

# TOWN OF GEORGETOWN Report to the Ratepayers

## AUDITOR'S REPORT AND EXCERPTS FROM THE Financial Statement FOR THE YEAR ENDED DECEMBER 31st, 1967

### AUDITOR'S REPORT

To the Mayor, Council and Ratepayers,  
The Municipality of the Corporation of  
the Town of Georgetown:

Gentlemen:  
We have completed our examination of the books and records of the municipality and in this connection are pleased to present the following:

Additional Information  
Auditor's Opinion  
Financial Statements  
Additional Information

**Capital and Loan Fund Balance Sheet** Schedule A  
General fixed assets were increased during the year by \$40,434 as analyzed on schedule 13. A summary of the general fixed assets may be found on schedule 18.

Work in progress at December 31 represented the iron removal plant and elevated storage tower. These projects are virtually completed but due to delays in the financing have been shown under this caption. Provision for the interest on the temporary borrowing should be made in your 1968 budget. It is urged that completion of the financing of these projects be expedited so that additional costs are not added to the burden of the ratepayer.

Capital debt outstanding at December 31 is analyzed on schedule 1A. During 1967 additional debentures were issued for a total of \$218,942 while \$290,161 was retired leaving a net increase on the year of \$249,781.

Additional analysis referring to the capital and loan fund balance sheet are found as follows:

Description	Schedule	Amount
Accounts Receivable	17	\$ 306,280
Debenture Debt Unmatured	1 & 21	2,475,973
Debenture Debt Assumed	3	201,000
Accounts Payable	17	10,758

Schedule A1 analyzes the source and application of capital funds during 1967 and is worthy of your study.

**Revenue Fund Balance Sheet** Schedule B  
Schedule B represents the current assets and liabilities of the municipality at December 31.

**Due from Province of Ontario** \$27,938  
This amount reflects grants and subsidies outstanding at December 31 which have either been received or estimated at the time of this report.

Department of Welfare	\$ 8,136
Department of Highways (Estimated)	14,806
Department of Transport	104
Department of Highways (Traffic Planning)	4,000
Department of Health	892
	\$ 27,938

**Due from Dominion of Canada** \$179,281  
The Federal Government is sharing in a portion of the costs of the Mountainview Road Bridge and since the project was 80% complete at December 31 the subsidy is reflected in 1967 as outstanding at Dec. 31.

**Other Municipalities** \$75,202  
An analysis of this account is shown below:

County of Halton - Rebates	\$ 13,300
Township of Equeusing - Fire Agreement	3,008
County of Halton - M.V.R.B.	58,705
	75,202

**Taxes Receivable** \$184,488  
Refer to schedule 5 for details. We still urge council to reconsider our recommendations regarding the levy of taxes as outlined in our reports of 1965 and 1966.

**Inventory** \$ 800  
A physical inventory was not taken again in 1967. We must insist that this be done in 1968. The above figure represents the estimated inventory at the end of the year.

**Accounts Payable** \$83,443  
Certain information was not made available at the time of audit and as a result some amounts had to be estimated for report purposes.

Additional analysis referring to the revenue fund balance sheet are found as follows:

Description	Schedule	Amount
Temporary Loans	6	\$ 357,100
Debentures and Coupons Due	1	3,338
Deferred Revenue	8	1,773
Reserves	8	75,240

**Statement of Revenue and Expenditure** Schedule D  
In 1967 there was an operating surplus on the year of \$4,504, however, a comparison of the actual with the budget indicates that estimates as adopted in the budget were not closely followed. It should be pointed out that the Mountainview Road Bridge project was budgeted at a net cost of \$25,000 and this statement reflects the gross cost on the expenditure side and the corresponding subsidies on the revenue side. This project was approximately 80% complete at December 31.

Separate statements have been drawn up in 1967 to show the expenditures of the Georgetown Volunteer Ambulance and Volunteer Fire Departments along with the cost of the Police Department. The responsibility of the Police Department was removed from council in July of 1967.

**Trust and Reserve Funds** Schedules F & G  
During 1967, there was considerable school construction and there is apparently more planned for 1968. Council should note that the trust fund in lieu of industrial assessment as laid down in the original by-law is to defray capital school costs. The balance of this fund at December 31 is \$28,695. If council is not considering the application of these funds for 1968, then we recommend that they be transferred into short-term deposit receipts where the interest rate is higher than their present earning capacity.

**Other Local Boards** Schedules LI - LV  
Included in our audit procedures was the examination of the books and records of the nine local boards and commissions.

