

# MAKE IT YOUR MISSION



## Our Shared Priorities

Council has established a set of ambitious goals and objectives aimed at improving the quality of life for residents, developing sustainable growth in business and industry, and creating meaningful long-term plans to guide the future growth of our municipality.

Many projects that support these goals are already underway, like the artificial turf field and skate park projects and ongoing support of the Stone Soup initiative that is bringing the service providers, consumers, and the broader community together to wrap around the complex issue of homelessness.

## Official Community Plan

The Official Community Plan is perhaps our most important planning document in guiding the future growth of Mission. We hope you get involved to have your voice heard. Watch [mission.ca](http://mission.ca) or find us on Facebook and Twitter to stay up to date.

## 2016 Budget

We hope that as you read through this document and share your input on the 2016 budget that you can reflect on what you hope to see in your community.

Take part in the budgeting process by sharing your thoughts through the questionnaire on the back page or online at [mission.ca/budget](http://mission.ca/budget) by November 6, 2015.

## DISTRICT OF MISSION

### 2016 BUDGET HIGHLIGHTS

Council created their strategic goals earlier this year with one of their goals being: “Financial sustainability through diversified and optimized revenue to be clearly communicated.” The objective of this goal is to “Keep tax increases comparable with the Vancouver’s annual Consumer Price Index (CPI).”

Council has given preliminary approval of the draft 2016 financial plan and is looking for input from the public prior to finalizing the budget. The plan includes consolidated operating budgets totaling \$65,256,000 and capital budgets totaling \$10,850,000.

The draft 2016 financial plan includes:

- An increase in property taxes of 1.68% to:
  - increase the transfer to capital reserves to fund future projects, to fund one new RCMP officer, and for contractual increases to provide the same service levels. Cost savings such as moving to Fraser Valley Regional District for animal control will partially offset the increased costs,
- 1% increase in water user rates,
- 4% increase in sewer user rates,
- No increase in garbage and recycling/compost user rates.

Council wants your input in order to prioritize the expenditures and service levels.

**Let Your Voice be Heard on November 2, 2015 at 7:00 pm**

# Consolidated Operating Fund Budgets

## Consolidated Expenditures

Mission offers a broad range of services over five operating funds;

- General Operating Fund, \$45.7 million
- Water Utility Fund, \$6.4 million,
- Sewer Utility Fund, \$4.6 million,
- Waste Management Fund, \$4.3 million,
- Forestry Enterprise, \$4.2 million.

The sections of the consolidated operating expenditure graph in shades of blue represents the services provided by the General Operating Fund at \$45.7 million. Property taxes are the major revenue source for these services.

## Consolidated Revenue

Funding the expenditures for these services comes from three main sources;

- Property Taxes, \$32.0 million,
- User Fees and Charges, \$18.8 million,
- Utility Fees, \$14.4 million.

The District proactively reviews and adjusts user fees and charges each year. The goal is to lessen the reliance on property taxes and to offset the cost of doing business.

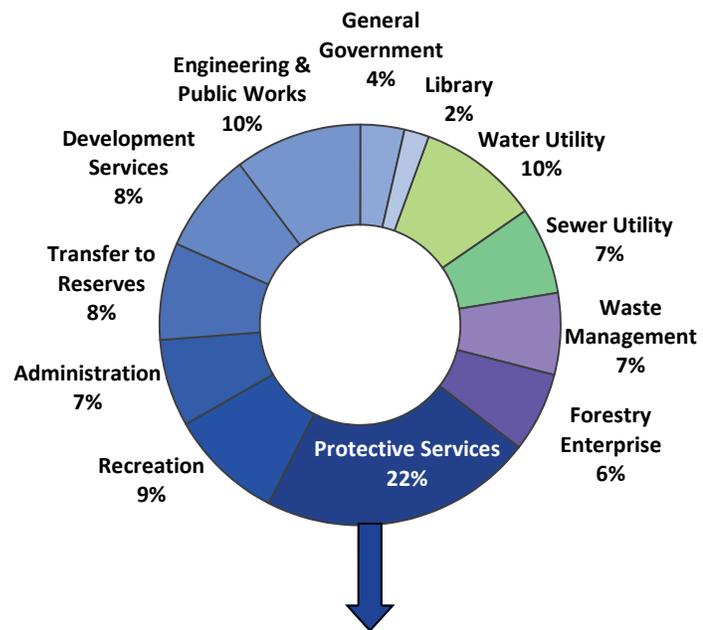
The 2016 operating budgets include a 1% increase to most fees and charges.

