

CORPORATION OF THE TOWNSHIP OF MARKHAM

AUDITED FINANCIAL STATEMENTS & AUDITORS REPORT - 1966

March 31st, 1967.

To the Reeve, Members of Council and Rate-payers of The Municipal Corporation of the Township of Markham.

We have examined the books and records of the Township of Markham and its local boards for the year ended December 31st 1966.

We report on the financial statements of the Township as follows:

RESULTS FOR THE YEAR

Revenue	3,772,427
Surplus of prior year used to reduce levy	25,609
Total	3,798,036
Expenditures	3,662,338
Surplus for year	\$ 135,698

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

TAX ROLL AND TAX COLLECTIONS

The revenue from taxation compares with previous years as follows:

1966	\$3,001,496
1965	2,322,343
1964	1,980,031
1963	1,917,245
1962	1,568,333

The taxes receivable including penalties on the current year's roll are \$373,406 at December 31st 1966 as compared to \$218,481 at December 31st 1965. The collection of the current year's taxes, including penalties represents 87.6% of the total 1966 tax roll including penalties as compared to 90.5% 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 represent 94.8% of the 1966 tax roll.

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

CAPITAL AND LOAN FUND BALANCE SHEET

Work in Progress, \$425,585

The account is summarized as follows:

Watermains	182,148
Parks and Recreation	70,871
Public Works	172,566
Total	\$425,585

Long Term Debt - Ontario Water Resources Commission, \$1,387,372

Water system	698,517
Sewers	688,855
Total	\$1,387,372

The Municipality has signed agreements with the Ontario Water Resources Commission to provide a Deep Well System in Water Area No. 1. The liability at December 31st 1966 of \$698,517 represents the total cost of the projects less the Municipality's equity in the system at December 31st 1966.

The Municipality has agreed to pay to the O.W.R.C. amounts of principal each year for thirty years after date of completion of project, so as to provide a fund sufficient to retire this liability.

The Municipality has also signed agreements with the Ontario Water Resources Commission for the construction of sewers. The liability at December 31st 1966 of \$688,855 represents the total cost of the projects to date less the Municipality's equity in the projects at December 31st 1966.

The Municipality has agreed to pay the O.W.R.C. amounts of principal each year for thirty years from the completion date of projects, so as to provide a fund sufficient to retire this liability.

REVENUE FUND BALANCE SHEET

Due from The Province of Ontario, \$232,384

The account is summarized as follows:

Welfare subsidy	2,983
Road subsidy	228,353
Sundry	1,048
Total	\$232,384

CAPITAL AND LOAN FUND BALANCE SHEET

DECEMBER 31st, 1966

ASSETS

Fixed assets	1,648,511
Work in progress	425,585
Due from schools for debentures	3,875,612
Due from Water Area No. 1 for debentures	517,242
Due from other municipalities for debenture debt assumed	343,288
Due from other fund	—
Water Area No. 1 re O.W.R.C. debt	698,517
Accounts receivable	363
Total	\$ 7,509,118

LIABILITIES

Debenture debt issued and unmatured:	
General	25,950
Local Improvements	249,065
Public Schools	2,337,868
High Schools	500,300
Water Supply System	524,908
Total	3,638,091
Due to other municipalities for debenture debt assumed	1,373,066
Long Term Debt:	
Ontario Water Resources Commission (see audit report)	1,387,372
Temporary loan	149,500
Accounts payable	4,026
Due to Trust Fund	70,821
Due to Revenue Fund	201,600
Investment in capital assets	684,642
Total	\$ 7,509,118

Taxes Receivable, \$542,183

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

Deposits for Specific Purposes, \$82,200

This account represents funds received under subdivision agreements to cover future engineering and supervising costs pertaining to the subdivisions.

TRUST FUNDS

Lot Fee Fund

The balance on hand in this account at December 31st 1966 is \$404,397. This fund increased during the year by \$137,642.

The fund is committed to an expenditure up to \$341,180 as approved by By-Law 2257. The lot fee monies as described in the By-Law are to be used for a portion of the cost of Park land and building, Township library site and building, and Municipal office building addition. The Fund at December 31st 1966 has advanced \$70,821 towards the cost of these projects and on completion of the projects the Lot Fee Fund is to be charged with a portion of the final costs up to the amount of \$341,180.

The Township has expropriated a parcel of land for a park site in addition to the one noted above. The final cost of the site is not known as settlement is subject to arbitration. The original appraisal of this property was \$5,000, however, it is indicated that further appraisal, which is forthcoming, may be substantially higher. A resolution of Council directs that the purchase price of the property is to be paid out of the Lot Fee Fund if sufficient funds are not available in the Planning Act fund.

Planning Act Section 28

The balance on hand in this account at December 31st 1966 is \$219. The fund decreased after purchasing land at a cost of \$36,770. The net reduction in the year after investment income is \$33,760.

We report on sundry local boards as follows:

CROSBY MEMORIAL COMMUNITY CENTRE

The operations for 1966 show a surplus of \$4,038.

The balance on hand in the surplus account at December 31st 1966 is \$18,641 as compared to \$14,603 at December 31st 1965.

VICTORIA SQUARE COMMUNITY CENTRE

The operations for the year show a surplus of \$1,599. The deficit account at December 31st 1966 is \$2,405 as compared to \$4,004 at December 31st 1965.

