

# Give Us Your Feedback by November 22

## Moving Mission Forward 2021 Budget Highlights



### Budget Public Consultation

**The District of Mission Council is developing the 2021 to 2025 Financial Plan and would like to hear from the community.**

Starting in the summer of 2020 and over the course of the fall, Council and staff compiled and deliberated the draft Financial Plan with a focus on the 2021 budget. These discussions were guided in part by the input gathered during the annual Citizen Satisfaction Survey.

Learn more about the Financial Plan in this document and give your feedback in our survey at [engage.mission.ca](https://engage.mission.ca). Your feedback will be reported back to Council during the final budget meeting on December 2 and used to further align the budget with community priorities before the 2021 to 2025 Financial Plan Bylaw is adopted in January 2021.

### 2021 - 2025 Financial Plan

Mission updates its five-year financial plan annually to ensure its finances are managed responsibly and to reflect the priorities identified by Council and the community. Council is currently considering the 2021 to 2025 Financial Plan. The plan includes specific funding requirements for 2021, and projections for 2022-2025.

At a high level, the financial plan combines:

**General Operating Budget** – the day-to-day operational expenses, such as recreation, inspections and protective services. Any proposed changes to this budget allow the municipality to continue to provide the same services, at the same levels.

**General Capital Budget** – for general municipal capital projects such as playground equipment and upgrades, road and bridge repairs, facility construction and improvements, and life-cycle equipment replacement.

**Utility Budgets** – the operating and capital budgets for water, sewer, drainage, and solid waste. These expenses are funded through user-fees and levies and are included on your municipal tax notice, unless your property is metered.

**New Initiatives** – These are new initiatives or service level changes based on Council's strategic plan, master plans, and through ongoing works to improve operations and services to the community.

Give your feedback on the 2021 Budget and 2021-2025 Financial Plan online at [engage.mission.ca](https://engage.mission.ca) or via hardcopy survey by calling Municipal Hall at 604-820-3772 or email us at [budget@mission.ca](mailto:budget@mission.ca).

**The survey is open until Nov. 22. Find more at [mission.ca/budget](https://mission.ca/budget)**

**Have Your Say!**

# Financial Plan — Operating

## Consolidated Expenditures

Mission offers a broad range of municipal services funded from six operating funds. For 2021, the Financial Plan consolidated expenditures total \$82.2 million:

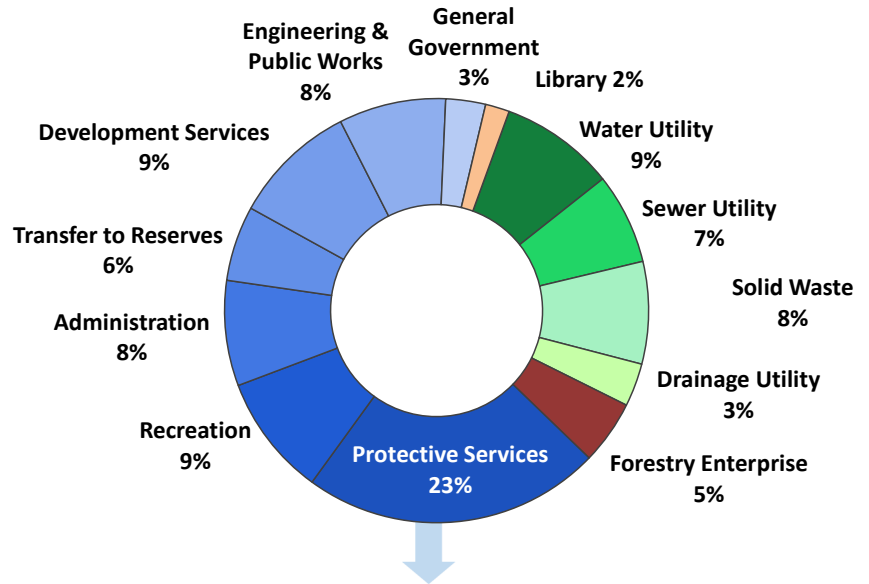
- General Operating Fund, \$56.2 million,
- Water Utility Fund, \$7.2 million,
- Sewer Utility Fund, \$5.7 million,
- Solid Waste Fund, \$6.4 million,
- Drainage Utility Fund, \$2.7 million,
- Forestry Enterprise, \$4.0 million.

The blue coloured sections of the consolidated operating expenditures graph represents general operating fund services where the primary funding source is property taxes.

## Operating Expenses and Revenues

Operating expenditures are used to pay for the day-to-day activities of the various community programs and services, such as a Parks crews and their equipment or delivering clean, safe water to homes and businesses.

### Consolidated Operating Expenditures \$82.2 million



Protective Services is the largest component of the operating budget at 23%.  
 • Police Services at \$13.3 million, or 16% of the consolidated budget,  
 • Fire/Rescue Services at \$5.4 million, or 7% of the consolidated budget.

