

East Kildonan Must Revise School Estimates

A REVISION of the 1944 estimates of the East Kildonan school district and a new setup of its accounts to show its true financial position has been ordered by the Municipal and Public Utility board. For the purpose of seeing that these instructions are carried out the board has appointed John Reeves as its representative.

The order authorizes the gross expenditure of \$93,386.73 of which the municipality of East Kildonan will provide \$84,600 by a 30-mill levy. The budget submitted by the board was \$106,737, of which the municipality would have been required to contribute \$95,883, an increase of \$11,384 over last year. This would have meant an additional levy of five mills on the taxable property of the school district.

One of the things to which attention is called is that for a number of years under statutory authority the board has postponed obligations of the school trustees to pay principal, sinking fund and interest. The trustees have bought in their own outstanding debentures and at Dec. 31, 1943, had accumulated \$77,924 of these debentures. Instead of cancelling them as they came in the school board continued to treat them as a debt owing and presented the coupons from year to year for payment.

"In other words," says the board's order, "through their levy on the municipality they have collected nearly \$24,000 interest on a debt which was not owing. This practice could not be allowed to a solvent local authority, and could no longer be permitted to this school board."

In this connection one section of the board's order directs that all debentures and attached coupons held in the sinking fund should be cancelled and destroyed and an affidavit of such destruction filed with the board. A Manitoba government 5 percent Drainage District debenture for \$1,000, carried in the sinking fund, is expected from this part of the order.