Committee of the Whole Agenda

The agenda for the Freestanding Committee of the Whole (Corporate Administration and Finance Committee - Budget) meeting to be held in the Council Chambers of the Municipal Hall, 8645 Stave Lake Street, Mission, British Columbia on Wednesday, May 17, 2017, commencing at 1:00 pm.

1. CALL TO ORDER

2. ADOPTION OF AGENDA

3. CORPORATE ADMINISTRATION AND FINANCE

   (a) Proposed 2018 Budget Schedule

      Recommendations: Council consider and resolve:

      That the proposed 2018 budget schedule, attached as Appendix A to the report dated May 17, 2017 from the Deputy Treasurer/Collector, be approved.

   (b) Preliminary 2018 Budget Status

      This report is to provide Council with any known budget impacts and areas of potential budget impact, including any department challenges that might influence the 2018 budget discussions. No staff recommendation accompanies this report.

   (c) Financial Plan Objectives and Policies

      This report introduces the financial plan’s objectives and policies for Council’s review and eventual inclusion into the 2018-2022 Financial Plan Bylaw. No staff recommendation accompanies this report and Council action is not required at this time.

   (d) Budget Consultation

      This report provides Council with an overview of public consultation planned for the 2018 budget process. No recommendation accompanies this report; however, staff welcome direction from Council on specific areas of interest they would like to see highlighted through the public consultation process.

4. ADJOURNMENT
DATE: May 17, 2017
TO: Mayor and Council
FROM: Kerri Onken, Deputy Treasurer/Collector
SUBJECT: Proposed 2018 Budget Schedule
ATTACHMENT(S): Appendix A – 2018 Proposed Budget Schedule

RECOMMENDATION: Council consider and resolve:
That the proposed 2018 budget schedule, attached as Appendix A to the report dated May 17, 2017 from the Deputy Treasurer/Collector, be approved.

PURPOSE:
The purpose of this report is to seek Council’s approval for the proposed 2018 budget schedule to allow for the adoption of the District’s 2018-2022 Financial Plan/Budget by the end of 2017.

BACKGROUND:
This schedule allows for planning and scheduling of staff’s time to review and update the budget, scheduling meetings for Council to discuss the budget and to allow for public consultation. This will enable the Financial Plan Bylaw, incorporating the 2018 operating and capital budgets for the District, to be ready for Council’s approval in mid-December 2017.

DISCUSSION AND ANALYSIS:
The proposed 2018 budget schedule shows budget discussions with Council to commence in September 2017. The attached Appendix A shows a summary of the meetings and dates with expected outcomes. Department Heads and/or Managers will be scheduled to attend the budget discussion meetings with Council, to be available to clarify or provide additional information where required.

Staff have listed the proposed Council Meeting schedule for consideration and discussion below. These meetings will be Freestanding Committee of the Whole – Corporate Administration and Finance - Budget (CAFB) and will be held on Wednesday afternoons except where otherwise noted.

- September 13th: budget overview and capital budget discussions
- September 20th: provisional operating and forestry operations budget discussions
- October 25th: municipal utilities budget discussions
- November 1st: provisional operating budget discussions
- November 20th: Community Budget Consultation meeting (Regular Council)
- November 29th: final 2017 budget discussions
- December 18th: first three readings of the 2018-2022 Financial Plan bylaw, (Regular Council)
- December 20th: final adoption of the 2018-2022 Financial Plan bylaw (Special Council)
FINANCIAL IMPLICATIONS:

There are no financial implications associated with this report.

COMMUNICATION:

Initial public consultation on the 2018 budget will begin near the end of May with a Citizen Satisfaction Survey (see separate report on today’s agenda). There is a budget website mission.ca-budget that provides a high-level overview of the budget and seeks general input from the citizens on the level of satisfaction with municipal services. The title "It's Your Business" will be extending the effectiveness of the previous campaign with the additional communication tools available through the budget website to strengthened online communication channels. A report summarizing the results will be brought to the first budget meeting in September.

The Community Budget Consultation document will be available prior to the community budget consultation meeting in order to inform stakeholders about the proposed budget in advance of the public consultation process.

The Freestanding Committee of the Whole – Corporate Administration and Finance - Budget meetings would be held on Wednesdays in the Council Chambers, are open to the public and will be webcast for those interested parties to view. These budget meetings will be advertised on the City Page, as well as on the District’s website.

SUMMARY AND CONCLUSION:

Staff are seeking Council's approval for the proposed 2018 budget schedule. This schedule will allow for planning and scheduling of staff’s time to review and update the budget, have discussions with Council and to provide for public consultation in order to prepare and approve the 2018-2022 Financial Plan bylaw in December 2017. Appendix A shows a summary of these meetings along with expected outcomes.