Government transfers (grants from other levels of government) for 2016 are projected at \$2.75 million. Of this amount, \$1.6 million will be used for capital projects, the balance \$1.15 million will be used to offset operating costs for services such as Policing, Council's grant program, Social Development, Restorative Justice.

## Consolidated Operating Funds

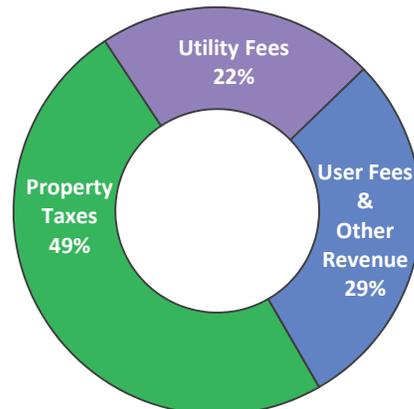
The municipal budget of approximately \$65.2 million funds a variety of services for a safe and healthy community. Each year, Council aims to find a balance between affordable taxes and user fees while continuing to maintain the services Mission residents have come to expect.

**Consolidated Operating Expenditures**  
\$65.2 million



The largest component of the operating budget is Protective Services at 22%. This represents Police Services at \$11.1 million, or 17% of the budget, and Fire Rescue Services at \$3.3 million, or 5% of the budget.

**Consolidated Operating Revenue**  
\$65.2 million



# General Operating Budget

## New Spending Packages for 2016

Council considered, and approved in principle, seven spending package requests to enhance services that totaled \$502,656, with a total potential tax impact of 1.16%.

The largest request is to increase the annual transfer to General/Major Capital reserves by \$290,000. This request is to ensure capital funding is available to maintain and replace the District's critical infrastructure.

Spending Package	Budget Requested	Potential Tax Impact
Transfer to General/Major Capital Reserve	\$290,000	1.00%
Invasive Plant Management	\$25,000	0.08%
Part-time contract staffing for childminding	\$3,200	0.01%
Part-time to full-time staffing for fitness	\$13,800	0.05%
Part-time to full-time staffing for Child & Youth	\$5,400	0.02%
Spring Ice Pilot Program <i>(funded from stabilization reserve in 2016)</i>	\$25,056	<b>0.00% *</b>
Engineering/Public Works Business Manager <i>(funded by Utility funds and budget savings)</i>	\$140,200	<b>0.00% *</b>

\* no impact on property taxes for 2016

## Key Budget Drivers for 2016

A variety of factors affect each year's budget process. The net impact of these factors on the 2016 operating budget total \$488,967.

Major Changes to 2016 Budget	Budget Dollars	Potential Tax Impact
Staffing related expenditures	\$620,750	2.13%
Spending packages, net <i>(see table above)</i>	337,400	1.16%
RCMP cost plus 1 new officer	185,000	0.64%
Contractual and operational increases	164,454	0.57%
Animal Control Contract	-69,060	-0.24%
Removal of 2015 FLEX funding	-200,000	-0.69%
Various revenue including new construction	-549,577	-1.89%
<b>Totals</b>	<b>\$488,967</b>	<b>1.68%</b>

## Spending Packages

Planning for the future, \$290,000 1.0%

Increase service levels, \$47,400 0.16%

New projects/position, \$165,256 0.00%  
*these two requests can be funded from other sources or existing budget savings, thus will have no property tax impact*

Transfer to General/Major Capital reserve is to ensure capital funding is available for infrastructure replacement and expanding projects as well as emergencies.

## Fraser River Heritage Park

The maintenance and operational costs of the Fraser River Heritage Park are fully funded within the Parks, Recreation and Culture budget at the same budget level as 2015.