The deficit on operations is being financed by a temporary loan to the extent of \$3,000. We have seen no approval from the Ontario Municipal Board authorizing the Centre to borrow in this manner and to repay the loan out of the revenue of future years. The Community Centre reduced the loan in 1966 by \$1,350.

Subject to (a) the lack of authority for the Victoria Square Community Centre loan

we hereby report that in our opinion

(1) The financial transactions which have come under our notice have been in the powers of the Municipality

(2) The audit has been conducted in accordance with the instructions of the Department of Municipal Affairs

(3) The financial statements present fairly the financial position of the Municipality as at December 31st 1966 and the results of its operations for the year ended that date.

EDDIS & ASSOCIATES
Chartered Accountants.
License No. 3240

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

REVENUE FUND BALANCE SHEET

DECEMBER 31st, 1966

ASSETS

Cash	963
Accounts receivable	5,450
Less allowance for doubtful accounts	400
	5,050
Due from the Province of Ontario	232,384
Due from other municipalities	91
Due from other funds:	
Water Area No. 1	9,669
Capital and Loan Fund	201,600
Lighting Area	125
Garbage Collection Area	4,739
	216,133
Taxes receivable:	
Current tax roll	373,406
Arrears - 1965	80,808
- 1964	33,544
- 1963 and prior	54,425
	542,183
Less allowance for uncollectible taxes	4,000
	538,183
Prepaid expenses - O.W.R.C. interest	923
Total	\$ 993,727

LIABILITIES

Bank loan	500,000
Accounts payable	60,615
Due to other municipalities	41,528
Due to school boards	28,451
Due to the Police Village of Thornhill	6,226
Due to the Police Village of Unionville	9,306
Federation of Agriculture	128
Municipal Recreation Committee	4,929
Due to other funds:	
Sewer Area	5,405
Thornhill Library	109
Township Library Board	245
Toronto Transit Commission, Bus Line	1,991
	7,750
Deferred revenue and prelevies:	
Local improvement debt charges	3,047
Schools	6,173
County	2,512
Roads and bridges debenture	234
Thornhill Police Village	526
Per Capita grant	1,004
Sewer Treatment Area	1,090
Debenture prelevy received from other municipality	1,498
	11,896
Deposits for specific purposes	82,200
Reserve for working funds	105,000
Surplus	135,698
Total	\$ 993,727

REVENUE FUND SURPLUS

Balance at credit, December 31st 1965	25,609
DEDUCT:	
Surplus taken into 1966 budget to reduce levy	25,609
	Nil
ADD:	
Surplus for 1966	135,698
Balance at credit, December 31st 1966	\$ 135,698

STATEMENT OF REVENUE AND EXPENDITURE

FOR YEAR ENDED DECEMBER 31st, 1966

REVENUE		EXPENDITURE		
	Actual	Budget		
Revenue from taxation	3,001,496	2,879,000	General Government:	
Debenture debt charges recovered	172,292	172,290	Executive	10,383
Province of Ontario Subsidies:			Administrative	129,246
Relief and Welfare	15,761		Other	66,821
Highway improvement	282,079			206,450
Police and Fire	1,547		Protection to Persons and Property:	
Share of Liquor license fees	1,809		Fire	35,866
Payments in lieu of taxes	711		Police	156,701
Per Capita grant	54,711		Building inspectors	19,650
Sundry	1,029		Dog control	7,453
	357,647	504,300	Weed cutting	2,377
Grant in lieu of taxes—			Sundry	2,417
Hydro-Electric Power Commission	1,731	1,700		224,464
Receipts from Other Municipalities:			Public Works	588,971
Relief	679		Social Welfare:	
City of Toronto agreement re Jail Farm	5,152		Relief	17,244
Police radio agreement	4,200		Institutional care	5,349
	10,031	8,200	Welfare administrator, salary and allowances	2,339
Licenses and Permits:				24,932
Dog	4,747		Education, including debt charges	1,629,843
Hunting	1,522		Recreation and community services	26,094
Building permits	42,509		Debt Charges:	
Catering licenses	2,250		Principal and interest	627,029
Septic tank permits	966		Less Municipality's share of school debt charges	327,404
Sundry	1,521			299,625
	53,515	20,000	Temporary loan interest	12,546
Interest and tax penalties	30,686	25,000		312,171
Other Revenues:			Taxes written off and rebates	2,848
Rent	1,020		Capital expenditures out of revenue	2,321
Fines	10,215		Other Expenditures:	
Planning Board	5,744		Water Area No. 1 rates	80,828
Committee of Adjustment	3,375		Police Village rates	21,551
Sewer service charges and rates	46,821		County rates	421,236
Service charges, sundry	255		Lighting Area rates	25,778
Public Works	43,533		Sundry Area rates	31,339
Sundry income	4,669		Library, Thornhill	1,130
Township of Whitchurch re U.S.S. No. 7	1,040		Sewer Area, O.W.R.C. - Contingency Fund	6,081
Reduction in provision for deferred revenue	28,357		Sewer Area, sundry operating costs and installations	46,301
	145,029	72,845	Provision for working funds	10,000
Total revenue	3,772,427	3,683,335		644,244
Surplus of prior year used to reduce tax levy	25,609	25,610	Total expenditures	3,662,338
			Surplus for year	135,698
Total	\$ 3,798,036	\$ 3,708,945	Total	\$ 3,798,036

Publication of the above Audited Financial Statements and the report of the Auditors thereon, pursuant to Section 223 (a) of the Municipal Act.
S. T. RUMBLE, Reeve
E. A. BARTON, Treasurer