620,750	2.13%
Spending packages - Transfer to general/major capital reserve	290,000	1.00%
Spending packages - Staffing plus Invasive Plants	47,400	0.16%
RCMP contract and integrated police services, 1 new officer	185,000	0.64%
Various contractual and operational increases	164,454	0.57%
Animal control contract (<i>net expenses with revenue</i>)	-69,060	-0.24%
Removal of the 2015 FLEX funding	-200,000	-0.69%
Various revenue changes including new construction estimate	-549,577	-1.89%
Net Proposed Changes to General Operating Fund Budget	\$ 488,967	1.68%

A 1.68% increase in property taxes has an impact of approximately \$30.82 on the average home owner in Mission for municipal services.

Budget Unknowns

There are a few budget impacts that are not yet known at this time and therefore, are not reflected in the budget projections.

- The impact of increased costs to the BC Transit 2016/2017 contract in light of the Provincial Government's freeze on their contribution.
- Final budget for the Westcoast Express Train Bus Service.

Staff are in discussions with BC Transit on understanding how the freeze will affect the budgeting process and a report outlining the impacts will be brought forward to Council before the end of the year. Translink will be providing budget estimates for the Westcoast Express Train Bus service sometime this month. The expectation is that the overall impact on the budget for the train bus will be minor.

Staff continues to work with BC Assessment to get a firmer estimate of the value of additional property taxation revenue to be received from new construction. The final new construction revenue should be known by March 31, 2016.

Utility Operating Budgets

As part of the budget discussions, Council approved in principle a 1% increase in water user rates and a 4% increase in sewer user rates to ensure additional funds for future capital projects and was presented at the budget consultation. This equates to an increase just under \$20.00 for a home owner with both utilities.

During the budget process, staff indicated that no increases to the curbside collection rates for garbage and recycling/compost are required to maintain a healthy Waste Management utility fund balance.

The establishment of a drainage system has been approved as a user-funded utility and two drainage related spending packages, totaling \$198,785 have been approved in principle:

- Drainage inspection program - \$100,000
- Transfer to Drainage Capital Reserve - \$98,785

Historically, drainage related costs have been funded as part of general taxation revenue. In the 2015 budget, \$1,321,500 of the total property taxes collected went to drainage related expenditures. Approving these spending packages will increase the 2016 drainage budget to \$1,520,285. This budget for drainage revenue and expenditures can be moved from the general operating fund to the new drainage utility. In other words, the general municipal tax rate will decrease and a new drainage rate will be introduced.

Staff are currently investigating two different funding models, flat rate and assessment based, for Council's consideration and will be bringing forth a separate report to Council at a later date. With either model, property taxes will be reduced and replaced with the new drainage utility rate and this rate would be identified on a separate line on the District's property tax notice. If using the assessment base model for projecting the impact on 2016 tax notice, the \$198,785 increase to drainage utility is estimated to have an impact of \$12.48 on the average assessed home in Mission. This drainage increase is comparable to 0.68% increase in taxes.

Financial Plan Bylaw - Objectives and Policies

Under Section 165(3.1) of the *Community Charter*, the District of Mission is required to include in its Five-Year Financial Plan (2016 - 2020) bylaw (due before May 15, 2016) objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*; (revenue from property taxes, parcel taxes, fees, proceeds from borrowing and revenue from other sources);
2. The distribution of property taxes among the property classes; and
3. The use of permissive tax exemptions.

The District's 2015-2019 objectives and policies with tables updated with 2016-2020 data are provided for Council's consideration:

1. Funding Sources

Council's objectives and policies in regards to operating and capital revenue sources are provided below. Table 1 highlights the various operating and capital revenue sources, including the percentage from each source, reflected in the District's Five-Year Financial Plan (2015 - 2019). Over the five years about 49% of operating revenues will come from property taxes with user fees making up the other significant portion at around 43%. The majority of capital funding is intended to come from the District's internal reserves and from development cost charges (DCCs).

Operating Revenue Sources

Objective:

Over the five-year financial plan timeframe, it is Council's goal to diversify and expand its revenue base as much as possible with the goal of becoming less reliant on property taxes.

Policy:

Council recognizes that the District of Mission is reliant on property taxes to fund the majority of its services/programs. Council is committed, on an annual basis, to formally reviewing and adjusting, where possible, existing user fees and to examining and implementing new user fees where feasible, in order to minimize overall property tax increases. Council also recognizes that raising user fees beyond a certain point will actually result in less usage or demand and ultimately less revenue and that various services like recreation need to be subsidized to a certain level so that all citizens can partake. The District of Mission, like other local governments in B.C., also needs access to other sources of revenue to meet growing service demands and to stabilize property taxes.

Capital Revenue Sources

Objective:

Over the five-year financial plan timeframe, it is Council's goal to build up its reserves to provide for greater internal capital funding/financing opportunities.

Policy:

Council sees the need to increase its internal capital funding capacity by building up its own reserves, to minimize future external debt/interest costs and to provide internal borrowing opportunities. Internal debt financing for capital projects should be utilized to the extent possible before resorting to external debt with the proviso that internal debt repayments need to take place as scheduled; however, external debt financing may be required for larger, high priority capital projects if sufficient reserves are not in place.

