

ITEM	1
MANAGER'S REPORT NO.	31
COUNCIL MEETING	85/04/29

RE: 1985 ANNUAL OPERATING BUDGET

MUNICIPAL MANAGER'S RECOMMENDATION:

1. *THAT the recommendation of the Director Finance be adopted.*

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1985 April 23
File: '85 Budg.

TO: MUNICIPAL MANAGER
FROM: DIRECTOR FINANCE

RE: 1985 ANNUAL OPERATING BUDGET

RECOMMENDATIONS:

1. THAT the 1985 Annual Operating Budget, with a municipal tax levy of \$49,207,833 be received and approved, and that an authorization by-law be brought forward for three readings on 1985 April 29; and
2. THAT a property tax rating by-law based on the variable tax rates shown in the 1985 Annual Operating Budget be brought forward for three readings on 1985 April 29.

REPORT

The 1985 Annual Operating Budget is presented for the consideration of Council.

On 1984 December 03, Council adopted the 1985 Provisional Operating Budget which called for a tax levy of \$50,040,645. At that time there were a number of unknowns that could affect the levy. Since that time many of the unknowns have been resolved and are reflected in this budget. The 1985 Annual Operating Budget calls for a municipal tax levy of \$49,207,833 which is a tax increase of 4.7%. Because of new construction absorbing some of this increase and shifts in market values among classes, there is an overall shift in the tax load onto residential, which results in the median home showing an increase of 5.9%.

At time of writing there are two major unknowns:

- . Revenue sharing has not been announced for 1985. Earlier this year the Minister of Municipal Affairs indicated that in total, the revenue sharing would be the same as in 1984. The amounts for each municipality depend on such factors as population and assessment base. We have allowed for a \$100,000 decrease for Burnaby in 1985. Any variance from this amount will need to be balanced with other fiscal items or contingency as necessary.

The timing of the enactment of the provisions of Bill 6 is not known. We have excluded the ALRT guideway from the 1985 assessment roll on the basis of the earlier announcement by the Minister of Finance that he intends to enact this legislation in 1985, retroactive to January 01. The 1985 general municipal purpose taxes that would have been generated by the ALRT guideway are \$779,902. This compares with \$904,395 reported to Council 1985 January 07. The January figure was based on 1984 tax rates for utilities.

Bill 6 will also affect the variable tax rates for the other rate setting bodies. We have adjusted the rates for hospital and regional purposes to exclude the ALRT guideway because the total amount of levy was specified by these bodies. B.C.A.A. and the M.F.A. provided the variable rates only and we will collect and transfer the amounts that will arise from these rates. We don't know how these bodies have treated the potential impact of Bill 6.

School tax rates, both local and Provincial, and B.C. Transit tax rates, have not been received. When received, the pertinent pages will be amended and distributed to Council.

It is recommended that for 1985, the Annual Operating Budget with a municipal tax levy of \$49,207,833 be received and approved, and that an authorization by-law be brought forward for three readings on 1985 April 29; and

That a property tax rating by-law based on the variable tax rates shown in the 1985 Annual Operating Budget be brought forward for three readings on 1985 April 29.



Howard Karras
DIRECTOR FINANCE