## Consolidated Revenue

The District has three main funding sources to pay for all municipal services. For 2021, the Financial Plan consolidated revenues total \$82.2 million:

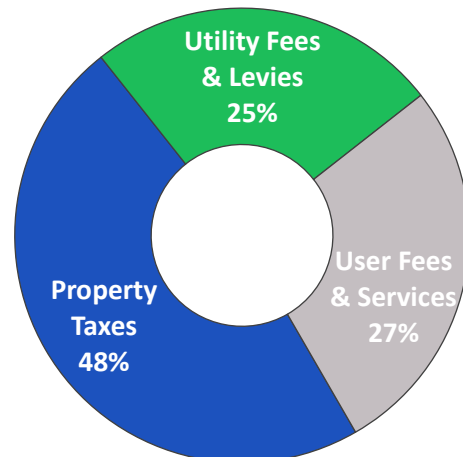
- Property Taxes, \$39.2 million,
- User Fees & Services, \$22.4 million,
- Utility Fees & Levies, \$20.6 million.

Property taxes are the main revenue source for the General Operating Fund expenditures while utility fees and levies are the main source of revenue for the utility funds.

Each year, user fees and charges are reviewed and updated. The goal is to have the user fund, the cost of providing a particular service, to lessen the reliance on property taxes.

The financial plan for 2021 has \$82.2 million in expenditures and revenues, to deliver the same level of service as 2020 plus the new initiatives proposed by Council.

### Consolidated Operating Revenue \$82.2 million



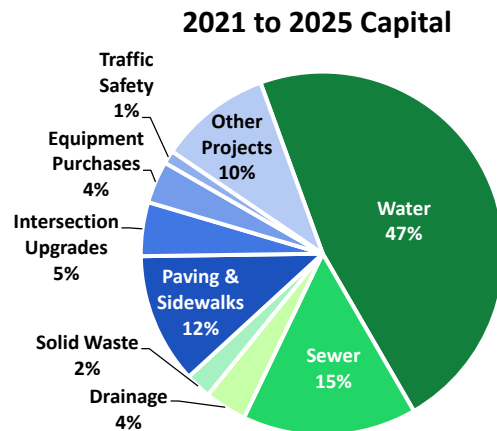
## Capital Projects

The capital budget is for new or replacement infrastructure, such as facility upgrades, replacing aging water and sewer pipes, or replacing a fire truck.

Over the next five years, the District's Capital Plan has over \$85 million worth of capital projects slated as it continues to invest in infrastructure such as transportation, facilities, water and sanitary sewer systems. \$11 million of this plan is scheduled for capital projects in 2021. Condition assessments on infrastructure, as part of the asset management program, helps the District prioritize replacement capital projects within the long-term financial plan.

Capital projects for 2021 to 2025 Financial Plan include:

- General Fund capital projects total: \$26.6 million including
  - > Paving and sidewalks: \$9.9 million
  - > Intersection upgrades \$4.1 million
  - > Equipment purchases: \$3.2 million
  - > Traffic safety: \$1 million
- Water Utility: \$40.3 million
- Sewer Utility: \$13.2 million
- Drainage Utility: \$3.2 million
- Solid Waste Utility: \$1.97 million



## Building our Community

Council is committed to working with the community to ensure resources are available to fund services and to plan, manage and maintain public infrastructure assets.

Master plans for water, sewer, drainage and transportation will be completed in 2021.

The Design Operation and Closure Plan for the landfill will be completed in 2021.

These master plans will provide for future capital projects.

## Government Transfers

In 2021, the District is projected to receive \$2.68 million in grants from the Provincial and Federal government. \$1.77 million will be used for capital projects, with the balance of \$910,000 used to offset operating costs.

## Additional Capital Projects under Consideration

Council is considering adding \$2,256,950 of new capital projects to the capital plan above. \$1,403,950 are projects to address several safety issues and protecting existing infrastructure issues arising from the aging facilities. These projects can be funded from existing reserves. In addition to these safety concerns, there are five community projects totaling \$853,000. Four of these could be funded from the Forestry reserve and one from the Community Amenity Contribution.

CAPITAL PROJECTS & POTENTIAL FUNDING	AMOUNT
<b>Potential Cemetery Reserve Funding</b>	
Cemetery upgrade and replace amenities	\$15,000
Cemetery upgrade existing areas kiosks/signage	\$10,000
<b>Potential Community Amenity Contribution Funding</b>	
Pump Track	\$300,000
Rotary Sports Park lighting upgrades (baseball)	\$222,000
Rotary Sports Park lighting upgrades (soccer fields)	\$444,000
<b>Potential Forestry Reserve Funding</b>	
Cade Barr School relocation	\$170,000
Devil's Lake Trail Loop	\$150,000
FRHP Flag Plaza renovations	\$125,000
Mill Pond Trail continuation	\$108,000

CAPITAL PROJECTS & POTENTIAL FUNDING	AMOUNT
<b>Potential Capital Reserve Funding</b>	
Ammonia Plant Condenser Water Treatment upgrade	\$29,950
Centennial Park pathway repairs	\$100,000
Electrical upgrades at Fraser House	\$38,000
Electrical upgrades at Museum	\$25,000
Public Works Facility Washroom	\$35,000
<b>Potential Insurance Reserve Funding</b>	
Sports field upgrades	\$50,000
<b>Potential Major Capital Reserve Funding</b>	
Leisure Centre Air Handling Unit #6 replacement	\$435,000
<b>Total</b>	<b>\$2,256,950</b>

Council is also considering approving a \$745,000 capital project in the Water Utility.

