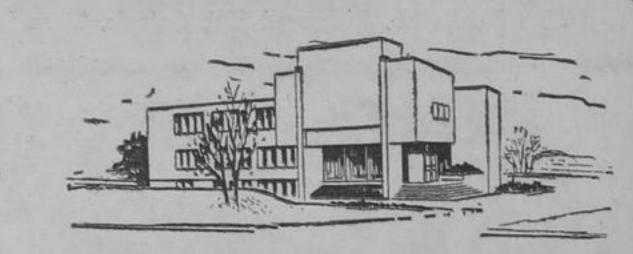


# Corporation of the Town of Markham

MUNICIPAL OFFICES - R.R. 2 GORMLEY, ONTARIO

# AUDITED FINANCIAL STATEMENTS



TO: THE MEMBERS OF COUNCIL; INHABITANTS AND RATEPAYERS OF THE TOWN OF MARKHAM.

We have examined the 1971 financial statements of the Town of Markham and its local boards, which are reported on separately. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. In our opinion these financial statements present fairly the financial position of the Town of Markham as at December 31, 1971, and the results of its operations for the year then ended, in accordance with account-

ing principles generally accepted for Ontario municipalities.

Toronto, Canada, April 17, 1972. Licence Number 4102

EDDIS & ASSOCIATES, CHARTERED ACCOUNTANTS.

## NOTES TO THE FINANCIAL STATEMENTS **DECEMBER 31, 1971**

1. The Regional Municipality of York Act R.S.O. 1970 created the area municipality of the Town of Markham. On January 1, 1971 the greater portion of the Township of Markham was annexed to the Town of Markham, the remaining portion of the Township being annexed to the Town of Richmond Hill, and the Town of Whitchurch-Stouffville.

These financial statements report on the first year of operations of the Town of Markham, and comparative figures of the former municipalities are not shown as they would not be meaningful in the circumstances.

2. CHARGES FOR NET LONG TERM LIABILITIES

Total charges for the year for net long term liabilities were as follows: Principal payments including contributions to sinking funds and to the debt retirement fund of Ontario Water Resources Commission \_

Interest \$ 578,348

Of the total charges shown above, an amount of \$454,529 was paid from the general revenues of the municipality and is included in expenditure, classified under the appropriate functional headings, and an amount of \$123,819 was recovered from the municipal enterprises for which the related net long term liabilities were incurred.

### 3. CONTRIBUTIONS TO RESERVE FUNDS

Contributions to reserve funds amounting to \$5,991 are included in the Statement of Revenue and Expenditure classified under cost of sanitation.

CONTINGENCY RESERVE FUNDS, O.W.R.C. PROJECTS

On January 1, 1971 the Regional Municipality of York assumed a percentage share of certain O.W.R.C. sanitation and water projects together with related long term debt. This percentage share has been interpreted to apply to contingency reserves provided for the same projects. The Town, as advised, have reduced their contingency reserves by \$37,639 to reflect the portion assumed by the Region but are not in agreement to this apportionment until such time as amending O.W.R.C. agreements are signed with respect to the use of the reserve funds.

### 4. BASIS OF CONSOLIDATION

The Consolidated Balance Sheet reflects the assets and liabilities of the revenue fund, the capital fund and all reserve funds of the municipality. Trust fund assets administered by the municipality, amounting to \$36,696, have not been consolidated, nor have the assets and liabilities of any local boards and water areas of the municipality.

### 8. NET LONG TERM LIABILITIES

Total long term liabilities incurred by the municipality and outstanding at the end of the year amount to	\$12,911,202
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	(7,814,637)
The balance in the debt retirement fund of the Ontario Water Resources Commission which has accumulated to the end of the year to retire the outstanding long term liabilities included above amounts to	(368,186)
Long term liabilities issued by the municipality and held by reserve funds as investments, amount to	(1,600)
Net long term liabilities at the end of the year	\$ 4,726,779
CARPELL OVER AN EO DE DECOVERER IN EURIDE MEARS	

6.	CAPITAL OUTLAY TO BE RECOVERED IN FUTURE YEARS	
	Some capital outlay 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	\$ 3,260,874
	Municipal enterprises	1,011,035
		\$ 4.271.909

### 7. CONTRACTUAL OBLIGATIONS

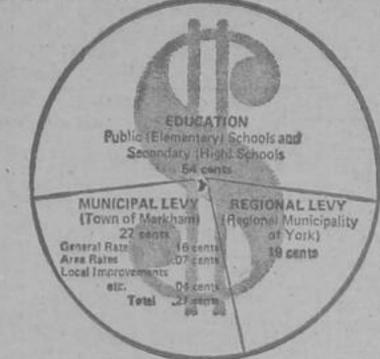
The municipality is committed to capital expenditures of \$810,000 for the construction of recreational facilities, water and sanitary sewer projects. Lot fee funds on hand at December 31, 1971 are committed towards the financing of these projects.

