CORPORATION OF THE TOWNSHIP OF MARKHAM

Audited Financial Statements And Auditor's Report — 1966

March 31st 1967.

To the Reeve, Members of Council
and Ratepayers 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

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

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	
		$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
	$232,384

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.

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
	$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
		$7,509,118

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

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
		$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 Commiss. Bus Line	1,991	7,750
Deferred revenue and prelevies:		
Local improvement debt charges	3,017	
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
		$993,727

STATEMENT OF REVENUE AND EXPENDITURE

FOR YEAR ENDED — December 31st 1966

REVENUE:

		Actual	Budget
Revenue from taxation		3,001,496	2,879,000
Debenture debt charges recovered		172,292	172,290
Province of Ontario Subsidies:			
Relief and Welfare	15,761		
Highway improvement	282,079		
Police and Fire	1,547		
Share of Liquor license fees	1,809		
Payments in lieu of taxes	711		
Per Capita grant	54,711		
Sundry	1,029	357,647	504,300
Grant in lieu of taxes— Hydro-Electric Power Commission		1,731	1,700
Receipts from Other Municipalities:			
Relief	679		
City of Toronto agreement re Jail Farm	5,152		
Police radio agreement	4,200	10,031	8,200
Licenses and Permits:			
Dog	4,747		
Hunting	1,522		
Building permits	42,509		
Catering licenses	2,250		
Septic tank permits	966		
Sundry	1,521	53,515	20,000
Interest and tax penalties		30,686	25,000
Other Revenues:			
Rent	1,020		
Fines	10,215		
Planning Board	5,744		
Committee of Adjustment	3,375		
Sewer service charges and rates	46,821		
Service charges, sundry	255		
Public Works	43,533		
Sundry income	4,669		
Township of Whitchurch re U.S.S. #7	1,040		
Reduction in provision for deferred revenue	28,357	145,029	72,845
Total revenue		3,772,427	3,683,335
Surplus of prior year used to reduce tax levy		25,609	25,610
Total		$3,798,036	$3,708,945

EXPENDITURE:

		Actual	Budget
General Government:			
Executive	10,383		
Administrative	129,246		
Other	66,821	206,450	234,900
Protection to Persons and Property:			
Fire	35,866		
Police	156,701		
Building inspectors	19,650		
Dog control	7,453		
Weed cutting	2,377		
Sundry	2,417	224,464	224,155
Public Works		588,971	710,000
Social Welfare:			
Relief	17,244		
Institutional care	5,349		
Welfare administrator, salary and allowances	2,339	24,932	27,200
Education, including debt charges		1,629,843	1,555,800
Recreation and community services		26,094	25,100
Debt Charges:			
Principal and interest	627,029		
Less Municipality's share of school debt charges	327,404		
	299,625		
Temporary loan interest	12,546	312,171	311,985
Taxes written off and rebates		2,848	3,000
Capital expenditures out of revenue		2,321	5,000
Other Expenditures:			
Water Area No. 1 rates	80,828		
Police Village rates	21,551		
County rates	421,236		
Lighting Area rates	25,778		
Sundry Area rates	31,339		
Library, Thornhill	1,130		
Sewer Area, O.W.R.C. — Contingency Fund	6,081		
Sewer Area, sundry operating costs and installations	46,301		
Provision for working funds	10,000	644,244	611,805
Total expenditures		3,662,338	3,708,945
Surplus for year		135,698	
Total		$3,798,036	$3,708,945

Publication of the above audited financial statements and the report of the auditors thereon, pursuant to Section 223(a) of the Mnuicipal Act.

S. T. Rumble, Reeve. K. A. Barton, Treasurer.