

ITEM 9
 MANAGER'S REPORT NO. 61
 COUNCIL MEETING Sept. 29/75

Re: APPROPRIATION OF SURPLUS FUNDS FOR THE WEST BUILDING

Following is a report from the Municipal Treasurer regarding surplus funds that are available for use in connection with the construction of the West Building.

The 1974 CIP (page 64) reflected the fact that the monies would be used toward the cost of the West Building. The Treasurer in his report is simply bringing forward the mechanics to accomplish what was provided for in the 1974 CIP.

RECOMMENDATION:

1. THAT a by-law be brought down to appropriate the unexpended balances in:

By-law No. 3238	\$ 9,015.48
By-laws Nos. 3519/3769	52,093.10
By-laws Nos. 3885/3963	48,170.00
Total	<u>\$109,278.58</u>

towards the construction of the West Building.

* * * * *

24 September 1975

File: B84

TO: MUNICIPAL MANAGER

FROM: MUNICIPAL TREASURER

RE: SURPLUS FUNDS

BURNABY HOSPITAL GRANT BY-LAW 1952, BY-LAW NO. 3238
 BURNABY HOSPITAL GRANT BY-LAW 1954, BY-LAW NO. 3519,
 AS AMENDED BY BY-LAW NO. 3769
 BURNABY HOSPITAL GRANT BY-LAW 1957, BY-LAW NO. 3885,
 AS AMENDED BY BY-LAW NO. 3963

On 20 October 1952, Council passed Burnaby Hospital Grant By-law 1952, By-law No. 3238, authorizing the sale of \$80,000 in 4 3/4% debentures, U.S. funds, repayable annually 1 November 1953 to 1 November 1962, and authorized a grant to the Burnaby General Hospital Society of \$70,000 for building purposes. The following is a statement of account:

Debentures sold		\$ 80,000.00
Accrued interest		337.74
		<u>80,337.74</u>
By-law costs	\$ 4,139.84	
Paid to Hospital Society	<u>70,000.00</u>	74,139.84
Surplus		6,197.90
Interest received to 1960		<u>699.10</u>
		6,897.00

In 1960 it became necessary to install a six inch compound water meter and check valve on the line serving the hospital, pipe the ditch on Ingleton Ave. and paint lines and arrows on new parking lot and install stop signs. As a consequence, Council passed By-law No. 4108 on 1 February 1960 to appropriate for these purposes the sum of

		<u>3,727.23</u>
Interest earnings since then		3,169.77
		<u>5,896.99</u>
New balance at 9 September 1975		<u>\$ 9,015.48</u>

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On 20 December 1954, Council passed Burnaby Hospital Grant By-law 1954, By-law No. 3519, authorizing the sale of \$680,000 in 4% debentures dated 2 March 1955, repayable annually 2 March 1956 to 2 March 1975, and authorized a grant to the Burnaby General Hospital Society of \$667,000 for building purposes.

A market in Canada was not available for these bonds. As a consequence, on 5 November 1956, Council passed By-law No. 3769, reducing the principal sum to \$633,000 and authorizing an issue in U.S. funds. The capital required was made up by the levies of principal and interest for 1955 to 1957. The following is a statement of account:

Levy 1955		\$ 50,200.00
Levy 1956		37,620.00
Levy 1957		26,500.00
Debentures sold		608,000.00
Accrued interest		7,228.45
Interest earnings to date		<u>29,672.30</u>
		759,220.75
Discount on bond sale	\$ 42,555.00	
Discount on U.S. currency	23,135.02	
Commission on sale	5,168.00	
Expenses on sale	1,451.00	
Paid to Hospital Society	<u>667,000.00</u>	<u>739,309.02</u>
		19,911.73
Interest earnings since then		<u>32,181.37</u>
New balance at 9 September 1975		<u>\$ 52,093.10</u>

On 16 December 1957, Council passed Burnaby Hospital Grant By-law 1957, By-law No. 3885, authorizing the sale of \$235,000 in 6% debentures dated 2 January 1958, repayable annually 2 January 1959 to 2 January 1978, and authorized a grant to the Burnaby General Hospital Society of \$220,000 for building purposes.

On 30 June 1958, Council passed By-law No. 3963 to reduce the interest rate from 6% to 5%. The following is a statement of account:

Levy 1958		\$ 13,050.00
Debentures sold		228,000.00
Accrued interest		<u>1,061.00</u>
		242,111.00
Discount	\$ 2,918.00	
By-law expenses	780.00	
Paid to Hospital Society	<u>220,000.00</u>	<u>223,698.00</u>
		18,413.00
Interest earnings since then		<u>29,757.00</u>
New balance at 9 September 1975		<u>\$ 48,170.00</u>

The Greater Vancouver Hospital District came into being in 1957 and in 1968 took over responsibility for debt levies, contributing to Burnaby sufficient dollars to pay the annual principal and interest charges as they become due.

The debentures issued under By-law No. 3238 are fully paid, as are those issued under By-laws Nos. 3519/3769. The debentures issued under By-laws Nos. 3885/3963 finally mature 2 January 1978.

The financing of the construction of the West Building (Item 11, Manager's Report No. 83, 5 November 1973) was projected as follows:

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Federal Provincial Winter Capital Projects Fund	\$ 1,000,000	
Provincial Department of Health	60,000	
Burnaby Red Cross Society	5,000	
B.C. Tuberculosis-Christmas Seal Society	4,000	We have since
By-laws Nos. 3519/3769/3885/3963 surplus		received an addi-
hospital funds	93,951	tional \$10,000.
Tax sale moneys funds	473,309	from the Society.
	<u>473,309</u>	
	\$ 1,636,260	

A final accounting of the West Building project is not yet available. In the meantime, it is recommended that a by-law be brought down to permit the \$109,278.58 in hospital surplus funds to be employed in the West Building project. The increase in the dollar amount will reduce the amount of the tax sale moneys allocation. The by-law will require approval of the Inspector of Municipalities in accordance with Section 283(3) of the Municipal Act.

RECOMMENDATION:

1. THAT a by-law be brought down to appropriate the unexpended balances in:

By-law No. 3238	\$ 9,015.48
By-laws Nos. 3519/3789	52,093.10
By-laws Nos. 3885/3963	<u>48,170.00</u>
Total	<u>\$109,278.58</u>

towards the construction of the West Building.

A. O. M. J.
 MUNICIPAL TREASURER

BM:gw

cc: Municipal Clerk
 Municipal Solicitor