

THE CORPORATION OF THE TOWN OF HALTON HILLS FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1977
AUDITOR'S REPORT

NOTES TO THE FINANCIAL STATEMENTS

To the Members of Council, Inhabitants
and Ratepayers of the Corporation
of the Town of Halton Hills

We have examined the 1977 financial statement of The Corporation of the Town of Halton Hills and its local board. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, subject to the outcome in the legal action referred to in Note 11, these financial statements present fairly the financial position of The Corporation of the Town of Halton Hills and its local board as at December 31, 1977 and the results of their operations for the year then ended in accordance with accounting principles generally accepted for Ontario municipalities, applied on a basis consistent with that of the previous year.

Goebelle Wagner MacAdam
GOEBELLE WAGNER MACADAM
Chartered Accountants
Halton Hills, Ontario

April 21, 1978
License number 643

STATEMENT OF REVENUE AND EXPENDITURE

	1977 Budget \$	1977 Actual \$	1976 Actual \$
Accumulated net revenue (deficit) at the beginning of the year	497,826	497,826	625,042
Expenditures and transfers			
Municipal expenditures			
General government	892,664	756,339	769,803
Protection to persons and property	489,453	464,932	363,318
Transportation services	1,924,371	1,941,962	1,377,183
Environmental services	218,850	238,089	345,375
Health services	84,114	87,806	35,491
Social and family services	8,500	7,500	—
Recreation and cultural services	1,386,203	1,455,136	1,173,333
Planning and development	149,184	162,376	86,894
Other	—	—	—
Total expenditure	5,153,339	5,114,140	4,151,397
Transfers			
Transfers to region or county	1,308,356	1,295,231	1,282,687
Transfers to school boards	4,414,080	4,457,470	4,036,722
Total transfers	5,722,436	5,752,701	5,319,409
Total expenditures and transfers	10,875,775	10,866,841	9,470,806
Revenue by purpose			
Municipal purposes			
Taxation	2,759,787	2,776,021	2,428,808
Payment in lieu of taxes	26,350	69,233	26,583
Ontario grants	1,094,553	1,122,472	1,007,376
Other grants	—	42,328	—
Fees and service charges	517,295	566,280	382,183
Other	250,815	252,840	237,148
Revenue to pay for municipal purposes	4,648,800	4,829,174	4,082,098
Region or county requisition			
Taxation	1,116,268	1,115,983	1,055,387
Payments in lieu of taxes	13,000	6,080	12,491
Ontario grants	187,850	191,315	156,590
Other	—	—	—
Revenue to pay the region or county requisition	1,317,118	1,313,378	1,224,468
School board requisition			
Taxation	4,380,031	4,392,084	4,000,677
Payments in lieu of taxes	32,000	13,627	32,020
Other	—	3,881	4,327
Revenue to pay the school board requisition	4,412,031	4,409,592	4,037,024
Total revenue	10,377,949	10,552,144	9,343,590
Accumulated net revenue (deficit) at the end of the year	—	183,129	497,826
Analysed as follows:			
General revenue		208,723	489,676
Region or county		10,421	(34,610)
School boards		(45,829)	2,049
Special charges		9,692	564
Special areas		1,871	261
Local boards		(713)	14,038
Municipal enterprises		(1,036)	25,848
Region - Sewer & Water		183,129	497,826

STATEMENT OF CAPITAL OPERATIONS

	1977 Actual \$	1976 Actual \$
Unfinanced capital outlay (Unexpended capital financing) at the beginning of the year	(505,962)	(12,842)
Capital expenditure		
General government	38,132	14,685
Protection to persons and property	224,893	50,025
Transportation services	1,564,798	838,208
Environmental services	145,236	242,992
Health services	—	1,223
Social and family services	—	—
Recreation and cultural services	319,600	514,369
Planning and development	1,823	10,142
Other	—	—
Total expenditure	2,294,482	1,671,644
Capital financing		
Contributions from the revenue fund	880,429	663,885
Contributions from reserve funds and reserves	234,690	122,684
Long term liabilities incurred	—	669,030
Ontario grants	1,010,202	568,153
Other	185,414	121,006
Total capital financing	2,310,735	2,184,762
Unfinanced capital outlay (Unexpended capital financing) at the end of the year	(522,215)	(505,962)

RESERVE AND RESERVE FUNDS

	1977 Actual \$	1976 Actual \$
Available at the beginning of the year for future municipal purposes	615,732	482,870
Revenue		
Contributions from the revenue fund	25,000	25,000
Contributions from developers	243,286	120,609
Interest earned	37,635	66,437
	305,921	212,046
Expenditure		
Transfers to the capital fund	234,690	79,184
Transfers to the revenue fund	—	—
	234,690	79,184
Available at the year end for future municipal purposes	686,963	615,732