# General Operating Fund

## Proposed Budget Changes

Starting in the summer of 2020 and over the course of the fall, Council and staff compiled and deliberated the draft Financial Plan with a focus on the 2021 budget. A line-by-line review was undertaken resulting in a preliminary budget increase of \$1.128 million.

Council was presented with service level spending packages worth over \$574,000 and are considering two for the Financial Plan.

The proposed 3.6% increase to the general operating fund budget is \$1,270,774.

	Budget Dollars	Potential Tax Impact
New Initiatives or Increased Service Level	\$899,091	2.55%
Maintaining Existing Services	740,748	2.10%
Estimated taxes from New Construction	-400,000	-1.14%
Additional Budget Projections	-111,494	-0.31%
<b>Subtotal</b>	<b>1,128,345</b>	<b>3.19%</b>
Spending packages presented to Council	574,508	1.63%
Council postponed spending packages	-432,079	-1.23%
<b>Subtotal - Council considering</b>	<b>142,429</b>	<b>0.40%</b>
<b>Net Potential Changes</b>	<b>\$1,270,774</b>	<b>3.60%</b>

New initiatives and increased service levels total \$899,091. This includes the balance of the additional firefighters and fire apparatus and positions budgeted to start partway through 2020.

To maintain current service levels, a net increase of \$740,748 is required. This includes a 1% estimate for CPI that is built into many contracts.

Development activity remains strong in Mission generating new revenue projected at \$400,000.

Recent budget projections have resulted in a reduction of \$111,494 to the overall budget.

Council is considering two service level spending packages worth \$142,429 for 2021.

The proposed changes total \$1,270,774. This increase represents an estimated increase of \$75.81 to the property taxes of an average assessed home of \$692,455.

## Key Budget Drivers

### New Initiatives or Increase Service Levels

- Additional career firefighters hired July, 2020.
- Increased training hours for Paid On-call firefighters.
- Silverdale Development area planning engineer.
- Staffing positions phased in over two years.
- Clark Theatre additional grant funding.
- Marilyn Boswyk Centre opening in 2021.
- Maintenance costs of acquired property.
- Maintenance of existing facilities expansion.
- Increased service levels to clean-up homelessness camps and hazardous waste.

### Key Budget Drivers to Maintain Existing Services:

- Vancouver consumer price indexing in operational contracts.
- The RCMP contract increased by 1% for 52 members and the integrated teams.
- BC Transit for the Central Fraser Valley Transit System includes the operational costs with new facility.
- Operating costs for snow clearing events has increased.
- Operating costs for two new fire apparatus' purchased in 2020.
- On the revenue side, traffic fine revenue grant projection from the Provincial government has increased, and
- Administrative fee collected from the utility funds increased.



## Operating Service Level Spending Packages, under Consideration

Council is considering these service level spending packages for the 2021 to 2025 Financial Plan:

### Parks, Recreation and Culture — Administrative Assistant for \$92,429\*

To provide administrative support to the department which will allow management staff to focus on time sensitive projects, higher level duties and increasing overall efficiency for the District.

\* This cost covers labour, overhead, supplies and equipment.

### Clark Theatre for \$50,000

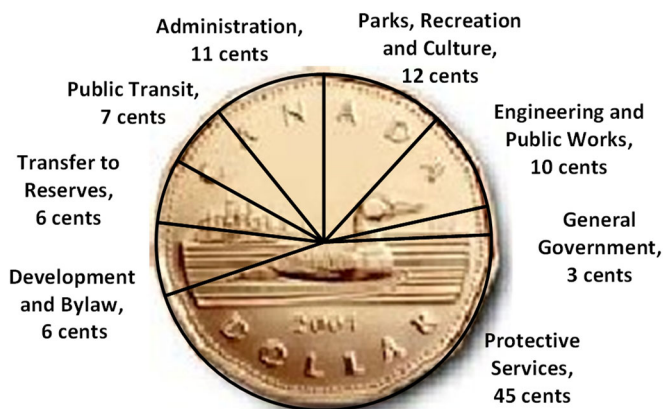
Funding request to develop a new operating agreement with the School District to provide community programming at the Clarke Foundation Theatre.

## Municipal Services Funded by Taxation

Property taxation is the main source of revenue for the District's General Operating Fund. Property tax notices, mailed out each May, include taxes collected for municipal services along with taxes collected on behalf of various other taxing authorities. Depending on where you live, your tax notice may also include charges for municipal utilities.

The District's Financial Plan proposes collecting \$39 million in property taxes of which \$2 million are collected as grants in lieu of taxes from the senior levels of government. A one percent increase in property taxes will generate \$353,000 in additional tax revenue in 2021.

In 2020, the average assessed home in Mission paid \$2,106 in property taxes for municipal services.



For every dollar spent on property taxes, **45 cents** goes to protective services (Police & Fire) and **6 cents** is used for capital spending.

