

RE: LETTER FROM TOUCHE ROSS & CO., 700 - 1177 WEST HASTINGS STREET,
VANCOUVER, B.C., V6E 2L2
OVERDRAFT

MUNICIPAL MANAGER'S RECOMMENDATION:

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

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1984 April 16
File: A82

TO: MUNICIPAL MANAGER
FROM: DIRECTOR FINANCE
RE: CORRESPONDENCE - TOUCHE ROSS & CO.

RECOMMENDATION


1. THAT this report be received for information purposes.

REPORT

Appearing on the Council agenda under correspondence is a letter from Touche Ross & Co., our Municipal auditors.

The letter reports that the net position of all our bank accounts with The Royal Bank of Canada was in overdraft in the amount of \$2,255,894 over the weekend of 1983 October 14-16 inclusive. This exceeded our \$2,000,000 authority to borrow on a temporary basis by \$255,894 for a period of three days.

We exceeded our overdraft authority because of a payment to the Burnaby School Board of \$2,046,115 on 1983 October 14. This was the monthly instalment of residential school taxes which, in accordance with the Education (Interim) Finance Act, must be paid on or about the 15th of each month. We had projected this payment to be made on the Monday, 1983 October 17, the 15th being a Saturday, with investments maturing on that date to cover the payment. The School Board was expecting the cheque on 1983 October 14, and because we had taken advantage of the extra days on past payments, we felt obliged to release the cheque. We did not cover the overdraft by calling in investments because it would have cost us more than paying the overdraft charges.


Howard Karas
DIRECTOR FINANCE