

Re: 1974 Provisional Budget

The Municipal Act requires that municipalities prepare a provisional budget for the ensuing year or part thereof. Burnaby, West Vancouver, North Vancouver District, Surrey and Richmond prepare reasonably complete budgets for the entire year. North Vancouver City, New Westminster and Coquitlam do not. Vancouver is not required by its charter to prepare a provisional budget.

Not that it may have any bearing on the tax increase that we are facing, it is felt that it may put the subject in a proper perspective if we noted what the adjoining municipalities are faced with in this respect. The tabulation below is compiled on the best data available at the time of compilation and the effect of the various budgets on taxpayers is subject to whatever additional revenues may be forthcoming from the Province after the sitting of the Legislature and of any shifting of financial responsibilities that may be decided upon by the Legislature and, of course, any revisions and vetting made by Councils on the passage of the final budget.

Of note, too, is the fact that Surrey has a Union agreement terminating 31 December 1974. As a consequence, their budget is reasonably complete. Burnaby has made no provision at all for wage increases and West Vancouver, North Vancouver District and Richmond have made varying provisions for salary and wage increases. In other words, making a comparison between the indicated tax levies of the several communities is difficult at this point in time, but it is very obvious that we are all faced with the same problem of approximately the same magnitude.

	<u>General Tax Levy</u>		
	<u>1973</u>	<u>1974</u>	<u>Increase</u>
Burnaby	\$14,542,499	\$18,620,330	28.04% *
West Vancouver	5,032,990	6,532,760	29.80%
North Vancouver District	5,596,528	7,282,077	30.11%
Surrey	9,326,500	12,066,700	29.38%
Richmond	7,594,759	11,910,959	56.83%

* Excluding any allowance for wage increases

	<u>Assessments - Value of One Mill</u>		
Burnaby	\$ 881,524	\$ 1,044,092	18.44%
West Vancouver	387,153	451,781	16.69%
North Vancouver District	508,775	634,162	24.64%
Surrey	216,895	287,919	32.74%
Richmond	210,760	260,000	23.36%

	<u>Indicated General Purpose Mill Rate</u>		
Burnaby	16.497	17.834	8.10%
West Vancouver	13.000	14.460	11.23%
North Vancouver District	11.000	11.483	4.39%
Surrey	43.000	41.910	2.53% Decrease
Richmond	36.0351	45.8114	27.13%

Burnaby, West Vancouver and North Vancouver District use separate assessments for general purposes taxation. Surrey and Richmond use the school assessments less machinery and Hydro assessments.

There are inflationary factors built into the assessments of all communities which cause the actual increase in taxes to be borne by the individual taxpayers to be much greater than is indicated by the increase in mill rates. These inflationary factors affect different properties differently, which means, for example, that not all homes in one neighbourhood will experience the same increase in taxes if the homes are of differing styles and the land parcels are different in nature. Comparable figures are not available for the other communities.

This is for the information of Council.