

To: Chief Administrative Officer **Date:** October 20, 2025
From: Scott Ross, Manager of Financial Planning & Analysis
Subject: **2026 Budget Cost of Detailed Operations and Activities**

Recommendation(s)

This report is provided for information only. No staff recommendation accompanies this report and Council action is not required.

Purpose

The purpose of this report is to present the 2026 budget in more detail by reporting on an activity or function basis. With this information the reader will gain a deeper understanding of the cost of activities the City provides to its residents.

The content presented here will also be used as part of the public consultation process on October 29, 2025.

Discussion and Analysis

Mission's population was 41,519 based on the last census taken in 2021. Current population estimates put the City around 45,000 to 48,265 residents. Mission is too big to be considered a small city, yet it doesn't necessarily have the density characteristics of a larger city like Vancouver or Surrey which might have more offerings or higher levels of service simply due to its population base. Due to its proximity to Metro Vancouver's population of 2.6+ million and as part of the Fraser Valley Regional District's population of 324,000, Mission must maintain a delicate balance between addressing the needs of a growing community while considering the ability of its residents to pay for these services.

Mission ranks as the 24th largest municipality in BC out of 161, and nationally it is 126th out of 4,831 municipalities, putting Mission in the top 14% of all municipalities in the province and 3% of all municipalities in Canada.

Levels of service and offerings to residents will vary from city to city, depending on what the residents expect and what they are willing to pay for. Some smaller towns, or those in unincorporated areas within a regional district, tend to provide a lower level of service than larger towns. Providing the same services such as career firefighting, or a more expansive parks, recreation, and arts & cultural programs for their residents could be cost prohibitive.

All the City activities fall into one of three categories:

1. Services provided to residents that are fully funded from taxation or levies. An example of this is the back-office costs needed to run the City. Back-office costs include IT support, Finance, Corporate Administration, and Human Resources, to name a few. These services generally do not generate any significant revenue and require full, or very near to full, funding from the taxation revenue or utility levies generated.

2. Services provided to residents for a fee which helps offset some the cost of the providing the program or service. There is often a large portion of the costs that still require subsidization from taxation or levies. An example of this would be a City operated pool or ice rink. The general admissions help with the cost of those services, but the majority is paid from the overall taxation levy. The amounts in the Fees & Charges bylaw attempt to have users of specific services pay what is fair and reasonable. This seldom is a full 100% cost recovery.
3. Services provided to residents that have been paid for from a provincial or federal grant. An example of this might be a grant given to the City to celebrate Canada Day received from the federal government. Sometimes the full cost of the service is not fully covered by the grant so additional funds from fees or taxation are required. Grants funds are entered into the budget only once known and confirmed. Furthermore, grants tend to be one-time in nature, and a local government cannot predictably rely on always having that funding.

Attachment A, 2026 Budget Detailed Cost and Revenues, has been prepared to inform the taxpayers and the elected officials of how much various activities and functions of the City cost. With this information one can see not only how much these activities cost but also how much is being funded by taxation or levies and how much is being paid from user fees & charges or grants.

Financial Implications

While there are no financial implications at this time, Council may wish to provide direction on changes to specific activities, functions, or levels of service after receiving public input at the public consultation on October 29, 2025. This information may result in changes to the 2026 budget.

Communication

The information provided in this report will be available prior to the public consultation occurring on October 29, 2025, in order to inform stakeholders about the 2026 budgeted cost of detailed operations and activities.

Summary and Conclusion

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Report Prepared by: Scott Ross, Manager of Financial Planning & Analysis

Reviewed by: Doug Stewart, Director of Finance

Approved for Inclusion: Mike Younie, Chief Administrative Officer

Attachment(s)

Attachment A: 2026 Budget Detailed Cost and Revenues