SIGN-OFFS:

Kerri Onken, Deputy Treasurer/Collector

Reviewed by:
Kris Boland, Director of Finance

Comment from Chief Administrative Officer:
Reviewed.
**APPENDIX A**

**2018 Proposed Budget Timeline**

<table>
<thead>
<tr>
<th>EVENT/TASK</th>
<th>DATES</th>
<th>EXPECTED OUTCOMES</th>
<th>COMMENTS</th>
</tr>
</thead>
</table>
| Introduction of the 2018 budget including budget timeline, known budget impacts, update on local economy, budget policies, and other issues facing the community. | **Committee of the Whole Council Meeting (CAFB)**  
Wednesday, May 17, 2017  
1:00 – 5:00 pm | Introduction to Council on budget process, where are we at with known drivers before we start the budget process. | An opportunity for Council to set the tone and direction for the budget. |
| Budget process overview plus Capital plans (1st meeting) | **Committee of the Whole Council Meeting (CAFB)**  
Wednesday, September 13, 2017  
1:00 – 5:00 pm | Provide overview of budget process and detailed discussion on the Capital plans. Review and provide direction on the unfunded capital list. | Department should be on hand to answer questions on unfunded capital. |
| Council discussion of General Operating budget. (2nd meeting) | **Committee of the Whole Council Meeting (CAFB)**  
Wednesday, September 20, 2017  
1:00 – 5:00 pm | Introduction of the general operating budget, review and provide direction on spending packages. | Department should be on hand to answer questions on budget or spending packages. |
| Council discussion of Utility Funds budget. (3rd meeting) | **Committee of the Whole Council Meeting (CAFB)**  
Wednesday, October 25, 2017  
1:00 – 5:00 pm | Introduction of Utility Fund operating and capital budgets. Provide direction on any rate increases. | |
| Council discussion of Provisional Budget. (4th meeting) | **Committee of the Whole Council Meeting (CAFB)**  
Wednesday, November 1 2017  
1:00 – 5:00 pm | Follow-up and refine the budget to meet Council’s goals. Report on the list of unknowns. | Last meeting before Public Consultation. Proposed utility and tax rates will be discussed. |
| **Community Budget Consultation.** | **Regular Council**  
Monday, November 20, 2017  
1:00 – 5:00 pm | To inform the public about the District’s provisional operating and capital budgets and to receive feedback. | Regular Council meeting, first item at the evening session. |
| Council discussion of District’s Financial Plan. (Final meeting) | **Committee of the Whole Council Meeting (CAFB)**  
Wednesday, November 29, 2017  
1:00 – 5:00 pm | Discussion of input from public consultation. Refine the budget to meet Council’s goals. Updates on unknowns. | |
| First three readings of 2018 – 2022 Financial Plan Bylaw. | **Regular Council Meeting**  
December 18, 2017  
1:00 – 5:00 pm | First three readings given to Financial Plan Bylaw. | |
| Adoption of 2018 – 2022 Financial Plan Bylaw. | **Special Council Meeting**  
December 20, 2017  
1:00 – 5:00 pm | Financial Plan Bylaw adopted. | |
DATE: May 17, 2017  
TO: Mayor and Council  
FROM: Kerri Onken, Deputy Treasurer/Collector  
SUBJECT: Preliminary 2018 Budget Status  
ATTACHMENT(S): Appendix A – 2018 Preliminary General Operating Fund Budget Summary  
Appendix B – 2018 Unknowns with Potential Core Budget Impacts

This report is to provide Council with any known budget impacts and areas of potential budget impact, including any department challenges that might influence the 2018 budget discussions. No staff recommendation accompanies this report.

PURPOSE:
The purpose of this report is to advise Council of any known budget impacts and areas of potential budget impact, along with any department challenges that might influence the 2018 budget discussions. This will provide Council an opportunity to indicate guidelines on any tax/budget increase.

BACKGROUND:
Staff will begin working on their 2018 budgets as of June 1, 2017 and are requesting Council to provide direction or set priorities in order for staff to be prepared for budget discussions commencing in September, 2017.

DISCUSSION AND ANALYSIS:

General Operating Fund

The 2018 budget cycle will be getting under way shortly and currently we are aware of a number of issues that will impact the 2018 budget. For example, the one additional RCMP member that was approved in a 2015 spending package, the additional member in 2018 has an impact of $135,000, the estimated wage increase for 2018 is approximately $451,000 and the increase to Victim Services program is $70,500. Appendix A summarizes known budget impacts to date which total $795,754 and represents an estimated 2.64% increase in property taxes. It should be noted that departments have not yet reviewed their budgets for potential budget savings nor reviewed their fees and charges for potential additional revenue.

There are some positive impacts for 2018. The final 2017 new construction revenue from property taxation was $116,000 over the 2017 estimate. For 2018, this additional revenue is being applied to reduce the overall 2018 budget increase.
For the most part, departments are not noticing any major shifts or issues on the horizon. Building development remains strong with the expectation of meeting the 2017 budget. Depending on when these development and building projects commence, this will favourably impact the new construction revenue from property taxation for 2018.