## Forestry Enterprise

The Mission Forestry Enterprise harvests and sells approximately 45,000 cubic meters of wood annually into the Vancouver Log Market. The business is self sustaining and funds its operations from the sale of logs.

Since inception, the Forestry Enterprise has generated over \$11 million in profits which have been used to fund non-forestry projects such as a fire hall and fire truck, library improvements, and local arts and culture.

Forestry is involved with the development of the Stave West area into a family friendly destination for outdoor recreation and tourism and learning within the context of a sustainable managed working forest.

# Property Taxes

## Estimated Impact

The estimated impact of a 1.68% increase on various assessed value homes.

Assessed Value of Home	Estimated Annual Increase in Taxes	
\$285,500	1.68%	\$22.57
\$390,000	1.68%	\$30.82
\$495,500	1.68%	\$39.16

## Municipal Services - Cost per Month

The municipal property taxes for the average home in Mission are estimated at \$1,865 for 2016. That is approximately \$155 per month for municipal services.

## Comparing with Our Neighbours

The annual tax notice includes amounts for municipal property taxes, taxes levied by other authorities (i.e. school board) and flat rate municipal utilities (water, sewer, garbage, recycling/compost).

Mission ranks 4th lowest out of 13 neighbouring communities in terms of the cost of property taxes (excluding utilities) on an average assessed home. In 2015, the average assessed home paid \$2,903.

Property taxes is the major source of revenue for the District. The typical property tax notice, mailed out each May, also includes taxes collected on behalf of various taxing authorities. Depending on where you live, your tax notice may also include charges for municipal utilities.

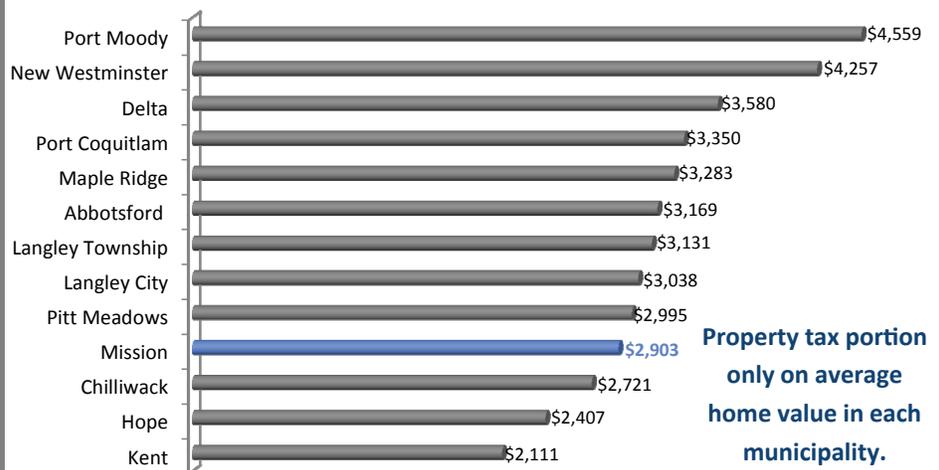
## Impact on 2016 Property Taxes

The proposed net increase in the 2016 general operating budget of \$488,967 represents a 1.68% increase in the District's total budget. This means, if approved, the average value home will see an estimated increase of 1.68% for the *municipal portion only* of your property tax notice.

The average home in Mission paid \$2,903 in property taxes in 2015, with \$1,834 of that amount for municipal services. With the proposed 1.68% increase in the budget, the estimated 2016 municipal property taxes will be \$1,865, a \$30.82 increase.

Municipal Services	Annual	Monthly
Protective Services	\$607	\$50
Engineering & Public Works	281	23
General Government*	93	8
Parks, Recreation & Culture	252	21
Administration	193	16
Transfers to Reserves	215	18
Development Services	<u>224</u>	<u>19</u>
<b>Municipal Taxes on Average Home:</b>	<b><u>\$1,865</u></b>	<b><u>\$155</u></b>

\* includes debt serving, insurance, retirement accrual, etc.



# Capital Projects, Reserves and Debt

The District plans to spend \$10.85 million on capital projects during 2016 as it continues to invest in infrastructure such as transportation, water and sanitary sewer systems, facilities, etc. Condition assessments on infrastructure helps the District prioritize replacement capital projects within the long-term financial plan.

