

STATEMENT OF CAPITAL OPERATIONS

for the year ended December 31, 1980

	1980 Actual \$	1979 Actual \$
Unfinanced capital outlay (Unexpended capital financing) at the beginning of the year	427,908	-
Capital expenditure		
General government		
Protection to persons and property	33,617	-
Transportation services	308,635	251,335
Environmental services	382,867	432,188
Health services	1,501,327	-
Social and family services	-	-
Recreation and cultural services	11,610	25,679
Planning and development	56,900	-
Other	-	-
Total expenditure	2,294,956	709,202
Capital financing		
Contributions from the revenue fund	148,391	118,915
Contributions from reserves and reserve funds	38,610	-
Long term liabilities incurred	1,356,900	-
Ontario grants	393,921	162,379
Other	335,053	-
Total capital financing	2,272,875	281,294
Unfinanced capital outlay (Unexpended capital financing) at the end of the year	449,989	427,908

The accompanying notes are an integral part of this financial statement.

BALANCE SHEET

as at December 31, 1980

Municipality
TOWNSHIP OF TINY

	1980 Actual \$	1979 Actual \$
ASSETS		
Current assets		
Cash	232,112	82,803
Taxes receivable	661,962	569,454
Accounts receivable	238,994	191,906
Other current assets	6,571	8,226
Capital outlay to be recovered in future years	1,848,568	463,131
Other long term assets	133,063	168,043
	<u>3,121,270</u>	<u>1,483,563</u>

LIABILITIES

	1980 Actual \$	1979 Actual \$
Current liabilities		
Temporary loans	941,850	633,263
Accounts payable and accrued liabilities	65,664	45,731
Other current liabilities	-	-
	<u>1,007,514</u>	<u>678,994</u>
Net long term liabilities	1,354,473	35,223
Reserves and reserve funds	661,494	419,773
Accumulated net revenue (deficit) and unapplied capital receipts	97,789	349,573
	<u>3,121,270</u>	<u>1,483,563</u>

The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

Municipality
TOWNSHIP OF TINY

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 enterprise:

Township of Tiny Planning Board	The Tiny Parks, Recreation and Community Centres Committee
The Tiny Public Library Board	Tiny Committee of Adjustment
Tiny Waterworks Department	

(b) Statement of Capital Operations

This statement reflects the capital expenditures to be recovered from general municipal revenues of the municipality, its local boards and municipal enterprise described in Note 1 (a).

(c) Balance Sheet

This statement reflects the assets and liabilities of the revenue fund, capital fund, reserve funds, local boards and municipal enterprise described in Note 1 (a).

(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.

(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 dates of the latest interest payments to the end of the financial year.

(g) Trust Funds

Trust funds administered by the municipality amounting to \$184,370 are only 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:

	1980	1979
Special charges on benefitting landowners	\$ 582,568	\$463,131
Capital contribution to Huronia District Hospital	1,266,000	-
	<u>\$1,848,568</u>	<u>\$463,131</u>

Tiny Township has entered into agreements with five surrounding municipalities and Huronia District Hospital under which the balance of the capital transfer to Huronia District Hospital of \$1,266,000 will be recovered from the general revenues of the participating municipalities based on pro rata usage of the hospital facility by residents of the participating municipalities.

3. RESERVE FUNDS

During the year, \$70,361 were credited directly to reserve funds without being recorded as revenues and expenditures of the Revenue Fund. Major sources were:

Ontario Home Renewal Plan grant	\$ 40,000
Contributions from developers	17,625
Interest	12,736
	<u>\$ 70,361</u>

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, outstanding at the end of the year amount to	\$1,376,473
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	22,000
Net long term liabilities at the end of the year	<u>\$1,354,473</u>

(b) Included in net long term liabilities are debentures amounting to \$1,266,000 issued to finance a capital contribution to Huronia District Hospital by the Township of Tiny and five surrounding municipalities. Tiny township and the surrounding municipalities have entered into agreements to share the cost of retiring these debentures according to annual usage of the hospital by residents of the participating municipalities.

5. ACCUMULATED NET REVENUE 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.

	1980	1979
General ratepayers	\$(4,622)	\$ 303,670
Designated ratepayers	55,387	22,540
School board ratepayers	(651)	(1,168)
County ratepayers	3,569	24,531
	<u>\$53,683</u>	<u>\$ 349,573</u>

6. CHARGES FOR NET LONG TERM LIABILITIES

Total charges for the year for net long term liabilities were as follows:

	1980	1979
Principal payments	\$ 37,649	\$3,466
Interest	162,811	2,924
	<u>\$200,460</u>	<u>\$6,390</u>

Of the total charges shown above, \$200,460 was 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 heading.

7. 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 and could be taken in cash by an employee on terminating, amounted to \$5,221 at the end of the year. No provision has been made for this liability.

Subsequent to the year end the sick leave benefit plan was terminated; the vested benefits paid to eligible employees will be reflected as a current expenditure in 1981.

8. OTHER INFORMATION

The temporary borrowings of the municipality at December 31, 1980 of \$410,000 exceeded the statutory limits provided by Section 332 (2) of the Municipal Act.