Departments have noted that residents are requesting services offered in other lower mainland communities that we currently do not offer. Departments are assessing these requests to determine if they have the resources to set up and maintain, and the value of these new services to the community.

As reported last year, payroll overhead has been operating with a structural deficit for the past few years that was mainly funded by budget savings from vacant positions and some long-term illnesses where the position was not filled.

Last year, a consultant was hired to assist with managing the District’s WorkSafe injuries to reduce the assessment from WorkSafe creating a cost saving measure in 2017 payroll overhead. Both the municipal and the Forestry assessments rates have dropped for 2017.

The payroll overhead is expected to be approximately $500,000 under funded in 2017. To raise $100,000 for overhead costs, the burden rate must increase by approximately 0.83%. Since some employees have their wages costed to other funds (for example Forestry Enterprise, Waste Management Fund or Equipment Pool) the impact on the general operating fund is estimated at $81,000 which represents a 0.27% increase to property taxes. Staff will bring a report to the Fall budget discussions with options for Council’s consideration.

There are still many unknown potential budget impacts staff are watching. Appendix B lists the potential issues that could have an impact on the 2018 budget.

For the 2018 budget, a 1% increase will generate approximately $300,889 in property tax revenue. Based on the average home value in Mission for 2017 of $560,500, a 1% increase in property taxes will increase the 2018 tax notice by approximately $19.00. The Vancouver CPI for 2017 is estimated at 2.0%.

Since this is still very early in the budget cycle, Council has an opportunity to provide guidelines or set priorities in order for staff to be prepared for budget discussions commencing in September, 2017.

Capital Funds

The capital funds have several large projects coming up. Staff will be reviewing capital reserve balances and determine if an increase in the annual transfer is required.

Water Fund

The water fund is currently looking at a 1% increase to maintain existing service levels. A report on the review of the water meter consumption rate is coming to Council in the Fall with options should Council wish to proceed with universal metering. The report will also provide an update on the status of the gas tax funding application.

Sewer Fund

The sewer fund is currently looking at a 4% increase over the next few years to facilitate additional costs related to major infrastructure including the JAMES facility.
Waste Management Fund

Results of discussions with Recycle BC and the Province have provided additional revenue to the recycling program. This is expected to lower the recycling collection rate starting in 2018. With the adoption of a revised Design, Operations and Closure Plan, the landfill is projected to have an extended life span of 20 years which will spread some costs related to the landfill closure liability fund over a longer time period. Staff will be reviewing expenses/costs and bring a report to Council regarding the new user rates at the budget discussions in October.

Drainage Fund

The drainage fund is currently funding the ongoing operations from the drainage levy, however the capital reserves are extremely low. The final 2017 new construction revenue was $25,000 over the 2017 estimate. For 2018, the additional $25,000 will be applied to reduce the overall 2018 budget increase. Staff will be reviewing the reserve fund levels to see if a rate increase is required in 2018.

Equipment Fund

Projections for the equipment fund for 2018 appear to be on track. Capital acquisitions are on schedule and the equipment reserve fund is maintaining a healthy balance.

Forestry Enterprise

Projections from the forestry department for 2018 appear to be slightly lower than the 2017 numbers. The 2017 budget incorporated some substantially lower pricing which will assist with any impact resulting from potential softwood lumber tariffs for products shipped to the United States. Staff are monitoring to what extent the tariffs will have on revenue and will keep Council informed. Overall, a surplus is expected for 2018.

FINANCIAL IMPLICATIONS:

There are no financial implications directly associated with this report. Reports prepared for budget discussions starting in September will provide detailed information of any financial implications.

COMMUNICATION:

Initial public consultation on the 2018 budget will begin near the end of May with a Citizen Satisfaction Survey (see separate report on today’s agenda). There is a budget website mission.ca-budget that provides a high-level overview of the budget.

The Community Budget Consultation document will be available prior to the community budget consultation meeting in order to inform stakeholders about the proposed budget in advance of the public consultation process.

Staff will again use the title "It's Your Business" for the 2018 budget and will be extending the effectiveness of the previous campaign with the additional communication tools available through the website and strengthened online communication channels.

SUMMARY AND CONCLUSION:

Staff will begin working on their 2018 budgets June 1, 2017 in order to be prepared for budget discussions commencing in September, 2017. We are aware of a number of issues that will impact the 2018 budget for the general operating fund. Appendix A summarizes known impacts to date totaling $795,754 which represents an estimated 2.64% increase in property taxes. Appendix B lists the potential issues that could have an impact on the 2018 budget. For the most part, departments are not noticing any major shifts or issues on the horizon.
For the 2018 budget, a 1% increase will generate approximately $300,889 in property tax revenue. Based on the average home value in Mission for 2017 of $560,500, a 1% increase in property taxes will increase the 2018 tax notice by approximately $19.00. The Vancouver CPI for 2017 is estimated at 2.0%.