Significant Capital Projects Scheduled for 2016	Budget
Artificial Turf Field Project	\$2,900,000
Road Paving Program	\$2,755,761
Water Main Replacement Program	\$1,000,000
Replacement of three Dump Trucks and one Zamboni	\$924,395
Municipal Facility Repairs	\$576,614
Skateboard Park Project	\$440,000
Highway #7 Sewer Main Replacement Stave Lake to Mary St.	\$318,000
Sewer Condition Assessment/Replacement	\$304,145

Over the next five years, the District's Capital Plan has over \$62 million in capital projects.

The District has identified and included \$982,000 of new capital projects in the 2016 Capital Plan, (general, water, sewer and forestry enterprise). This includes the following projects:

- Facility upgrades, \$322,000,
- Wild-fire bush truck, \$150,000,
- Asset management, \$150,000,
- Softball park irrigation and spray park recirculation, \$115,000,
- Hatzic Park automatic irrigation, \$80,000.

Expenditures by Capital Plan	5-Year Total (2016-2020)
General	\$20.31 million
Sewer Utility	\$16.89 million
Water Utility	\$8.47 million
Development Cost Charge	\$7.53 million
Equipment	\$5.84 million
Drainage Utility	\$1.65 million
Waste Management	\$1.38 million

## Reserves

Each year the District transfers a portion of the budget into reserves to fund future capital and operating expenditures. The District has budgeted to transfer \$11.74 million into reserves in 2016.

The District strives to build all reserves to a healthy level.

2016 Budgeted Transfers to Reserves	
Operating	\$6.43 million
Water	\$3.31 million
Sewer	\$1.51 million
Waste Management	\$0.27 million
Forestry	\$0.22 million

## Debt

The District of Mission has a "pay as you go" philosophy in terms of funding infrastructure and other capital projects. Saving ahead for projects is preferable to debt financing, particularly external debt financing, as interest costs can add tremendously to the overall cost of the project. Internal borrowing, if available, is preferable to incurring debt.

## Operating vs Capital

The operating budget is used to pay the day-to-day costs for the various community programs and services, such as life guards at the Leisure Centre and the cost to heat the pool.

The capital budget is for investment in infrastructure, such as road construction, facility upgrades, replacing aging water and sewer pipes, or replacing a fire truck.

## Reserves

Reserves are like the District's "savings accounts" for future operating and capital expenditures. Most reserves are set-up to fund capital projects.

Some reserves have legislative restrictions. For example, revenue put into the "Parkland Reserve Fund" can only be used to purchase parkland.

## Internal Borrowing

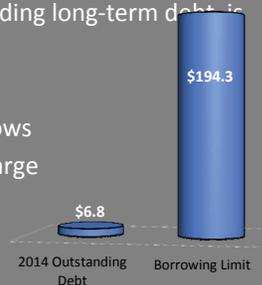
Internal borrowing is preferable to incurring debt. Money is "borrowed" from one reserve to finance infrastructure in order for growth/development to occur. The borrowing reserve repays the lending reserve with interest avoiding interest payments to external sources.

## Debt

The District's legislative borrowing capacity, external borrowing limit is \$194.3 million.

The District's outstanding long-term debt is \$6.8 million as at December 31, 2014.

Keeping debt low allows flexibility for future large capital projects.



# Municipal Utilities

## Proposed Utility Rate Increases

The 2016 proposed budget includes a 1% increase to water rates.

Flat rate water will increase by \$4.80.  
Residential water meter rate is proposed at \$1.24 per cubic meter.

The 2016 proposed budget includes a 4% increase to sewer rates

Flat rate sewer will increase by 14.64

No increase proposed for refuse rates or recycling/compost rates

Municipal Utility	2016 Proposed Fees	Monthly
Water Rate	\$489.00	\$40.75
Sewer Rate	\$382.92	\$31.91
Refuse Rate	\$165.24	\$13.77
Recycling/Compost Rate	\$130.08	\$10.84

Rate increases are to maintain the long-term health of the regional and local utility operations and to fund future capital projects.

