

TOWNSHIP OF VAUGHAN — AUDITOR'S REPORT

March 31st 1967.

The Reeve, Members of Council and Ratepayers of The Municipal Corporation of the Township of Vaughan.

We have examined the books and records of the Township of Vaughan and its local boards for the year ended December 31st 1966. We report on the financial statements of the Township as follows:

RESULTS FOR YEAR

The statement of operations for the year is summarized as follows:

Revenue	4,157,744.54
Expenditure	4,113,103.73
Surplus	\$44,640.81

The details of this account and comparison with the 1966 budget are shown on the statement of revenue and expenditure.

TAX ROLLS AND TAX COLLECTIONS

The revenue from taxation compares with prior years as follows:

1966	\$3,291,822
1965	2,645,297
1964	2,216,554
1963	2,106,877
1962	1,857,325

The taxes receivable including penalties on current year's roll are \$284,709.18 at December 31st 1966 as compared to \$276,833.53 at December 31st 1965. The collection of the current year's taxes including penalties represents 91.4% of the total 1966 tax roll including penalties, as compared to 89.6% at December 31st 1965 on the 1965 tax roll.

The total collection in the year of 1966 taxes, arrears of taxes for prior years and penalties represents 100.2% of the 1966 tax roll.

We submit the following comments on certain of the items appearing on the balance sheets:

CAPITAL AND LOAN FUND BALANCE SHEET

Work in Progress, \$1,441,925.96

This account represents funds expended on the following projects:

Acquisition and development of industrial property, less proceeds received on the sale of 97.8 acres \$878,604.00	1,382,422.80
West Don Sewer Area extension	40,186.56
Construction of library	19,316.60
	<u>\$1,441,925.96</u>

During the year an additional 110.6 acres of industrial property was acquired. The total cost to December 31st 1966 of developing 246.9 acres of land is \$2,261,026.80 and the above balance of \$1,382,422.80 is the remaining cost after the sale of 97.8 acres. We are advised that the remaining portion of this property which is marketable is approximately 117.6 acres.

Mortgage Receivable, 7%, due December 1968, \$71,000.00

During the year 6 acres of industrial property was sold. The Municipality took back a first mortgage for the balance of payment.

Mortgage Payable, 7%, due December 1966, \$112,254.38

This represents the balance owing on acquisition of 28 acres of industrial property in 1965. The above liability was retired in February 1967.

Mortgage Payable, 7%, due December 1967, \$598,000.00

Mortgage Payable, 7%, due May 1971, \$35,000.00

These mortgages represent the balance owing on acquisition of 110.6 acres of industrial property during the year.

CAPITAL AND LOAN FUND BALANCE SHEET as at DECEMBER 31st, 1966

ASSETS		LIABILITIES	
Fixed Assets:		Debenture Debt Issued and Unmatured:	
Municipal office property and equipment	379,431.36	General	702,852.45
Fire Department property and equipment	103,922.04	Local improvements	23,653.32
Police Dept. equip.	4,700.00	Public Schools	1,852,050.72
Road Department - garage and equipment	56,951.57	High Schools	412,700.00
Library	10,000.00	Water Supply System	2,242,207.14
Land, sundry	1,000.00	Sewer Areas	475,845.92
Streets and roads	439,628.14	Total	5,709,309.55
	995,633.11		
Work in progress	1,441,925.96	Due to other municipalities for debentures assumed	1,327,702.60
Due from schools (for debentures)		Temporary loans	84,500.00
Public	1,899,099.71	Account payable	205,000.00
Collegiate and High	1,438,481.62	Due to other funds:	
	3,337,581.33	Water Area No. 5	18,490.98
Accounts receivable - Twp. School Area	6,924.04	7	131,127.33
Due from utilities and other municipal enterprises (for debentures)			149,618.31
Water Supply System	2,242,207.14	Due to Revenue Fund	315,509.35
Pine Grove water	13,677.63	Mortgage payable, 7%, due Dec. 1966	112,254.38
Sewer Areas	475,845.92	Mortgage payable, 7%, due Dec. 1967	598,000.00
	2,731,730.69	Mortgage payable, 7%, due May 1971	35,000.00
Due from other municipalities (for debentures assumed)	254,871.99	Investment in capital assets	302,772.93
Mortgage receivable - 7% due Dec. 1968	71,000.00		
	<u>\$ 8,839,667.12</u>		<u>\$ 8,839,667.12</u>

Note: Debenture debt payable in United States currency and included at par in the total debt payable at December 31st 1966 - \$643,000.00.