### Property Tax Notice Breakdown for 2020 on the Average Assessed Home in Mission

Municipal Services	Annual	Monthly
Protective Services	\$959	\$80
Engineering and Public Works	\$205	17
General Government	\$58	5
Parks, Recreation and Culture	\$249	21
Administration	\$228	19
Public Transit	\$149	12
Transfer to Reserves	\$128	11
Development and Bylaw	\$130	11
<b>2020 Municipal Taxes</b>	<b>\$2,106</b>	<b>\$176</b>

# Municipal Utilities

## Water Utility

The District owns and operates over 195 km of water mains in the local water distribution system that serves over 11,000 customer accounts.

### Highlights of the 2021 water utility operating budget include:

- User fees are estimated at \$6.8 million, 94% of all revenue collected.
- Transferring of \$3.2 million to reserves will support future capital upgrades.
- Additional \$123,000 in revenue as new customers come on-line.
- Lower interest rates projected for 2021 will reduce the revenue by \$166,000. Interest revenue is transferred to reserves which will be reduced equally.

To keep pace with inflation and maintain healthy reserves for both the regional and local water systems, Council is considering a 0.75% increase in water user fees.

This will increase the annual flat rate fee by \$3.84 for a total of \$512.64 per year or \$42.72 per month.

## Regional Utilities

Although the District solely operates the local water distribution system and local sewer conveyance system, the District of Mission and the City of Abbotsford are joint partners in the water supply and sewage treatment systems, which benefit residents in both communities.

These services are cost shared based on each community's usage. Mission's share for the regional utilities for 2020 were:

- **Water 23.28%**
- **Sewer 19.59%**

### Revenue Changes \*

Increase to local water distribution revenue	\$ -123,298
Decrease in projected interest revenue	166,108
Increase to regional water distribution revenue	-561
<b>Subtotal - Revenue Decreases</b>	<b>\$ 42,249</b>

### Expense Changes

Increase to regional water distribution expenses	\$ 78,301
Increase to local water distribution expenses	95,246
Decrease transfer of interest revenue to reserves	-166,108
<b>Subtotal - Expense Increase</b>	<b>\$ 7,439</b>

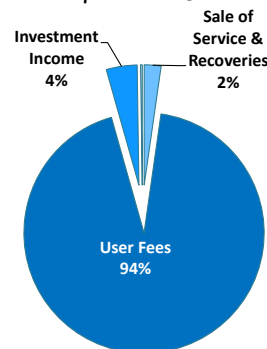
**Decrease to Transfer to Water Capital Reserve \$ 49,688**

Proposed spending package	46,013
Increased revenue if rates increased by 0.75%	-49,688

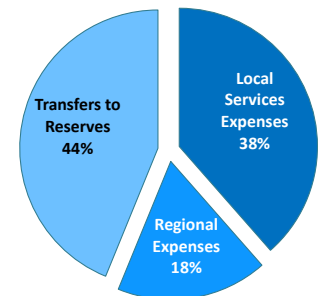
**Reduction in transfer to Water Capital Reserve \$ 46,013**

\* Increases to revenue appear as negative values

### Water Utility Revenue \$7.2 million



### Water Utility Expenditures \$7.2 million



### Capital

Capital projects for the water utility total over \$40.31 million over five years with approximately \$15 million assigned for the new water source through the regional water utility starting in 2022. The District is continuing the watermain replacement and upgrades to the local water system for \$1 million per year until 2028.

### Capital Spending Package

Council is considering one new capital project for 2021 for \$745,000 to purchase Supervisory and Control Data Acquisitions (SCADA) upgrades. These upgrades will decrease the likelihood of a SCADA failure and more costly reactive repairs in the future, while providing improved data collection and system monitoring capabilities.

### Water Utility Master Plan

A Master Plan for the water utility is underway with completion expected in 2021. This plan will impact the capital budget with yet to be identified projects and revised budget numbers.

**Water delivery, \$42.72 per month.**

## Under Consideration

### Operating Service Level Spending Package:

Asset Data Collector  
\$46,013 Water / \$46,013 Sewer

Council is considering increasing this service level to perform and document inspections on existing assets, focusing on risk management issues and maintenance requirements of the District's water and sewer systems.

The costs to increase this service are shared 50/50 between the water and sewer utilities.

## Sewer Utility

The District owns and operates over 155 km of sewer mains in the local sewer conveyance system that serves over 8,000 customer accounts.

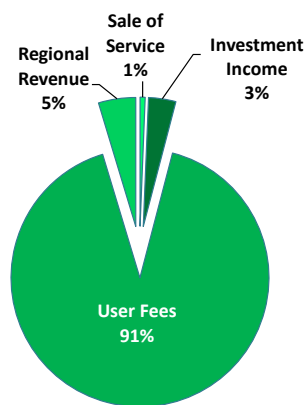
### Highlights of the 2021 sewer utility budget include:

- User fees are estimated at \$5.2 million, 91% of all revenue collected.
- Transferring of \$1.8 million to reserves will support future capital upgrades.
- Additional \$116,000 in revenue as new customers come on-line .
- Lower interest rates projected for 2021 will reduce the revenue by \$78,095. Interest revenue is transferred to reserves which will be reduced equally.