## Utility Debt

Debt free utilities have allowed the District to build up reserves for upgrades and replacement of existing infrastructure and fund new capital projects.

- Water Utility is debt free.
- Sewer Utility is debt free.
- Waste Management Utility is debt free.

The District of Mission and the City of Abbotsford are joint partners in the major regional water supply and sewage treatment systems, which benefit residents in both communities. These services are cost shared based on each community's usage.

## Water Utility

Mission owns and operates its own internal water distribution system. To keep pace with inflation and maintain healthy reserves for both the regional and local water systems, Council proposes a 1% (\$4.80) increase in Water User Fees for an annual fee of \$489.00.

Four operating spending packages funded from the water utility have been approved in principle, pending the budget consultation.

Water Utility Fund Initiative	Budget Requested
System Administration budget	\$5,564
Meter Reading budget	\$3,000
Ruskin System Testing budget	\$2,000
Engineering/Public Works Business Manager position - <i>Water Utility Portion only</i>	\$35,050

## Sewer Utility

Mission owns and operates its own internal sewer conveyance system. To keep pace with inflation for both the regional and local sewer systems and to build up our reserves to support the JAMES Wastewater Treatment Plant, Council proposes a 4% (\$14.64) increase in Sewer User Fees for an annual fee of \$382.92.

Three operating spending packages funded from the sewer utility have been approved in principle, pending the budget consultation.

Sewer Utility Fund Initiative	Budget Requested
Lift Station Maintenance budget	\$20,000
Sewer Connection Maintenance budget	\$20,000
Engineering/Public Works Business Manager position - <i>Sewer Utility Portion only</i>	\$35,050

# Municipal Utilities

## Waste Management

The District of Mission owns the Landfill site, Minnie’s Pit. Mission is also partners in the Abbotsford/Mission Recycling Depot located on Valley Road in Abbotsford, and the Mershon Street drop-off facility.

Starting in April of 2016, curbside collection of garbage will change to every two weeks. Recycling and compostables will continue to be collected every week to help improve diversion and extend the life of our landfill.

- Council is proposing no increases to curbside collection fees and a 1% increase to landfill tipping fees for various materials.
- The Waste Management Utility is contributing \$14,020 towards the Engineering/Public Works Business Manager position.

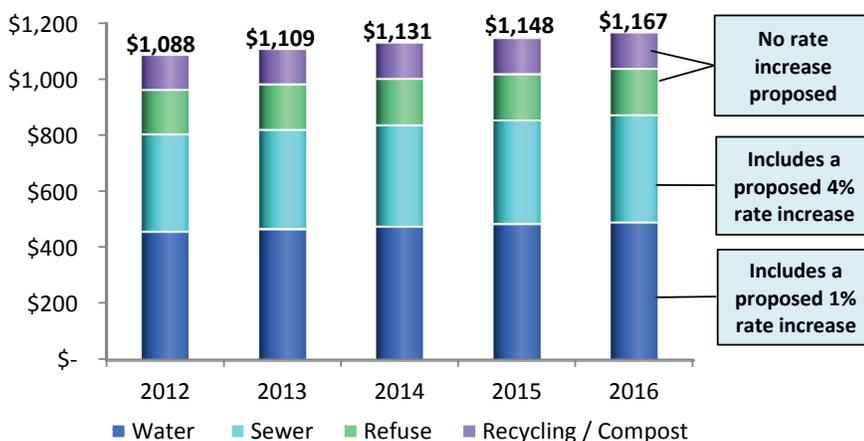
## Drainage Utility - New

The District’s drainage program has significant challenges in terms of providing adequate funding for maintenance, replacement and upgrading of the District’s critical drainage systems. Council considered and approved the creation of a District Drainage Utility.

Drainage has been funded by taxation in the past. By moving to a new Drainage Utility, your taxes will be reduced, however, the new Drainage Utility User Fee will offset this reduction.

Before the end of 2015, Council will be considering different funding models, along with its timing, the initial resources required to implement the utility and approval of all bylaws required.

## Flat Rate Utility Fees



## Curbside Collections

There are no increases to the curbside collection fees in 2016.