Since this is still very early in the budget cycle, Council has an opportunity to provide guidelines or set priorities in order for staff to be prepared for budget discussions commencing in September, 2017.

SIGN-OFFS:

Kerri Onken, Deputy Treasurer/Collector
Reviewed by:
Kris Boland, Director of Finance

Comment from Chief Administrative Officer:
Reviewed
## General Operating Fund Budget Summary

### Revenue Increases (-) or Decreases (+)

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget Dollars</th>
<th>Potential Tax Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business licence review</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Various fees, charges and revenues</td>
<td>-2,827</td>
<td>-0.01%</td>
</tr>
<tr>
<td>New construction/development revenue estimate (NCR)</td>
<td>-300,000</td>
<td>-1.00%</td>
</tr>
<tr>
<td>New construction/development revenue estimate (NCR)</td>
<td>-116,000</td>
<td>-0.39%</td>
</tr>
<tr>
<td><strong>Total Revenue Increases over Prior Year</strong></td>
<td><strong>-418,827</strong></td>
<td><strong>-1.39%</strong></td>
</tr>
</tbody>
</table>

### Expenditure/Transfer to Reserve Changes

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget Dollars</th>
<th>Potential Tax Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>RCMP contract and integrated police services</td>
<td>254,000</td>
<td>0.84%</td>
</tr>
<tr>
<td>Operating &amp; replacement costs for new vehicles/replace vehicles</td>
<td>4,469</td>
<td>0.01%</td>
</tr>
<tr>
<td>Operational expenditures associated with new capital projects</td>
<td>31,706</td>
<td>0.11%</td>
</tr>
<tr>
<td>Net staffing related items</td>
<td>451,222</td>
<td>1.49%</td>
</tr>
<tr>
<td>Detailed budget review by Departments</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Existing software licence fees</td>
<td>12,929</td>
<td>0.04%</td>
</tr>
<tr>
<td>Crime Prevention Office Lease</td>
<td>3,288</td>
<td>0.01%</td>
</tr>
<tr>
<td>3% incremental increase to Information Systems Reserve Fund</td>
<td>2,767</td>
<td>0.01%</td>
</tr>
<tr>
<td>Animal Control Contract final reduction</td>
<td>-20,000</td>
<td>-0.07%</td>
</tr>
<tr>
<td><strong>Total Expenditure Increases over Prior Year</strong></td>
<td><strong>751,681</strong></td>
<td><strong>2.50%</strong></td>
</tr>
</tbody>
</table>

### Other Budget Increases Approved by Council

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget Dollars</th>
<th>Potential Tax Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>New RCMP Officer (approved spending package in 2015)</td>
<td>135,000</td>
<td>0.45%</td>
</tr>
<tr>
<td>Career Firefighters - second half of providing 24 hr/day coverage</td>
<td>245,000</td>
<td>0.81%</td>
</tr>
<tr>
<td>Victim Services and Emergency Support Service increase (RC16/680)</td>
<td>70,500</td>
<td>0.23%</td>
</tr>
<tr>
<td>Increase Fee for Service Grants (RC17/009)</td>
<td>9,400</td>
<td>0.03%</td>
</tr>
<tr>
<td>Mission Sustainable Housing Committee - staff related costs (RC16/620)</td>
<td>3,000</td>
<td>0.01%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>462,900</strong></td>
<td><strong>1.54%</strong></td>
</tr>
</tbody>
</table>

### Net Proposed Changes to General Operating Fund Budget

<table>
<thead>
<tr>
<th>Date</th>
<th>Budget Dollars</th>
<th>Potential Tax Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 17, 2017</td>
<td><strong>795,754</strong></td>
<td><strong>2.64%</strong></td>
</tr>
</tbody>
</table>

### Estimated $ Impact on Average Tax Notice (using average home value of $560,500 (2017))

- **To Maintain Existing Services**: $332,854 (A) $21.05 (A)
- **Net Proposed Changes - May, 2017**: $795,754 (B) $50.06 (B)

2017 Vancouver CPI Estimate = 2.0%
APPENDIX B

2018 Unknows with Potential Core Budget Impacts

- Increase in Paid on Call rate for Volunteer Firefighters under Policy FIR.6
- Increased/decreased costs due to equipment replacements
- Spending Packages (to be presented in September)
- Insurance premiums
- Transit - impact of transit facility plus removal of funding freeze
- Increase transfer to general capital reserve
- Detailed reviews by departments
- Payroll overhead increase
- Fees and Charges review
DATE: May 17, 2017  
TO: Mayor and Council  
FROM: Kerri Onken, Deputy Treasurer/Collector  
SUBJECT: Financial Plan Objectives and Policies

This report introduces the financial plan’s objectives and policies for Council’s review and eventual inclusion into the 2018-2022 Financial Plan Bylaw. No staff recommendation accompanies this report and Council action is not required at this time.