To keep pace with inflation and to build-up our reserves to support the JAMES Wastewater Treatment Plant (which includes a \$46.8 million project for seismic upgrades and flood proofing starting in 2030), Council is considering a 1.2% increase in Sewer User Fees.

This will increase the annual flat rate fee by \$5.52 for a total of \$463.92 per year or \$38.66 per month.

### Sewer Utility Revenue \$5.7 million



### Revenue Changes \*

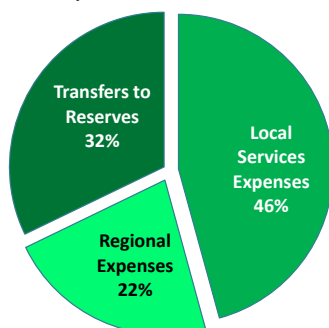
Increase to local sewer collection revenue	\$	-116,311
Decrease in projected interest revenue		78,095
Decrease to regional sewer collection revenue		19,886
<b>Subtotal - Revenue Increases</b>	<b>\$</b>	<b>-18,330</b>

### Expense Changes

Decrease transfer of interest revenue to reserves	\$	-78,095
Decrease to regional sewer collection expenses		-35,775
Increase to local sewer collection expenses		53,957
<b>Subtotal - Expense Decreases</b>	<b>\$</b>	<b>-59,913</b>
<b>Increase to Transfer to Sewer Capital Reserve</b>	<b>\$</b>	<b>-78,243</b>
Proposed spending package		46,013
Increased revenue if rates increased by 1.20%		-60,600
<b>Increase in transfer to Sewer Capital Reserve</b>	<b>\$</b>	<b>-92,830</b>

\* Increases to revenue appear as negative values

### Sewer Utility Expenditures \$5.7 million



### Capital

Capital projects for the sewer utility total over \$13.2 million over five years. The District is continuing to assess and replace the District's aging sewer mains with an annual budget of \$304,000.

### Sewer Utility Master Plan

A Master Plan for the sewer utility is underway with completion expected in 2021. This plan will impact the capital budget with yet to be identified projects and revised budget numbers.

**Sewer conveyancing, \$38.66 per month.**

# Municipal Utilities

## Solid Waste

Mission owns the Landfill (Minnie's Pit), the Mershon Street Recycling Depot and jointly owns the Abbotsford/Mission Recycling Depot and Sorting facility (AMRD), located in Abbotsford.

### Highlights of the 2021 solid waste management budget include:

- Total transfer to Refuse Reserve: \$792,565 (an increase of \$447,487),
- Increased AMRD revenue & Recycle BC Incentive: \$76,558,
- Curbside Levy Revenue: \$113,228 decrease due to fee reduction,
- Decreased curbside pickup costs: \$639,587, and
- Decreased AMRD expenses: \$20,451.

In 2020, a new curbside collection contract was approved with substantial budget savings. These savings along with changes under Recycle BC results in a shift in the cost ratio between refuse activities and recycling/compost activities. It was recommended that fees be structured to more closely represent the cost ratios.

## Did You Know

Since the bi-weekly schedule came into effect (April 2016), the curbside garbage diversion rate has increased from 53% to 65%, meaning less garbage is being sent to the landfill.

	2020 Fees	Proposed Fees	Reduction	
			\$	%
Refuse Collection	\$168.60	\$102.96	-\$65.64	-38.9%
Recycling/Compost	\$132.72	\$184.20	\$51.48	38.8%
<b>Total</b>	<b>\$301.32</b>	<b>\$287.16</b>	<b>-\$14.16</b>	<b>-4.7%</b>

### Curbside Rate Reduction

Savings from the curbside collection contract is being passed to the customer with a 4.7% reduction for refuse and recycling/compost collection fees.

### Revenue Changes \*

Increase to AMRD & RecycleBC Incentive	\$ -76,558
Increase to curbside pick-up	-52,659
Decrease in projected interest revenue	2,757
Decrease in landfill operations	9,774
<b>Subtotal - Revenue Increases</b>	<b>\$ -116,685</b>

### Expense Changes

Decrease to curbside pick-up	\$ -639,587
Decrease to AMRD expenditures	-20,451
Decrease to Environmental Stewardship	-17,386
Decrease transfer of interest revenue to reserves	-2,757
Increase in landfill operations	78,021
Increase in administration overhead	105,471
<b>Subtotal - Expense Reductions</b>	<b>\$ -496,689</b>

**Increase to 2021 Transfer to Refuse Reserve** **\$ -613,374**

Decreased revenue if rates decreased by 4.7% 165,887

**Increase in transfer to Refuse Reserve** **\$ -447,487**

\*Increases to revenue appear as negative values

### Capital

Capital projects for the solid waste utility total over \$1.97 million over five years with approximately \$1.2 million assigned for equipment and upgrades to the AMRD facility.

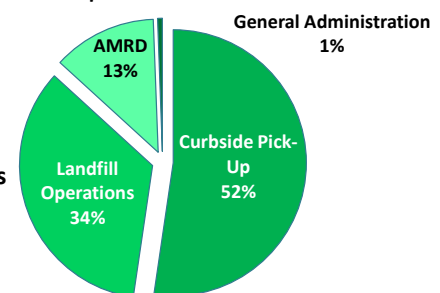
### Master Plan

A Design Operation and Closure Plan for the landfill is underway with completion expected in 2021. This plan will impact the capital budget with yet to be identified projects and revised budget numbers.