The 2016 Curbside Collection Calendar will soon be available with start dates and more information on the new collection schedules.

Rot pots for new residents are available at the Public Works complex and orange stickers for compostables and yard waste containers are available at Municipal Hall, Public Works complex and the Leisure Centre.

Additional information on waste management and garbage is available by visiting [mission.ca/collectioncalendar](http://mission.ca/collectioncalendar).

## Drainage Utility

Council has approved the establishment of the District Drainage System as a user-funded utility.

Two spending package initiatives have been approved in principle, as Council is considering different funding models and input from the public before implementing this program.

Drainage Utility Fund Initiative	Budget Requested
Drainage inspection program	\$100,000
Transfer to Drainage Capital Reserve	\$98,785

A new Drainage Capital Reserve Fund is being established to provide a funding source for drainage capital projects.

# Budget 2016 Consultation



Please take a moment to complete this questionnaire. Responses will be presented to Council for consideration prior to approving the 2016 Budget on November 18, 2015. Submit your completed survey to the *Corporate Administration Department* at Municipal Hall or complete it online at [mission.ca/budget](http://mission.ca/budget). You can also e-mail feedback or questions to [budget@mission.ca](mailto:budget@mission.ca). Responses are required no later than **Friday, November 6, 2015**.

## Overall Support for the Budget

The 2016 draft *consolidated operating budgets* presented for your comments total \$65,256,000 and the *capital budgets* total \$10,854,000. Together these budgets would result in an overall budget increase of \$488,967 or 1.68%, impact on property taxes. This 1.68% represents a \$30.82 impact on the average home owner or \$2.57 per month.

Thinking about the programs and services you receive from the District, indicate your level of support for the proposed tax increase.

Strongly Support	10	9	8	7	6	5	4	3	2	1	0	Strongly Oppose
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Included in the overall property tax increase of 1.68% is a 1% increase to transfer \$290,000 to the General/Major Capital Reserve to fund future infrastructure and upgrades, plus a 0.68% or \$198,967 increase to maintain/enhance existing service levels across the District. **To what extent do you support each of those items?**

\$290,000 transfer to General Capital Reserve	<input type="checkbox"/>	Strongly Support	<input type="checkbox"/>	Support	<input type="checkbox"/>	Neutral	<input type="checkbox"/>	Oppose	<input type="checkbox"/>	Strongly Oppose
\$198,967 to maintain/enhance services	<input type="checkbox"/>	Strongly Support	<input type="checkbox"/>	Support	<input type="checkbox"/>	Neutral	<input type="checkbox"/>	Oppose	<input type="checkbox"/>	Strongly Oppose

The 2016 proposed budget includes rate increases aimed at meeting the cost of inflation and maintaining the long-term health of utility operations. **Indicate your support for the proposed increases.**

1% (\$4.80) increase to water utility rates	<input type="checkbox"/>	Strongly Support	<input type="checkbox"/>	Support	<input type="checkbox"/>	Neutral	<input type="checkbox"/>	Oppose	<input type="checkbox"/>	Strongly Oppose
4% (\$14.64) increase to sewer utility rates	<input type="checkbox"/>	Strongly Support	<input type="checkbox"/>	Support	<input type="checkbox"/>	Neutral	<input type="checkbox"/>	Oppose	<input type="checkbox"/>	Strongly Oppose

## Additional Comments

Please share any additional comments you have on the proposed 2016 Municipal budget. (attach additional paper if necessary)

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## Stay in Touch

Provide your name and email address below and we will email you more opportunities to engage with the District on various projects and have your voice heard.

Email Address:	<input type="text"/>	First and Last Name:	<input type="text"/>
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Make it **YOUR** Mission

### Final Budget Discussions

On Wednesday, November 18, 2015 in the Council Chambers at 1:00 pm there will be a Freestanding Committee of the Whole (Corporate Services - Budget) Meeting where Council will review all public comments and survey results prior to making the final budget decisions. All Committee Meetings are webcast and available to view live or from our archive.

604.820.3717

[budget@mission.ca](mailto:budget@mission.ca)

[mission.ca/budget](http://mission.ca/budget)