

ITEM	7
MANAGER'S REPORT NO.	72
COUNCIL MEETING	86/12/08

RE: 1987 PROVISIONAL OPERATING BUDGET

MUNICIPAL MANAGER'S RECOMMENDATION

1. THAT the 1987 Provisional Operating Budget be adopted.

REPORT

The members of the Municipal Council received a copy of the Draft 1987 Provisional Operating Budget dated 1986 November 19 for discussion with the Municipal Manager and the Management Committee on 1986 November 24.

During this meeting, the budget was thoroughly reviewed and Council suggested no modifications to the Draft budget, but suggested that there be further discussion prior to preparation of the 1987 Annual Budget.

The proposed tax levy increase in the 1987 Provisional Operating Budget is about \$4.2 million, or 8.0% above the 1986 Annual tax levy before new growth. However, it is anticipated that growth in new assessments will generate about \$1.4 million in new municipal taxes, subject to Court of Revision decisions and outstanding appeals. The difference in the tax increase of \$2.8 million expected to be borne by all taxpayers in 1987 is expected to be about 5.4% higher than in 1986. The increase is subject to the unknowns and assumptions included in the 1987 budget, as well as the variable tax rates that Council will use for 1986.

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