### 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 and could be taken in cash by an employee on terminating, amounted to \$97,550 at the end of the year. A reserve fund of \$85,177 is on hand at December 31, 1971 towards this obligation.

DISTRIBUTION OF YOUR 1971 TAX DOLLAR

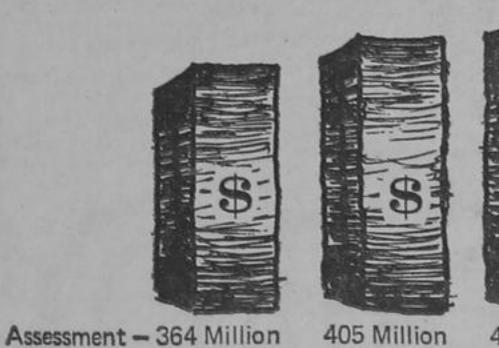


1971 1972

1973

1975 1974

1976



405 Million Est'd. Population - 37,905 40,000 42,500

450 Million Est'd.

490 Million Est'd. 45,000

540 Million Est'd. 48,000

Est'd. 52,000

590 Million

CONSOLIDATED BALANCE SHEET DECEMBER 31,

ASSETS	
Accounts receivable	
Other governments	\$ 459,903
Hydro utility, and local boards	69,692
Other	18,295
Taxes receivable	1,493,203
Investments at cost, held for Reserve Funds	1,112,054
Ontario Water Resources Commission,	
Reserve Fund assets	72,965
Inventories and prepayments	55,487
Total current assets	3,281,599
Capital outlay to be recovered in future years	
	\$ 8,386,329

LIABILITIES	
emporary loans	\$ 452,500
ccounts payable	
Other governments	157,113
Local boards and other funds	
Board of Education	59,561
Trust fund	5,120
Water areas	155,023
Other	776,347
eferred revenue	8,493
Total current liabilities	1,614,157
et long term liabilities	
eserves and Reserve Funds	1,793,458
urplus (deficit)	
General	149,012
Special charges	
Special areas	103,500
	251,935
	\$ 8,386,329