PURPOSE:
The purpose of this report is to bring forth the financial plan objectives and policies for Council’s review as required under Section 165(3.1) of the Community Charter and to provide Council time to consider these objectives and policies for inclusion into the 2018-2022 Financial Plan Bylaw.

BACKGROUND:
Under Section 165(3.1) of the Community Charter, when preparing a financial plan, local governments must set out the objectives and policies of the municipality for the planning period in relation to the following:

(a) for each of the funding sources described in subsection (7)*, the proportion of total revenue that is proposed to come from that funding source;

(b) the distribution of property value taxes among the property classes that may be subject to the taxes;

(c) the use of permissive tax exemptions.

* The five funding sources in subsection (7) are:
  - revenue from property value taxes;
  - revenue from parcel taxes;
  - revenue from fees;
  - revenue from other sources;
  - proceeds from borrowing, other than borrowing under section 177 [revenue anticipation borrowing].

DISCUSSION AND ANALYSIS:
Over the following three pages, the objectives and policies that were included within the 2017-2021 Financial Plan Bylaw are reproduced to open discussions with Council. Table 2 has been updated with 2017 actuals for the distribution of municipal property taxes.
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 (2017 - 2021). 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 42%. 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.
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 2017. 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 8.3% 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: Distribution of 2017 Municipal Property Taxes

<table>
<thead>
<tr>
<th>Property Class</th>
<th>2017 Property Tax Dollars Raised</th>
<th>% of Total Property Taxation</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Residential</td>
<td>$22,521,546</td>
<td>74.9%</td>
</tr>
<tr>
<td>(2) Utility</td>
<td>221,984</td>
<td>0.7%</td>
</tr>
<tr>
<td>(3) Social Housing</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>(4) Major Industry</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>(5) Light Industrial</td>
<td>915,049</td>
<td>3.0%</td>
</tr>
<tr>
<td>(6) Business/Other</td>
<td>6,237,779</td>
<td>20.7%</td>
</tr>
<tr>
<td>(7) Municipal Forest</td>
<td>1,487</td>
<td>&lt;0.1%</td>
</tr>
<tr>
<td>(8) Recreation/Non-Profit</td>
<td>133,524</td>
<td>0.4%</td>
</tr>
<tr>
<td>(9) Farm</td>
<td>57,567</td>
<td>0.2%</td>
</tr>
</tbody>
</table>

$30,088,936 100.00%

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. Council may consider extending this program to December, 2019.

A staff report for Council’s consideration is being prepared for a 2017 Summer Regular Council meeting to update bylaw 5391-2013 to extend the Mission Downtown Development Incentive program another three years to December 2019.

Staff will bring these financial plan objectives and policies back to Council during the last budget discussion meeting for inclusion into the 2018-2022 Financial Plan Bylaw.

FINANCIAL IMPLICATIONS:
There are no financial implications directly associated with this report.

COMMUNICATION:
No communication action is required at this time.

SUMMARY AND CONCLUSION:
Under Section 165(3.1) of the Community Charter, when preparing a financial plan, local governments must set out the objectives and policies of the municipality for the planning period in relation to, the funding sources for the operating and capital budgets, the distribution of property value taxes among the property classes that may be subject to the taxes, and the use of permissive tax exemptions. Included in this report are the objectives and policies that were included within the 2017-2021 Financial Plan Bylaw for Council discussion.

SIGN-OFFS:

Kerri Onken, Deputy Treasurer/Collector

Reviewed by:
Kris Boland, Director of Finance

Comment from Chief Administrative Officer:
Reviewed
This report provides Council with an overview of public consultation planned for the 2018 budget process. No recommendation accompanies this report; however staff welcome direction from Council on specific areas of interest they would like to see highlighted through the public consultation process.

PURPOSE:
This report provides Council with an overview of public consultation planned as part of the 2018 Budget Process.

BACKGROUND:
In 2016 staff established a standardized citizen satisfaction survey. The tool was developed based on best practices and with input from departments to enable benchmarking and tracking citizen satisfaction with municipal services and provide both quantitative and qualitative data to Council as part of the annual budgeting process.

The results of the 2016 survey are provided as Appendix A, and form the basis of the 2017 survey described below and benefiting the 2018 budget process.

DISCUSSION AND ANALYSIS:
Staff are currently planning consultation following a similar model to 2016 comprised of a comprehensive citizen satisfaction survey launched in early June, and a detailed budget-survey launched in the fall to provide the public with an opportunity for input on the specific initiatives and financial impacts that arise through the budgeting process.