**Curbside Collection, \$23.93 per month.**

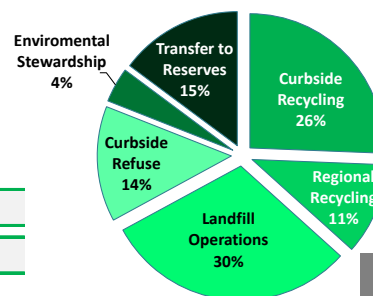
### Solid Waste Revenue

**\$6.4 million**



### Solid Waste Expenditures

**\$6.4 million**



## AMRD

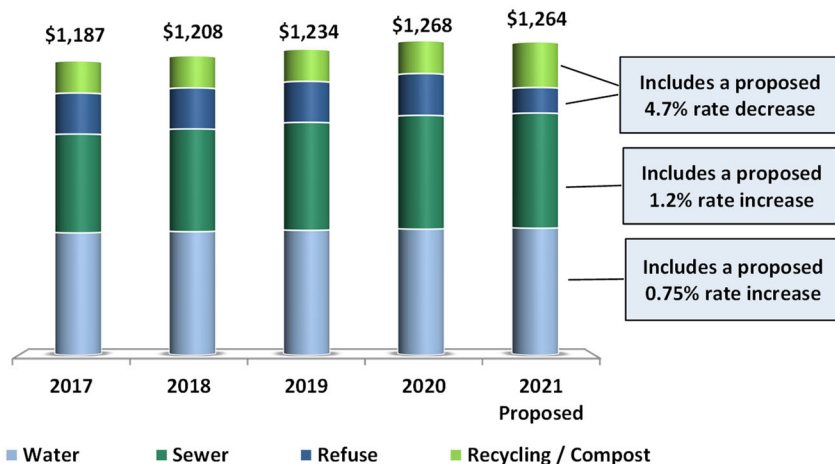
The District of Mission and the City of Abbotsford are joint partners in the Abbotsford Mission Recycling Depot in Abbotsford, which benefits residents in both communities.

These services are cost shared based on each community's usage. Mission's share for the AMRD in 2020 were:

- Operating 18.47%
- Capital 19.92%



## Summary of Flat Rate Utility Fees



Flat rate user fees are used to maintain the long-term health of the regional and local utility operations and to fund future capital projects. For 2021, there is a net reduction of \$4.80 for all four fees.

Utility	Change for 2021		Total User Fees
	%	\$	
Water	0.75%	\$3.84	\$512.64
Sewer	1.2%	\$5.52	\$463.92
Refuse	(4.7%)	(\$5.04)	\$102.96
Recycling/Compost	(4.7%)	(\$9.12)	\$184.20

The monthly fee to provide all four services is \$105.31.

## Drainage Utility

The District owns and operates over 156 km of storm water drainage systems that serves all of Mission.

### Highlights of the 2021 drainage utility operating budget include:

- Increased revenue of \$19,400 from new development.
- Drainage levy of \$2.4 million is 90% of all revenue collected.
- Transferring of \$815,000 to reserves will support future capital upgrades.
- Lower interest rates projected for 2021 will reduce the revenue by \$5,158. Interest revenue is transferred to reserves which will be reduced equally.

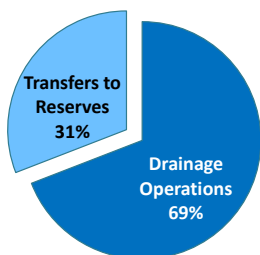
### Capital

Capital projects for the drainage utility total over \$3.2 million over five years.

### Drainage Utility Master Plan

A Master Plan for the drainage utility is underway with completion expected in 2021. This plan will impact the capital budget with yet to be identified projects and revised budget numbers.

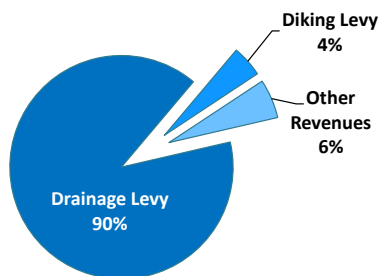
### Drainage Utility Expenditures \$2.7 million



### Drainage Levy

The drainage utility program, established in 2016, has challenges developing a capital program for replacement and upgrading of the District's storm water drainage systems. The drainage budget includes an increase in the transfer to capital reserve of \$125,000 which represents a 5.54% increase to the drainage levy. This would increase the averaged assessed home by \$7.50.

