

ITEM 8  
MANAGER'S REPORT NO. 77  
COUNCIL MEETING 85/12/09

RE: 1986 PROVISIONAL OPERATING BUDGET

MUNICIPAL MANAGER'S RECOMMENDATION

1. THAT the 1986 Provisional Operating Budget be adopted, subject to the Library budget being reduced by \$36,744 to conform to the Challenge Statement and to be consistent with the basis used when all the departmental budgets were prepared.

REPORT

Council on December 02 received a copy of the 1986 Provisional Operating Budget, and referred that budget to the meeting of December 09.

All departmental budgets were prepared within the Challenge Statement guidelines except for the Library, which exceeds them by \$36,744. The Municipal Manager has discussed this matter with the Chairman and the Vice-Chairman of the Library Board. As a result of those discussions, the Library Board decided not to revise the budget in order to meet the Challenge Statement. In order to conform to the Challenge Statement, and to be consistent with the basis used when all other departmental budgets were prepared, it is recommended that the Library Board budget be reduced by \$36,744.

The taxes to be levied in 1986 are expected to increase by about 4.9%. The proposed tax levy increase in the 1986 Provisional Budget is \$3,484,400 or 7.1% greater than the 1985 annual tax draw. It is anticipated that growth in new assessments will generate about \$1.0 million in new additional taxes (using 1985 tax rates), subject to Court of Revision decisions and outstanding appeals. The difference in the tax increase of \$2,484,400 expected to be borne by all taxpayers in 1986 is expected to be about 4.9% higher than in 1985 after new growth is considered. The increase is subject to the unknowns and assumptions included in the 1986 Budget, as well as the variable tax rates Council will use for 1986.

Section 263 of the Municipal Act requires that the Provisional Budget be adopted no later than the third Monday after January 01, that is, no later than January 20.

\* \* \* \* \*