Citizen Satisfaction Survey
Staff will be engaging with external organizations to facilitate in-person surveys both online and on paper, and will launch the survey to the general public using a responsive online tool.

The specific questions on service levels and satisfaction will remain consistent to provide for year-over-year comparison, however there are opportunities staff are pursuing to include a limited number of qualitative questions to identify interest and support for new services and provide some insight into priority areas.
Budget Survey
Staff will deliver formal budget consultation in the fall as specifics in the budget are clarified. An interactive budgeting tool will be used to facilitate online comments, and input will also be sought through paper forms and general email submissions.

COUNCIL GOALS/OBJECTIVES:
The public consultation presented in this report is intended to support Council’s guiding principles of openness, accountability, trust, and engagement.

This initiative specifically supports the objective of excellence in financial management and planning and citizen satisfaction metrics support the objective of optimized planning and management of assets and infrastructure.

FINANCIAL IMPLICATIONS:
There are no direct financial implications related to this report, however findings from the two surveys will provide insight into community priorities and citizen satisfaction to inform the budgeting process and eventual financial plan.

COMMUNICATION:
Internal communication to finalize the survey instruments will be led through the Civic Engagement and Corporate Initiatives department with support from the Finance department. During this process staff will consult with department heads prior to signing-off on the final survey.

External communication will commence in late May, with the majority of engagement and communication taking place during June and July for the citizen satisfaction survey, and October to November for the final 2018 budget survey.

SUMMARY AND CONCLUSION:
This report provides Council with an overview of public consultation related to the 2018 budget process. No formal recommendation accompanies this report however staff welcome direction from Council on specific areas of interest they would like to see highlighted during the process.

SIGN-OFFS:

Michael Boronowski, Manager of Civic Engagement and Corporate Initiatives

Reviewed by:
Kerri Onken, Deputy Treasurer/Collector

Comment from Chief Administrative Officer:
Reviewed.
Mission 2016 Budget & Citizen Satisfaction Survey Results

Demographic Information
For this survey staff requested the age of participants, but did not request gender identity.

98% of respondents were residents of Mission. Staff have included all responses in this analysis as filtering by residency did not have any significant impact on the results.

Age of Respondents

<table>
<thead>
<tr>
<th>Response</th>
<th>Chart</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 18</td>
<td></td>
<td>0.8%</td>
<td>6</td>
</tr>
<tr>
<td>18-24</td>
<td></td>
<td>2.5%</td>
<td>20</td>
</tr>
<tr>
<td>25-34</td>
<td></td>
<td>16.6%</td>
<td>132</td>
</tr>
<tr>
<td>35-44</td>
<td></td>
<td>25.4%</td>
<td>202</td>
</tr>
<tr>
<td>45-54</td>
<td></td>
<td>21.0%</td>
<td>167</td>
</tr>
<tr>
<td>55-64</td>
<td></td>
<td>23.0%</td>
<td>183</td>
</tr>
<tr>
<td>65 and older</td>
<td></td>
<td>10.6%</td>
<td>84</td>
</tr>
</tbody>
</table>

Total Responses 794

Overall Satisfaction and Key Issues

Overall Satisfaction with Services
- 68.3% of respondents were very satisfied or satisfied with municipal services.
- 15% of respondents were somewhat dissatisfied or very dissatisfied with municipal services.

<table>
<thead>
<tr>
<th>Response</th>
<th>Chart</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Satisfied</td>
<td></td>
<td>14.8%</td>
<td>117</td>
</tr>
<tr>
<td>Satisfied</td>
<td></td>
<td>53.5%</td>
<td>422</td>
</tr>
<tr>
<td>Neither Satisfied or Dissatisfied</td>
<td></td>
<td>16.7%</td>
<td>132</td>
</tr>
<tr>
<td>Somewhat Dissatisfied</td>
<td></td>
<td>13.1%</td>
<td>103</td>
</tr>
<tr>
<td>Very Dissatisfied</td>
<td></td>
<td>1.9%</td>
<td>15</td>
</tr>
</tbody>
</table>

Total Responses 789
**What you Love about Mission**

For this question respondents asked to list up to three things they love about Mission. There were 1,989 written in responses. Staff reviewed the responses and categorized them into the following themes to identify the most often cited attributes people love:

- Natural Setting & Outdoor Activities – 645
- Small Town / Community Feel – 559
- Friendly Welcoming People – 198
- Location, Access & Transportation – 154
- Facilities, Events & Activities – 147
- Shopping / Business – 66
- Affordability – 52

Full responses are included at the end of this report.