**Water Supply System** Schedules PI - PJ  
We would like to draw to council's attention that a more detailed procedure is required on water thawing accounts in order to ensure the collections and the allocation of responsibility. We also point out that if financing is not completed in 1967 on the Iron Removal Plant and Elevated Storage Tank that provision for loan payment be made in your 1968 budget.

### Hydro-Electric Commission

There is no provision in the Municipal Act to allow financing by means of a Bank Overdraft and this must be avoided in the future.

### School Boards

We have examined the books and accounts of the school boards outlined in this report for the year ended December 31st, 1967 and have obtained all the information and explanations which we required except on details pertaining to the Township of Equeusing. All the transactions which have come under our notice have been for school purposes and within the powers of the boards with the exception of the deficit reflected in the separate school board financial statements.

The decision of the separate school board to incur expenditures in excess of available revenues has resulted in an additional deficit of \$26,508.

### General

The six year financial review discloses in capsule form the salient features of the financial position of the municipality.

Greater expediency during 1967 on the selling of debentures could have saved the ratepayers considerable capital loan interest and again we urge that this not occur again in 1968.

The general ledger was kept in proper balance throughout the year. The cooperation of the treasurer, clerk, and accounting staff, particularly in expediting interim reports was excellent in every regard and we wish to express our sincere appreciation for their assistance at this time.

March 28, 1968 POPE & GOEBELLE, Chartered Accountants

### AUDITOR'S OPINION

Subject to the qualifications concerning inventory, accounts payable and bank overdrafts, we hereby report that, in our opinion:

- (1) The financial transactions which have come under our notice have been within the powers of the municipality.
- (2) The audit has been conducted in accordance with the instructions of the Dept. of Municipal Affairs.
- (3) The financial statement presents fairly the financial position of the Municipality as at December 31, 1967, and the results of its operations for the year ended on that date.

POPE & GOEBELLE, Chartered Accountants

Georgetown, Ont. March 31, 1968 License Number 3458

## CAPITAL AND LOAN FUND BALANCE SHEET

AS AT DECEMBER 31st, 1967

ASSETS	Statement 1
General fixed assets	\$ 808,454
Due from schools for debentures:	
Public Schools	1,078,585
High School	616,731
	1,695,316
Due from utilities for debentures	
Water supply system	352,104
Hydro electric system	198,332
	550,436
Due from other municipalities for debentures	171,580
Cash in Capital bank accounts	208
Work in progress:	
Water storage tower	65,300
Iron removal plant	197,782
	263,082
Accounts receivable:	
High School	10,000
Public School	98,035
Ontario Water Resources	41,280
Water supply system	10,280
Bell Gounlock	185,000
	324,595
Sewage disposal plant	894,807
	\$ 4,826,682

### LIABILITIES

Statement 2	
Debenture Debt unamortized	\$ 349,851
Due to schools for debentures	
Public Schools	1,078,585
High School	497,320
	1,575,905
Due to utilities for debentures:	
Water supply system	352,104
Hydro Electric system	198,332
	550,436
Due to other municipalities for debentures	201,000
Due to Ontario Water Resources Commission	722,454
Bank loans:	
High School	10,000
Public School	98,000
Water supply system	253,942
	359,942
Holdback payable	19,758
Reserves for renewals and replacements	41,280
	\$ 4,826,682

## REVENUE FUND BALANCE SHEET

AS AT DECEMBER 31st, 1967

ASSETS	Statement 3
Petty Cash	\$ 325
Cash on hand	6,460
Cash in transit	621
General bank	50,794
Debenture bank	3,538
Mountainview Road Bank	67
	67,364
General accounts receivable	4,887
Ambulance service	977
Weed cutting	330
Accident reports	8
	6,172
Allowance for doubtful accounts	2,000
	4,172
Taxes receivable 1967	127,781
Taxes receivable 1966	84,338
Taxes receivable 1965	12,406
Taxes receivable 1964 and prior	3,983
	198,498
Allowance for uncollectible taxes	14,000
	184,488
Tax registrations in process	7,853
Recoverable charges	60
	7,913
Allowance for loss on resale	7,021
	1
Due from Dominion of Canada	179,281
Due from Province of Ontario	27,938
Due from County of Halton	72,104
Due from Township of Equeusing	3,008
	282,331
Due from boards and commissions	
Prepaid operating charges OWRC	8,750
Due from DWRRC for overpayments	7,502
Due from ratepayers re Judge's Plan	100
Due from Trust account 7117	498
Inventory	800
	16,850
	\$ 37,327
Provision for loss on tax sales	7,745
Provision for deferred revenue	1,439
Provision for bad debts	1,023
	103,013
1967 Surplus	4,504
	\$ 2,251,530