BALANCE SHEET

	1977 \$	1976 \$
ASSETS		
Current assets		
Cash	700,829	877,147
Accounts receivable	932,682	700,967
Taxes receivable	619,969	566,077
Investments	—	—
Other current assets	75,135	76,897
	2,328,615	2,221,088
Capital outlay to be recovered in future years	1,958,148	2,147,294
Other long term assets	—	—
	4,286,763	4,368,382
LIABILITIES		
Current liabilities		
Temporary loans	—	—
Accounts payable and accrued liabilities	936,308	601,568
Other current liabilities	—	—
	936,308	601,568
Net long term liabilities	1,958,148	2,147,294
Reserves and reserve funds	686,963	615,732
Accumulated net revenue (deficit) and unapplied capital receipts	705,344	1,063,788
	4,286,763	4,368,382

1. ACCOUNTING POLICIES

(a) Statement of Revenue and Expenditure
This statement reflects the revenues and expenditures of the revenue fund and the following local boards and municipal enterprises:
—Library Board

(b) Statement of Capital Operations
This statement reflects the capital expenditure of the municipality to be recovered from the general municipal revenue of the municipality and its local boards and municipal enterprises as described in note 1(a).
The long-term liabilities reported on this statement were incurred as follows:
—Prior to Regional Government—By former municipalities
—During Regional Government—By the Region of Halton on behalf of Halton Hills
Repayment of this debt is the responsibility of this municipality.
In addition to the long-term liabilities reported on this statement, the municipality incurred \$591,000 in long term liabilities on behalf of its municipal enterprises. Repayment of this debt will be from the revenues of Georgetown Hydro Electric Commission and not from general municipal revenues.

(c) Balance Sheet

This statement reflects the assets and liabilities of the revenue fund, the capital fund, reserve funds and local boards and municipal enterprises as described in note 1(a). The assets and liabilities of local boards and enterprises that have not been consolidated are reflected only to the extent of their related net long term liabilities and capital outlay to be recovered in future years.

(d) Fixed Assets

The historical cost and accumulated depreciation of fixed assets is not reported for municipal purposes. Instead, the "Capital outlay to be recovered in future years" which is the aggregate of the principal portion of unmatured long term liabilities, capital funds transferred to other organizations, and the cost of capital projects not yet permanently financed is reported on the Balance Sheet.

(e) Municipal enterprises

Municipal enterprises are those activities whose costs are substantially recovered from service charges on the users. The enterprises of this municipality whose revenues and expenditures have not been consolidated in these financial statements are:
—Acton Hydro Electric Commission
—Georgetown Hydro Electric Commission
—Georgetown Parking Authority

(f) Charges for net long term liabilities

Debt retirement costs including principal and interest are charged against current revenues in the periods in which they are paid. Interest charges are not accrued for the periods from the date(s) of the latest interest payment(s) to the end of the financial year.

(g) Trust Funds

Trust funds administered by the municipality amounting to \$157,922 reflected in the Trust Funds, Statement of Continuity and Balance Sheet.

2. CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS

(a) Some capital outlay to be recovered in future years does not represent a burden on general municipal revenues, as it is to be recovered in future years from other sources:
special charges on benefitting landowners 1977
municipal enterprises 1976
\$ 12,834 \$ 15,136
591,000 685,000
\$603,834 \$700,136

(b) Capital outlays, including fixed assets and the transfers of capital funds in the amount of \$880,429 which have been financed from general municipal revenues of the current year, are reported on the Statement of Revenue and Expenditure.

3. RESERVE FUNDS

During the year, \$280,921 were credited directly to reserve funds without being recorded as revenues and expenditures of the Revenue Fund. Major sources were:
Contributions from subdividers \$243,286
Interest Earned 37,635
Total \$280,921

4. NET LONG TERM LIABILITIES

(a) The balance for net long term liabilities reported on the Balance Sheet is made up of the following:
Total long term liabilities incurred by the municipality including those incurred on behalf of former school boards, other municipalities and municipal enterprises and outstanding at the end of the year amount to: \$5,034,131

Of the long term liabilities shown above, the responsibility for payment of principal and interest charges has been assumed by others for a principal amount of: (\$3,075,983)
Net long term liabilities at the end of the year: \$1,958,148

(b) Included in "Net long term liabilities" on the Balance Sheet is an amount of \$421,000 payable in U.S. currency, and converted into Canadian dollars at the rate prevailing when the liability was incurred. If the liability is converted into Canadian dollars at the exchange rate prevailing at December 31, the liability would be increased by \$38,100.