Table 1: Sources of Revenue

	2016	2017	2018	2019	2020
Operating Revenue Sources					
<i>Property value taxation</i>	48%	49%	49%	49%	49%
<i>Parcel tax</i>	0.1%	0.1%	0.1%	0.1%	0.1%
<i>User fees and charges</i>	43%	43%	41%	42%	42%
<i>Other revenue</i>	9%	9%	9%	9%	8%
<i>Proceeds from borrowing</i>	0%	0%	0%	0%	0%
Totals	100%	100%	100%	100%	100%
Capital Revenue sources					
<i>Other sources - Reserves</i>	68%	66%	46%	58%	53%
<i>Other sources - DCCs and developer contributions</i>	31%	34%	54%	42%	47%
<i>Other sources - Grants</i>	0%	0%	0%	0%	0%
<i>Proceeds from borrowing</i>	0%	0%	0%	0%	0%
Totals	100%	100%	100%	100%	100%

2. Distribution of Property Taxes

Council's objective and policy in regards to the distribution of property taxes are provided below. Table 2 highlights the estimated municipal property tax dollars and the respective percentages to be collected from each of the tax classes in 2016. The District collects approximately 75% of its property taxes from the residential class and approximately 20% from the business/other class with the other classes making up the balance. This is reflective of the fact that about 90% of Mission's assessment base is residential and about 8.5% is business/other.

Objective:

Over the five-year financial plan timeframe, it is Council's goal to diversify and expand its tax base so that all taxpayers are in a more favourable position.

Policy:

Council recognizes the need to rationalize its property tax distribution among the various tax classes; however, more importantly Council recognizes the need to diversify and expand its assessment/tax base. Council is committed to aggressively pursuing business/commercial economic development opportunities to achieve this. Council is also committed to comparing its assessment mix, property tax levels and property tax distribution with other B.C. communities on an annual basis. Council understands that the level of property taxation for each of the tax classes does not necessarily correlate with the amount of services provided; however, quantifying and costing the services provided to each tax class is difficult and subjective at the very least. It should also be recognized that many businesses in the community have employees that benefit from and use many District services, facilities and amenities, and that additional services and amenities benefit all of the tax classes, both directly and indirectly.

Table 2: Approximate Distribution of 2016 Municipal Property Taxes

Property Class	Property Tax Dollars Raised	% of Total Property Taxation	Ratio
(1) Residential	22,024,262	74.6%	1.0
(2) Utility	223,975	0.8%	8.1
(3) Social Housing	-	0.0%	1.0
(4) Major Industry	-	0.0%	2.8
(5) Light Industrial	974,741	3.3%	2.8
(6) Business/Other	6,100,979	20.7%	2.9
(7) Municipal Forest	1,132	<0.1%	2.9
(8) Recreation/Non Profit	133,322	0.5%	2.2
(9) Farm	61,639	0.2%	4.1
	\$ 29,520,050	100.00%	

3. Permissive Tax Exemptions (including Revitalization Tax Exemptions)

Council's objective and policy in regards to permissive tax exemptions (including revitalization tax exemptions) are provided below.

Objective:

Over the five-year financial plan timeframe, Council will continue supporting worthy charitable/non-profit organizations that provide valuable services to the community and will determine how it can use its expanded powers in terms of revitalization tax exemptions to benefit the community as a whole.

Policy:

Council chooses to support charitable/non-profit organizations (churches, social, recreational, health and housing organizations) that provide valuable services to the community through permissive tax exemptions as allowed for by legislation. Council is committed to continuing with these tax exemptions and to treating all organizations with similar mandates equally when it comes to property tax exemptions.

A Mission Downtown Development Incentive Program offering a 10-year revitalization tax exemption is available within the defined Downtown Planning area and provides a financial incentive to encourage development in the downtown area. The revitalization tax exemption program will accept applications up to December 31, 2016 and is outlined under Bylaw 5391-2013 Downtown Revitalization Tax Exemption.

Preparing the Financial Plan Bylaw

Staff are preparing the District's 2016 - 2020 Financial Plan for adoption prior to December 31, 2015. In order to prepare the Financial Plan bylaw, staff require the following information:

- Council's direction in terms of the overall District's 2016 related tax increase - currently estimated at 1.68% which includes the spending packages;
- Council's approval for staff to prepare the Water Rates Amending Bylaw 5532-2015-2197(25) to include a 1% rate increase; and to prepare the Sewer User Rates and Charges Amending Bylaw 5533-2015-1922(22) to include a 4% rate increase; as these were approved in principle;
- Council's approval of the two drainage related spending packages; and
- Council's review and support for objectives and policies under Section 165(3.1) of the *Community Charter*, namely:
 1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*; (revenue from property taxes, parcel taxes, fees, proceeds from borrowing and revenue from other sources);
 2. The distribution of property taxes among the property classes; and
 3. The use of permissive tax exemptions.

The Equipment and the General Capital Plans were approved for inclusion into the 2016-2020 Financial Plan at the Freestanding Committee of the Whole (Corporate Services – Budget) Meeting held on September 16, 2015. The Forestry Enterprise budget was approved for inclusion into the 2016-2020 Financial Plan at the Freestanding Committee of the Whole (Corporate Services – Budget) Meeting held on September 30, 2015.

Also approved for inclusion into the 2016-2020 Financial Plan at the Freestanding Committee of the Whole (Corporate Services – Budget) Meeting held on October 14, 2015 were the Water Utility Financial Plan, the Sewer Utility Financial Plan, and Waste Management Utility Financial Plan, and the Drainage Utility's initial capital plan.

FINANCIAL IMPLICATIONS:

The financial implications are discussed throughout this report.

COMMUNICATION:

The financial plan bylaw will be available on our website once adopted by Council.

SIGNOFFS:



Kerri Onken, Deputy Treasurer/Collector



Reviewed by:
Kris Boland, Manager of Finance

Comment from the Chief Administrative Officer:

Reviewed