### LIABILITIES

Statement 4

Bank loans	\$ 148,000
Mountainview Road bridge loan	112,100
Accounts payable	83,443
Accrued payroll	2,579
Accrued expenses	320
Debenture coupons and interest outstanding	3,536
	446,988
Due to Halton County Health Unit	6,688
Due to schools	30,286
	36,974
Due to Industrial Commission	511
Prepaid Taxes	2,875
Deferred revenue	1,773
Other deferrals	14,854
Reserve for working funds	85,000
Provision for service construction	10,240
	75,240

### SURPLUS

Balance - January 1, 1967	225
Prior year adjustments	719
	942
1967 surplus	4,504
	\$ 5,386
	\$ 584,428

## STATEMENT OF REVENUE AND EXPENDITURE

AS AT DECEMBER 31st, 1967

Statement 5

REVENUE	Actual	Budget
Revenue from taxation:		
1967 levy	\$ 1,370,144	\$ 1,287,324
Supplementary taxation	114,387	35,000
Municipal Utilities	3,128	3,031
Local improvements	9,309	9,129
	1,497,028	1,334,524
Long-term debt charges recoverable		106,660
Federal subsidies:		
Mountainview Road bridge	179,281	185,063
Grants in lieu of taxes	5,782	8,584
Provincial subsidies:		
Welfare	24,571	28,000
Road improvement	55,500	58,500
Mountainview Bridge	56,297	
L.C.B.O. percentage	1,532	1,460
Unconditional per capita	62,066	58,459
Ambulance	10,492	10,200
Traffic Study	2,808	
Grants in lieu of taxes	415	500
	212,681	500
County subsidies:		
Mountainview Road bridge	67,570	
Road rebate	11,451	
Connecting link	1,848	10,600
	80,870	10,600
Municipal subsidies:		
Township of Equeusing	18,472	14,780
Welfare charge backs	842	1,000
	19,314	1,000
Licenses and permits:		
Building permits	28,447	13,000
Flaming permits	7,327	1,600
Taxi licenses and applications	400	300
Occupancy permits	705	3,000
Dog licenses	3,044	400
General permits	511	
	38,434	400
Penalties and interest on taxes:	14,901	14,000
Other revenues:		
Rent	2,216	2,200
Fines	12,158	11,500
Sewer installations	2,440	2,500
Ambulance fees	4,083	2,500
Inspection charges	4,341	
Parking Meters	4,348	2,000
	29,586	2,000
Miscellaneous:		
Sale of land	12,305	25,000
Sewer service charge	51,090	50,000
Recovery on taxes written off	3,811	1,500
Miscellaneous	1,498	2,934
	68,511	2,934
	\$ 2,251,530	\$ 1,834,760

### EXPENDITURE

Statement 6	Actual	Budget
General Government:		
Executive and legislative	\$ 11,520	
Administrative	86,010	
Other	37,519	103,900
	125,049	103,900
Protection to persons and property:		
Fire	23,858	
Police	115,848	
Street Lighting	20,586	
Dog control	3,865	
Weed control	314	130,350
	164,376	130,350
Public Works:		
Property	6,003	
Highway Improvement	117,338	
Traffic planning	5,194	
Bridge construction	329,817	
Other related costs	11,385	486,317
	469,637	486,317
Sanitation and waste removal:		
Sanitary services	31,737	
Sewage plant	55,085	113,800
Garbage collection	46,370	
	133,192	113,800
Social Welfare:	32,113	30,219
Education including debt charges:	814,376	772,078
Recreation and community services:		
Parks	4,050	
Skating rinks	2,213	
Centennial	2,213	
Grants and donations	60,282	
Ambulance	7,830	84,483
	73,588	84,483
Debt charges:		
Principal	160,868	
Interest	80,878	
Short term interest	7,333	346,806
	249,079	346,806
Other:		
Discount for taxes	3,749	
Taxes written off	7,006	
Capital expenditures	40,434	
County rates	105,092	
Halton County Health Unit	4,723	
Parking Authority	2,804	
Provision for working funds	18,000	
Provision for loss on tax sales	7,745	
Provision for deferred revenue	1,439	
Provision for bad debts	1,023	198,013
	198,013	184,048
1967 Surplus	4,504	
	\$ 2,251,530	\$ 1,834,760