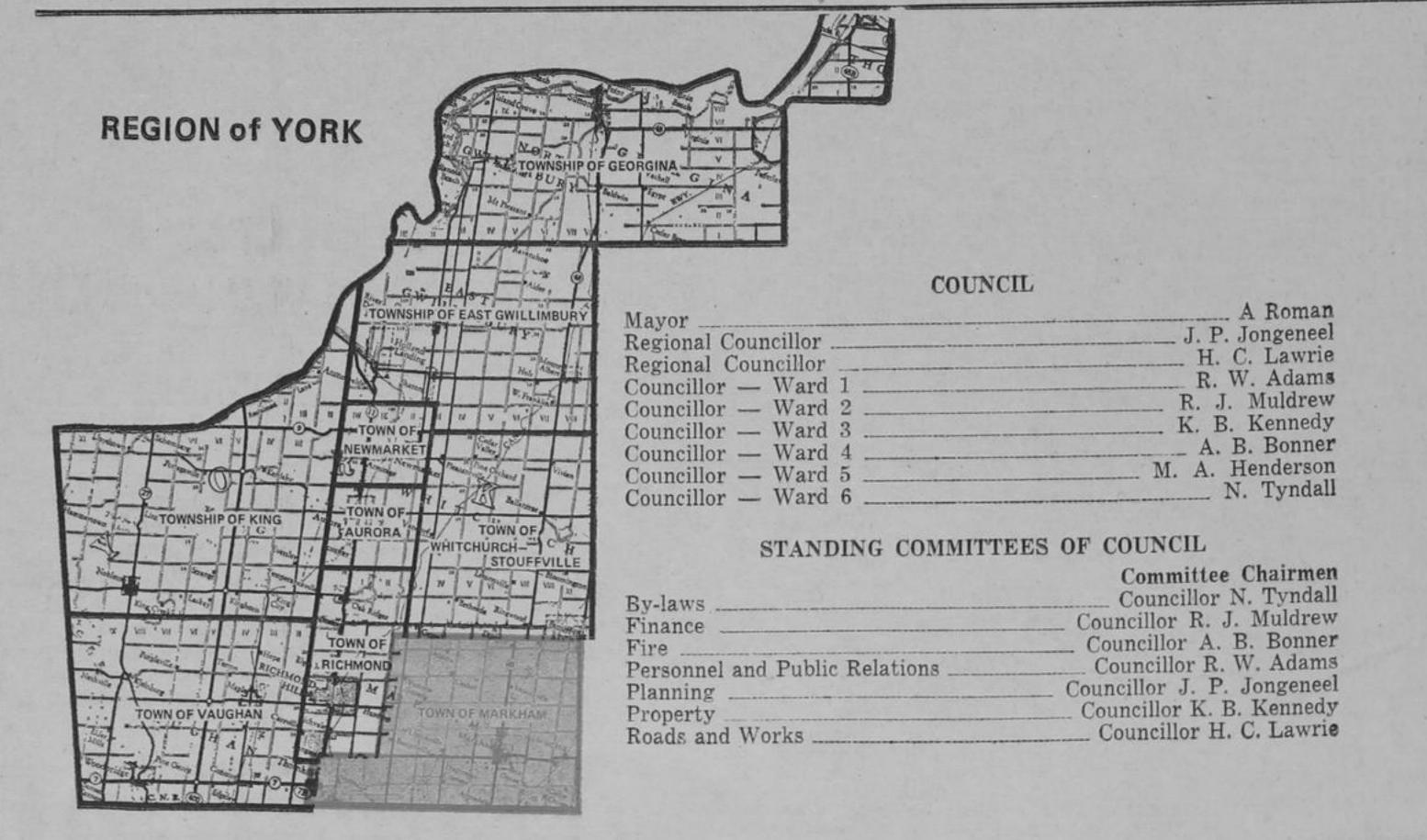
## STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED DECEMBER 31, 1971

Taxation	\$ 7,853,907
Contributions from other governments	
Payments in lieu of taxes	26,753
Subsidies	1,897,269
Other revenues	
Licences and permits	74,561
Service charges	158,003
Penalties and interest on taxes	121,917
Sundry	1,093
Income from short term investments	7,517
Rents	5,993
Fines	1,015

Surplus, end of year		\$	251,935
	216,898		(31,750)
Transfer to reserve for working funds	183,001		
January 1, 1971	23,897	4	
Distribution to other municipalities on formation of area municipalities,			
	185,148		
Former Town of Markham, general	1,789		
General Areas and special charges	(31,750)		
Former Township of Markham General	\$215,109		
Surplus (deficit), beginning of the year			
Excess of revenue over expenditure for the year		-	283,685
		9	,864,343
Education		4	,620,049
Region of York		_ 1	,653,423
Financial expenses			63,145
Community planning and development			69,393 88,175
Recreation and community services		-	316,714
Sanitation and waste removal		200	734,835
Public works		-	,511,410
General government Protection to persons and property		-	348,645 458,554
Expenditure			240 645
DECEMBER 31, 19/1			

# STATEMENT OF CAPITAL FUND OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 1971

Unfinanced capital outlay at the beginning of the year, former Township and Town of Markham	\$ 562,391
Capital outlay	
Capital expenditures	10,524
Protection to persons and property	
Public works	000.041
Sanitation and waste removal	258,395
Recreation and community services	101000
Transfers to Hydro Utility	00.000
Total	1,204,372
Capital financing	
Long term liabilities incurred	252,981
Contributions from other governments	
Contributions from the revenue fund for	
capital expenditures	311,863
Contributions from reserve funds	496,403
	1,390,412
Unfinanced capital outlay, end of the year	\$ 376,351



Publication of the above Audited Financial Statements and the report of the Auditors thereon, pursuant to section 223 (a) of the Municipal Act.

ANTHONY ROMAN, Mayor

E. A. BARTON, Treasurer