### Drainage Utility Revenue \$2.7 million



Maintain Existing Services

Estimated Taxes from New Construction

**Subtotal**

Transfer to Drainage Capital Reserve

Defer 50% of Capital Reserve transfer

**Net Potential Changes**

	Budget Dollars	Potential Tax Impact	Dollar Impact *
Maintain Existing Services	\$19,428	0.86%	\$1.16
Estimated Taxes from New Construction	-19,428	-0.86%	-1.16
<b>Subtotal</b>	<b>0</b>	<b>0.00%</b>	<b>0.00</b>
Transfer to Drainage Capital Reserve	250,000	11.08%	15.00
Defer 50% of Capital Reserve transfer	-125,000	-5.54%	-7.50
<b>Net Potential Changes</b>	<b>\$125,000</b>	<b>5.54%</b>	<b>\$7.50</b>

\* Using average home value of \$692,455 (2020)

# Reserves and Debt

## Reserves

In 2021, the District is budgeting to transfer \$14.4 million from operations into both operating and capital reserves to help build balances to ensure funds are available for future capital and operating expenditures.

Capital reserve funds are being built so funding is available for all or partial expenditures of several large projects starting over the next 20 years.

Operating reserves are being built up to fund large periodic operating expenditures such as the election that occurs every four years.

### TRANSFERS TO RESERVES

General Fund	\$6,789,000
Water Utility	3,174,000
Sewer Utility	1,839,000
Solid Waste	952,000
Drainage Utility	826,000
Forestry Enterprise	833,000
<b>Total Transfers</b>	<b>\$14,413,000</b>

Several reserves are restricted by legislation regarding the capital or operating expenditures they can be used for.

Reserve Projections	2021	2022	2023	2024	2025
Community Works Gas Tax	\$2,206,485	\$2,521,011	\$3,146,253	\$3,193,446	\$3,241,348
Gaming	219,423	297,270	377,090	478,459	586,385
Operating Reserves	9,648,136	9,882,953	10,533,289	11,167,114	11,847,111
General Capital Reserves	15,901,855	17,757,605	20,774,721	23,120,113	26,393,071
Water Reserves	20,586,285	20,370,802	21,012,903	17,951,630	16,034,943
Sewer Reserves	13,847,564	14,366,976	13,834,396	12,184,723	9,565,674
Drainage Reserves	909,381	1,582,934	2,679,666	3,404,961	3,864,073
Solid Waste Reserves	2,873,478	3,468,625	4,190,415	4,890,673	4,742,682
<b>Total Projections</b>	<b>\$66,192,608</b>	<b>\$70,248,175</b>	<b>\$76,548,733</b>	<b>\$76,391,119</b>	<b>\$76,275,286</b>

Note: Projections do not include capital projects under consideration or restricted revenue reserves.

## Debt

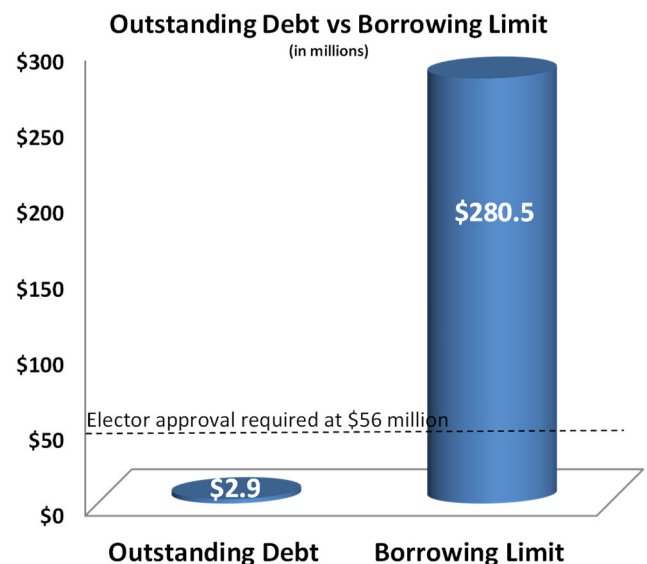
Mission has a “pay as you go” philosophy of saving ahead for funding infrastructure and capital projects where ever possible. Interest cost of debt financing (borrowing), particularly external debt financing, can add significantly to the overall cost of a project.

For internal borrowing (where one reserve account “lends money” to another), the borrowing reserve repays the lending reserve with interest, avoiding interest payments to external parties.

Water, sewer, solid waste, and drainage utilities are all currently debt free from external sources.

The District’s external borrowing limit is approximately \$280.5 million, based on legislated limits, current estimated interest rates, and assuming 20 year terms on average. The District’s current outstanding long-term debt will be \$2.9 million as at December 31, 2021.

Keeping debt low allows flexibility for future large capital projects.



## Forestry Enterprise

The District operates Tree Farm License #26 (TL26), which was awarded in 1958 as a strategy to support local mills, build economic opportunities and fund community needs. TFL26 covers 10,900ha in size; in addition to a working forestry operation that provides direct revenue to our Community, TFL26 also includes over 59km of Trails for all level of walking and biking enjoyment.

### Highlights of the 2021 Forestry Enterprise budget include:

- Annual allowable cut has increased from 45,000 cubic meters to 60,000 cubic meters. Timber sales are expected to increase by \$640,000.
- Transferring of \$833,000 to reserves will support future capital upgrades and community projects.
- Lower interest rates projected for 2021 will reduce the revenue by \$25,800. Interest revenue is transferred to reserves which will be reduced equally.