**What you Like the Least**

For this question respondents were asked to list up to three things they like the least about Mission. There were 1,973 responses. Staff reviewed the responses and categorized them into the following themes:

- Roads, Traffic & Transit (including multi-modal transportation i.e. Sidewalks, bike lanes, transit) - 245
- Downtown - 193
- Social Issues, Homelessness and Addiction - 181
- Enforcement, Crime and Bylaws - 175
- Shopping & Business - 161
- High Taxes - 119
- Activities, Parks, Trails, and Facilities - 68
- Development and Planning (concern both about lack of development and over-development) - 59
- Housing Affordability, Employment and the Economy - 57
- Politics - 34
- Appearance and Upkeep - 23

**Notes**

There is a notable level of overlap regarding social issues such as homelessness and addiction, and the impact of those issues on the downtown core.

Full responses are included at the end of this report.
**Overall Quality of Services**

59.6% of respondents rate the overall quality of services as **good** or **very good**.

13.4% of respondents rate the overall quality of services as **poor** or **very poor**.

<table>
<thead>
<tr>
<th>Response</th>
<th>Chart</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Good</td>
<td></td>
<td>10.1%</td>
<td>65</td>
</tr>
<tr>
<td>Good</td>
<td></td>
<td>49.5%</td>
<td>319</td>
</tr>
<tr>
<td>Neither Poor nor Good</td>
<td></td>
<td>25.8%</td>
<td>166</td>
</tr>
<tr>
<td>Poor</td>
<td></td>
<td>9.5%</td>
<td>61</td>
</tr>
<tr>
<td>Very Poor</td>
<td></td>
<td>3.9%</td>
<td>25</td>
</tr>
<tr>
<td>Don't Know</td>
<td></td>
<td>1.2%</td>
<td>8</td>
</tr>
</tbody>
</table>

**Total Responses** 644

**Value of Services**

28% of respondents rate the value of services as **very good** or **good**.

38.6% of respondents were neutral in their assessment of the value of services for their tax dollars.

25.1% of respondents rate the value of services as **poor** or **very poor**.

<table>
<thead>
<tr>
<th>Response</th>
<th>Chart</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Good Value</td>
<td></td>
<td>4.8%</td>
<td>33</td>
</tr>
<tr>
<td>Good Value</td>
<td></td>
<td>23.2%</td>
<td>160</td>
</tr>
<tr>
<td>Neither Good nor Poor Value</td>
<td></td>
<td>38.6%</td>
<td>266</td>
</tr>
<tr>
<td>Poor Value</td>
<td></td>
<td>17.7%</td>
<td>122</td>
</tr>
<tr>
<td>Very Poor Value</td>
<td></td>
<td>7.4%</td>
<td>51</td>
</tr>
<tr>
<td>Don't Know</td>
<td></td>
<td>8.3%</td>
<td>57</td>
</tr>
</tbody>
</table>

**Total Responses** 689
Reasons for rating Quality of Services
Respondents were asked to provide reasons for their rating of the value of services.

For those who rated the value as very good their statements reflect a general sense that staff are responsive to issues, that repairs and maintenance are being handled at an appropriate level, and that they have never had a problem with Mission. A notable trend for this group is anecdotes of excellent personal experiences working with Municipal staff.

Respondents who selected good as their overall rating were generally satisfied with services, but pointed to specific issues they would like to see addressed before being able to provide a rating of very good. Significant themes in the responses include noting the need to enhance walkability through installing sidewalks and enhancing the park and trail network, downtown beautification and revitalization, and both support for and opposition to the switch to bi-weekly curbside collection. Specific roadwork, traffic and parking issues are also common themes.

Respondents who selected neither poor nor good most frequently noted transportation issues as their reason for selecting that rating. These include the quality of roads and the quality and speed of roadwork throughout the community including the highways, a lack of services for rural residents such as those in Stave Falls, and the switch to bi-weekly curbside collection – although a number of rural residents did note they would like to join curbside collection. Waterfront development and downtown revitalization were common themes, and for this category many respondents noted they felt the value for their tax dollars was poor.

Respondents who selected poor and very poor most frequently referenced their property taxes and their belief that the value of services does not meet the level of taxation as a reason for that rating. Roads and transportation including sidewalks and maintenance work are the most frequently cited issues, and again rural residents noted their concern over a lack of services in their areas.
Importance of Services across Municipal Operations

This section focuses on the ratings of importance provided by respondents for specific services across municipal operations.

**Protection & Security**

- **Fire Protection**
  - Very Important: 77.5%
  - Important: 28.1%
  - Neither Important nor Unimportant: 1.7%
  - Not Important: 0.8%
  - Not at All Important: 0.5%
  - Don't Know: 0.3%

- **Police Services**
  - Very Important: 82.0%
  - Important: 15.6%
  - Neither Important nor Unimportant: 1.7%
  - Not Important: 0.5%
  - Not at All Important: 0.3%
  - Don't Know: 0.5%

- **Bylaw Enforcement Services**
  - Very Important: 48.3%
  - Important: 21.1%
  - Neither Important nor Unimportant: 5.1%
  - Not Important: 1.2%
  - Not at All Important: 0.5%
  - Don't Know: 0.6%
Engineering Services

- Roadways: 56.2%
- Sidewalks and pedestrian facilities: 48.7%
- Cycling routes: 37.9%
- Public transit services: 36.1%
- Drinking water: 62.5%
- Sanitary sewer and stormwater drainage: 65.1%

Legend:
- Very Important
- Important
- Neither Important nor Unimportant
- Not Important
- Not at All Important
- Don't Know
Service Levels – Increase, Maintain or Reduce

For this section respondents were asked to provide their input on whether specific services across municipal operations should be increased, maintained, or reduced.