This debt was issued for the following purposes:

Public Schools	71,000.00
Waterworks	385,000.00
General	187,000.00
	<u>\$ 643,000.00</u>

REVENUE FUND BALANCE SHEET

Accounts Receivable, \$155,762.38

This amount is summarized as follows:

Sundry accounts receivable	58,956.33
Pine Grove Area re survey fees	5,521.50
Engineering costs recoverable	9,830.42
Canadian National Railway re share of services	81,454.13
	<u>\$155,762.38</u>

Due from Province of Ontario, \$221,502.81

This amount is summarized as follows:

Highway subsidy	211,667.03
Relief subsidy	5,918.39
Ambulance subsidy	1,084.80
Other	2,832.59
	<u>\$ 221,502.81</u>

Due from Other Funds

Sewer Area, \$12,536.99

The operations for the year show a surplus of \$18,502.93 after debt charges of \$19,546.11, reducing the deficit in the area to \$12,536.99.

Taxes Receivable, \$337,881.92

Notices showing the balances of arrears of taxes at December 1st 1966 and requesting that any difference be reported directly to us were mailed to all taxpayers in arrears. We made a test of the current taxes unpaid at that date in a similar manner. All discrepancies reported to us were reconciled to our satisfaction with the Township records.

Water Areas

The operations of the Water Areas are summarized as follows:

Area	Balance of Surplus or Deficit (-) Dec. 31 1965	Surplus for 1966	Deficit for 1966	Balance of Surplus or Deficit (-) Dec. 31 1966
Area 1	\$26,465.76	\$21,151.07		\$47,616.83
Area 2	50,980.21	4,780.36		46,199.85
Area 4	6,160.15	863.77		5,296.38
Area 5	4,044.36		\$477.35	3,567.01
Area 6	5,294.47	354.66		5,649.13

In 1965 the Municipality increased the tax levy for water in Areas 2 and 4.

It is noted that a small reduction was made in the deficits in these Areas. However, if the present level of revenue is to continue in 1967, we recommend that a further increase in water rates or tax levy be considered to effect a more material reduction in the deficits.

The operations for the year of Water Area No. 7 show a deficit of \$52,352.95 after debt charges of \$65,467.70. This deficit was assumed by the Township Revenue Fund.

We hereby report, further to the foregoing comments, that in our opinion

- The financial transactions which have come to our notice have been within the powers of the Municipality.
- The audit has been conducted in accordance with the instructions of the Department of Municipal Affairs.
- The financial statements present fairly the financial position of the Municipality as at December 31st 1966 and the results for the year ended on that date.

EDDIS & ASSOCIATES
Chartered Accountants.
License No. 3240

Date of filing with Department of Municipal Affairs - March 31st 1967.

REVENUE FUND BALANCE SHEET		as at DECEMBER 31st, 1966	
ASSETS		LIABILITIES	
Cash on hand and in bank	120,681.29	Temporary loan	550,000.00
Accounts receivable	155,762.38	Accounts payable	345,173.13
Less allowance for doubtful accounts	5,000.00	Debentures and coupons due	8,821.88
	150,762.38	Due to schools	46,100.49
Due from the Province of Ontario	221,502.81	Due to local boards, etc.:	
Due from Maple Police Village	7,903.93	Thornhill Police Village	10,530.34
Due from other funds:		H.E.P.C. - hydro arrears	199.81
Sewer Area	12,536.99	Lighting Areas	1,251.89
Water Supply System,			11,982.04
Area No. 2	51,093.81	Due to other funds:	
4	20,495.94	Water Supply System,	
6	225.51	Area No. 1	71,108.51
7	175.08	5	2,446.27
	71,990.34		73,554.78
Capital and Loan Fund	315,509.35	Trust Fund	10,476.22
Taxes receivable:			84,031.00
1966 Tax Roll	284,709.18	Toronto Transit Commission Bus Lines	13,893.69
Arrears - 1965	46,782.19	Reserve for contingencies	7,105.11
- 1964	4,980.53	Deferred revenue:	
- 1963	1,029.09	Roads and bridges	63,476.49
- 1962	380.93	Local improvement debt charges	2,012.89
	337,881.92	Schools	1,416.93
Less allowance for uncollectible taxes	10,000.00	County rates	2,979.43
	327,881.92	Thornhill Police Village	481.58
Property acquired for taxes	6,256.97	Per capita grant	3,337.48
Inventory - Public Works	4,478.02	Township Public Library Board	96.34
		Thornhill Public Library	149.43
		Replacement of Public Works equipment	23,788.20
			97,738.77
		Surplus account	74,657.89
			<u>\$ 1,239,504.00</u>