### Recreational

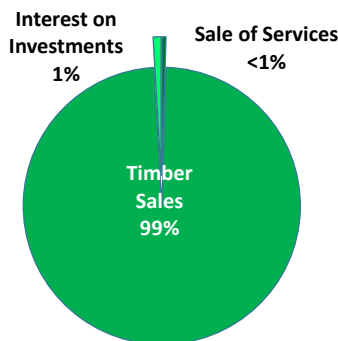
The Municipal forest manages 21 trails totaling 25 km, that were built and are maintained by the District of Mission forestry department. The remaining 34 km of trails were built by unknown individuals. A portion of these trails are now managed under a partnership between the Ministry of Forests, Lands, Natural Resource Operations, and Rural Development and the Fraser Valley Mountain Biking Association.

### Under Consideration

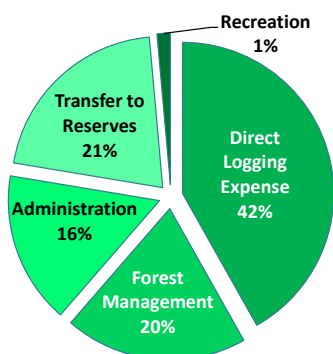
Council is considering funding four community projects, worth \$553,000 from the Forestry reserve ;

- Cade Barr School relocation, \$170,000
- Devil's Lake Trail Loop, \$100,000
- Fraser River Heritage Park Flag Plaza, \$125,000
- Mill Pond Trail continuation, \$108,000.

### Forestry Enterprise Revenue \$4 million



### Forestry Enterprise Expenditures \$4 million



### Revenue Changes \*

Increase to Timber Sales	\$ -640,000
Decrease in projected interest revenue	25,866
<b>Subtotal - Revenue Increases</b>	<b>\$ -614,134</b>

### Expense Changes

Decrease to Direct Logging expenses	\$ -36,262
Increase to other expenses	126,434
Decrease transfer of interest revenue to reserves	-25,866
<b>Subtotal - Expense Increases</b>	<b>\$ 64,306</b>

**Increase to Transfer to Forestry Reserve** \$ -549,828

\* Increases to revenue appear as negative values

### Capital

The Forestry Enterprise has one Capital project for 2021, \$100,000 to upgrade the excavator. This will prolong the life of the equipment to 2030 from 2022.

The Forestry Enterprise is contributing \$50,000 towards Tourism in 2021.

# Moving Mission Forward

## 2021 Municipal Budget Highlights



### Budget Summary

Council is looking for input from the public prior to finalizing the budget. Council is considering the following changes to the users fees and property levies:

- Property tax, increase of 3.6%
- Water user fees, increase of 0.75%
- Sewer user fees, increase of 1.2%
- Drainage levy, increase of 5.54%
- Curbside collection fees for refuse and recycling collections, decrease of 4.7% .

When these rates are considered together, the average home in Mission of \$692,455, would see their property taxes and utilities increase a total of \$78.51 for municipal services only. This is an increase of 2.24% over 2020.

### Estimated Impact

The estimated impact of a 2.24% increase on various assessed value properties for municipal taxes and utilities only:

Assessed Value	Tax & Utility Increase
\$392,370	\$45.66
\$692,455	\$78.51
\$885,000	\$99.59

Average assessed value townhouse = \$392,370  
Average assessed value home = \$692,455

### Estimated 2021 Property Tax Notice

*Based on the Average Assessed Home in 2020 of \$692,455*

#### Municipal & Drainage Charges

Municipal Property Taxes	\$2,105.89
Drainage Levy	135.44
Subtotal:	2,241.33

#### Flat Rate Municipal Utilities

Water User Fees	508.80
Sewer User Fee	458.40
Refuse Collection <sup>2)</sup>	108.00
Recycling/Compost Collection <sup>2)</sup>	193.32
Subtotal:	1,268.52

**Total Municipal & Utility Charges: <sup>1)</sup>**

2020 Property Tax Notice	2021 Estimated Property Tax Notice	
	Values	Changes
\$2,105.89	\$2,181.70	\$75.81
135.44	142.94	7.50
2,241.33	2,324.64	83.31
508.80	512.64	3.84
458.40	463.92	5.52
108.00	102.96	-5.04
193.32	184.20	-9.12
1,268.52	1,263.72	-4.80
<b>\$3,509.85</b>	<b>\$3,588.36</b>	<b>\$78.51</b>

Property Tax Notice Increase over 2020

Increase in Dollars: **\$78.51**

Increase as a Percentage: **2.24%**

<sup>1)</sup> The impacts of the Provincial Home Owner Grant is ignored in this example.

<sup>2)</sup> 2020 Revised to reflect changes in budget ratio between refuse & recycling.

### Share Your Thoughts

We invite you to take part in the budgeting process by sharing your thoughts. You can do this online at [engage.mission.ca](https://engage.mission.ca), by email at [budget@mission.ca](mailto:budget@mission.ca), or by filling out the survey insert included in this document and returning it to Municipal Hall by Sunday, November 22, 2020.

Council and staff are committed to an open and transparent budget process, and want to make sure residents and local businesses and organizations have the opportunity to have their voices heard.

Your feedback is presented to Council and is a crucial part of the decision-making process for the budget and financial plan.