5. ACCUMULATED NET REVENUE (DEFICIT) AT THE END OF THE YEAR

the balance in the revenue fund at the year end is available to reduce (to be added to) the levies of the following classes of ratepayers:

	1977	1976
Town—General Ratepayers	\$206,010	\$503,714
—Designated Ratepayers	11,503	825
Schoolboard Ratepayers	(45,829)	2,049
Region—General Ratepayers	10,421	(34,610)
Designated Ratepayers	(1,036)	25,848
	\$183,129	\$497,826

6. CHARGES FOR NET LONG TERM LIABILITIES

Total charges for the year for long term liabilities were as follows:
Principal payments 1977 1976
Interest \$183,129 \$204,707
198,715 148,885
\$381,844 \$353,592

Of the total charges shown above, \$234,174 were paid from general municipal revenues of the municipality and are included in expenditure on the Statement of Revenue and Expenditure classified under the appropriate functional headings. The remaining \$147,670 were recovered from municipal enterprises for which the related net long term liabilities were incurred and are not reflected in the statement.

7. CONTRACTUAL OBLIGATIONS

At December 31, 1977, the Town of Halton Hills had entered into certain commitments for Road Projects which because they were not completed, are not fully reflected in these financial statements. The balance of the commitments, net excluding estimated Government grants is \$40,500.

8. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the municipality's employment. The liability for these accumulated days, to the extent that they have vested all could be taken in cash by an employee on terminating, amounted to \$149,000 at the end of the year. No provision has been made for this liability.

9. CHANGES IN CONSOLIDATION

We have included gross revenue and expenditure in the 1977 report compared to only showing Town of Halton Hills contribution in 1976 on Cemetery operations.

10. THE ANTI-INFLATION ACT

The municipality, its local boards and commissions are by agreement between the Government of Canada and the Government of the Province of Ontario dated January 13, 1976, subject to The Anti-Inflation Act (Canada) and the national guidelines. This legislation limits increases in compensation payments effective October 14, 1975.

11. CONTINGENT LIABILITY

The Town of Halton Hills has been named defendant in a legal action arising out of alleged breaches of agreements entered into by the former Town of Georgetown. Although the amounts in question are substantial, no liability has been recorded in the financial statements as in the opinion of the Town's counsel, the Town has a good defence against the action.

'53 model rolls

Ford celebrates anniversary

Bill Walker recalled a fit of nervous tension he experienced 25 years ago when the first car rolled off the line at the Ford Motor Company in Oakville, as he chatted with reporters at the plant last week.

Mr. Walker is the retired plant manager at the company and had returned for a brief but special celebration for the plant's 25th anniversary.

Walker recalled how he and other officials feared that the first car off the line might refuse to start. "With 500

people and 15 bosses standing watching, you're always nervous," he recalled.

The car came off the line without incident then, as did the 1953 Ford on Thursday and the 1978 Econoline Van that followed the car. The van marked the beginning of the second century of production Thursday.

Walker was in the car driven by Frank Steen. Mr. Steen joined Ford 25 years ago and at age 64 is still employed in the plant.

He told reporters that cars

had changed quite a bit and salaries had gone up a lot since he joined the company as a chartered member of the work force.

The company brought a 1953 Ford Victoria Crestliner similar to the cars that were produced in the first year to the plant in Oakville on Thursday. The car belongs to a collector near Stratford and the shining vehicle didn't need any more than a wash before it came down the line. The car belongs to Loren Bester of Stratford. Ford Historian Herman Smith said the car would have originally sold for \$3,200.

While it is too soon for the car to have the status of an antique, Mr. Smith said it wouldn't be long before the car is worth more than it sold for 25 years ago. In its first full year of production a total of 122,691 cars and trucks rolled off the Oak-

ville assembly line. At one time, car and truck production were combined in the one plant.

Last year Ford of Canada produced more than 342,000 cars and trucks at its Ontario Truck Plant and Oakville Assembly Plant.

The Oakville Assembly Plant produces Ford LTD's, Econoline vans and club wagons for both the Canadian and US markets.

Ford employed 3,000 people when it opened and now employs 7,300 at Oakville. That includes the truck plant, which opened in 1965 and the head office which opened in 1961. Many of Ford's employees live in the North Halton area.

Ford of Canada has paid out more than \$26,000,000 in property and business taxes over the past 25 years, according to plant manager Gerald Fotiadis.



EMPLOYEES WATCHED the 1953 Ford roll off the assembly line Thursday right in front of a 1978 Ford Econoline Van. The van is the first vehicle to come off the line after the completion of 25 years of production.

\$250 damage from collision

A collision in a parking lot on Queen Street resulted in \$250 in damages to the vehicles involved Sunday evening.

Damage to the vehicle owned by John Barratt, 2 Division St., is about \$200,

according to police. The Barratt vehicle was parked at the time.

Damage to the vehicle driven by Richard Gordon, of Nassagaweya, is about \$50 state police.