REVENUE FUND SURPLUS ACCOUNT

Balance at credit, December 31st 1965	30,017.08
ADD:	
Surplus for year	44,640.81
Balance at credit, December 31st 1966	<u>\$ 74,657.89</u>

STATEMENT OF REVENUE AND EXPENDITURE

FOR YEAR ENDED — DECEMBER 31st, 1966

REVENUE	EXPENDITURE	
	Actual	Budget
Revenue from taxation	3,291,822.35	3,242,526
Debenture debt charges recovered	254,316.78	254,317
Government of Canada — Winterworks subsidy and grant in lieu of taxes	992.00	900
Province of Ontario subsidies:		
Ambulance	1,084.80	
Welfare	33,825.37	
Highway improvement	344,710.95	
Payments in lieu of taxes	6,079.41	
Police and fire	1,854.09	
Per capita grant	62,265.00	
Winterworks	1,052.63	
Warble fly	273.67	
Liquor license fee	1,094.86	
Recreational grant	900.00	
	453,140.78	449,600
Receipts from other Municipalities:		
Welfare	5,432.58	2,600
Receipts from Government Enterprises:		
Ontario Hydro-Electric Power Commission — Grant in lieu of taxes	2,976.65	3,000
Licenses and Permits:		
Dog	5,361.50	
Building and sundry permits	14,557.00	
Tourist	870.00	
Eating establishments	900.00	
Auto wreckers	100.00	
Amusement and theatre	1,293.25	
Taxi-cab and sundry	518.00	
	23,599.75	23,770
Interest and tax penalties	56,455.15	35,500
Other Revenues:		
Fines	5,961.22	
Fees - Committee of Adjustment	2,000.00	
Service charges	240.00	
Sundry	4,615.37	
Township dump	34,667.55	
By-law amendments	1,300.00	
Sale of maps	951.75	
Capital lot fees	9,783.15	
	59,519.04	59,500
Transfer of unexpended debenture funds re By-law No. 2614	9,489.46	9,400
Total revenue	<u>\$ 4,157,744.54</u>	<u>\$ 4,081,113</u>
General Government:		
Executive	16,421.23	
Administrative	147,619.29	
Other	160,494.31	
	324,534.83	334,700
Protection to Persons and Property:		
Fire	79,361.95	
Police	175,634.87	
Warble fly and sundry	654.17	
Weed control	106.28	
	255,544.71	265,480
Public Works	601,433.44	635,700
Social Welfare:		
Relief	33,979.01	
Institutional care	10,355.02	
Administration	3,800.00	
	48,134.03	42,300
Education including debt charges	1,773,998.02	1,747,759
School for Retarded Children	1,305.81	1,300
Recreation and Community Services	8,500.00	8,000
Debt Charges:		
Debenture principal & interest	698,658.99	
Less Municipality's share of school debt charges	370,619.79	
	328,039.20	
Temporary loan interest	14,984.68	
	343,023.88	334,014
Taxes written off	1,317.05	1,500
Provision for deferred revenue	36,340.13	
Other Expenditures:		
Deficit of Water Area No. 7 written off	52,352.95	
Water Areas	106,457.72	
County rates	449,183.61	
Police Village rates	26,153.00	
Lighting Area rates	5,840.46	
Library rates	25,522.43	
Maple Community Centre	1,687.93	
Winterworks project - cemetery	3,456.28	
U.S. exchange on debt charges	1,822.76	
Sewer Area	46,494.69	
	718,971.83	710,360
Total expenditures	4,113,103.73	4,081,113
Surplus for year	44,640.81	
Total	<u>\$ 4,157,744.54</u>	<u>\$ 4,081,113</u>