Protection & Security

![Bar chart showing the percentage of respondents who believe protection and security services should be increased, maintained, or reduced.](chart)

- Fire Protection: 76.4% increased, 3.5% maintained, 20.1% reduced
- Police Services: 52.8% increased, 45.6% maintained, 1.6% reduced
- Bylaw Enforcement Services: 14.5% increased, 10.0% maintained, 75.5% reduced
Parks, Recreation & Culture Services

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Increased</th>
<th>Maintained</th>
<th>Reduced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recreation facilities and programming</td>
<td>33.1%</td>
<td>63.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Cultural facilities and programs</td>
<td>16.2%</td>
<td>67.2%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Building, maintaining, and upgrading parks, playgrounds, sports-fields and trails</td>
<td>38.0%</td>
<td>58.3%</td>
<td>3.8%</td>
</tr>
<tr>
<td>Developing and maintaining forest recreation areas and trails</td>
<td>28.2%</td>
<td>65.0%</td>
<td>7.3%</td>
</tr>
</tbody>
</table>
Engineering Services

- Roadways: 63.2% Increased, 1.4% Maintained, 4.6% Reduced
- Sidewalks and pedestrian facilities: 35.2% Increased, 28.6% Maintained, 4.6% Reduced
- Cycling routes: 0.9% Increased, 45.8% Maintained, 48.7% Reduced
- Public transit services: 56.1% Increased, 30.7% Maintained, 4.2% Reduced
- Drinking water: 70.4% Increased, 29.6% Maintained, 0.0% Reduced
- Sanitary sewer and stormwater drainage: 16.2% Increased, 83.0% Maintained, 0.8% Reduced
Environmental Services

- Solid waste management and curbside collection: 26.3% increased, 3.1% maintained, 70.6% reduced
- Protecting environmentally sensitive areas: 23.8% increased, 4.7% maintained, 71.5% reduced
- Management of invasive plants: 13.5% increased, 8.8% maintained, 77.7% reduced
In-person services

- Applying for permits, paying taxes, and other in-person services:
  - Increased: 5.3%
  - Maintained: 70.6%
  - Reduced: 14.1%
Funding Sources to Increase Services

Respondents were asked to provide comments on their reasons for indicating a service should be increased or reduced, and to suggest potential funding sources to support any increase in services.

Residents who suggested service levels be increased recognized that raising taxes would not be widely supported, however the majority who responded with support for increasing protection and security services commented they were supportive of tax increases if they were targeted at reducing crime and improving safety and security in the community.

The most common theme related to funding increases in services across operations was that attracting and retaining commercial and industrial business would both diversify the tax base and provide additional local employment. Streamlining existing services to find savings and / or rebalancing services (reducing some to increase others) were also notable themes.
New Services and Funding

New Services
Respondents were asked to list new services they would like to see provided by the municipality.

The most common responses to this question were:

Increases or improvements to social services (including those not directly funded or managed by the municipality, i.e. hospital services)

Improvements to transportation and transit including weekend West Coast Express service and transit connections to Maple Ridge.

Additional amenities for recreation, with dog parks, activities for kids, and upgrades to parks and trails were referenced frequently. Entertainment and activities focused on youth were frequently noted as well.

Curbside waste collection and water/sewer services were also frequently referenced in this section, including requests for service in rural areas not currently receiving service as well as requests for a return to weekly garbage collection for urban areas within the curbside collection boundaries.

Funding New Services
Respondents were asked to identify potential funding sources to support new services.

Residential taxes were most frequently noted as the primary funding source. This includes responses that state taxes are currently sufficient and should not be increased. While most respondents were opposed to increased taxation, some noted planned incremental increases would provide certainty for residents and businesses while allowing for the additional funding required to bring new or improved services to the community.

Many respondents also noted the secondary dwelling (suites) program, suggesting the funds from secondary suites be used to support existing and new services. Some respondents also suggested that moving to a user-pay model where fees for services were based on use rather than flat rates would benefit the community.

Business attraction and retention including downtown renewal to attract new business and increase spending by both residents and visitors were frequent responses.

Streamlining operations and reducing costs (including wages) were noted by many respondents.

Finally, focusing on lobbying other levels of government and securing grant funding were notable themes for this section.