



Corporation of the Township of Markham



AUDITED FINANCIAL STATEMENTS AND AUDITOR'S REPORT - 1970

EDDIS & ASSOCIATES
CHARTERED ACCOUNTANTS

ASSOCIATED FIRMS
COLLINS, LOVE, EDDIS, VALIQUETTE & BARROW
VANCOUVER - CALGARY - EDMONTON - WINNIPEG - TORONTO
MONTREAL - HALIFAX - MONCTON AND OTHER CITIES IN CANADA
WHITEHILL, EDDIS & CO.
LONDON ENGLAND - TORONTO CANADA

TELEPHONE (416) 363-3235

SUITE 1201
110 YONGE STREET
TORONTO 1, CANADA

AUDITORS' REPORT

To: The Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Markham.

We have examined the 1970 financial statements of the Corporation of the Township 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 Corporation of the Township of Markham as at December 31, 1970, and the results of its operations for the year then ended, in accordance with accounting principles generally accepted for Ontario municipalities applied on a basis consistent with that of the preceding year.

Toronto, Canada,
March 24, 1971.
Licence Number 3889

Eddis & Associates

CHARTERED ACCOUNTANTS.

CONSOLIDATED BALANCE SHEET DECEMBER 31, 1970

ASSETS		LIABILITIES			
	1970	1969			
Cash	\$ 189,957	\$ 189,957	Temporary loans	565,500	875,000
Accounts receivable	256,491	221,832	Accounts payable	68,997	
Other governments	31,331	49,643	Other governments		
Special areas, Sanitation & Lighting	15,710	23,954	Local boards and other funds		
Water Area	1,090,397	1,444,443	Board of Education and Library	12,156	647
Taxes receivable	527,215	265,400	Police Villages	426	15,147
Investments at cost, Reserve Funds, bank deposit receipts	86,471	79,098	Water Area	28,242	
Ontario Water Resources Commission, Reserve Fund	1,094	1,125	Other	494,237	205,140
Prepaid expenses	2,008,709	1,765,401	Deposits for specific purposes	104,039	117,133
Total current assets	4,721,636	3,871,395	Deferred income	2,968	17,122
Capital outlay to be recovered in future years	\$6,730,345	\$5,636,796	Total current liabilities	1,276,615	1,230,189
			Net long term liabilities	4,463,181	3,859,668
			Reserves and reserve funds	775,440	496,999
			Unappropriated balance	215,109	49,940
			Current surplus	\$6,730,345	\$5,636,796

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED DECEMBER 31, 1970

REVENUE		EXPENDITURE			
	1970	1969			
Taxation	\$5,874,041	\$4,932,056	General government	253,227	229,136
Contributions from other governments	17,961	6,865	Protection to persons and property	626,255	509,654
Payments in lieu of taxes	1,130,714	917,789	Public Works	1,076,768	973,165
Subsidies	5,152	5,152	Sanitation and waste removal	488,744	488,911
Municipalities	1,158,827	929,806	Recreation and community services	145,837	110,793
Other revenues	62,532	40,539	Community planning & development	54,235	52,917
Licences and permits	113,271	114,985	Financial expenses	73,355	61,342
Service charges	92,544	46,343	Police villages	8,393	8,845
Penalties and interest on taxes	35,553	23,478	Water area	123,943	108,331
Tax-write offs and adjustments recovered from other boards	5,782	2,496	County of York	549,263	504,830
Sundry	15,684	14,751	Education	3,789,045	3,208,546
Income from short term investments	325,366	242,592	Excess of revenue over expenditure for the year	165,169	42,984
	7,353,234	6,104,454	Surplus, beginning of the year	49,940	6,956
			Surplus, end of the year	\$215,109	\$49,940

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 1970

- 1. 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 \$5,630, have not been consolidated, nor have the assets and liabilities of any local boards of the municipality.
- 2. Net long term liabilities**
Total long term liabilities incurred by the municipality and outstanding at the end of the year amount to \$9,859,490. 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 (5,073,629). 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 (322,680).
Net long term liabilities at the end of the year \$4,463,181
- 3. 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 \$2,756,517
Municipal enterprises 1,138,586
\$3,895,103
- 4. Charges for net long term liabilities**
Total charges for the year for net long term liabilities were as follows:
Principal payments \$114,354
Contributions to sinking funds and to the debt retirement fund of Ontario Water Resources Commission 30,829
Interest 279,595
\$424,878
Of the total charges shown above, an amount of \$285,699 was paid from the general revenues of the municipality and is included in expenditure, classified under the appropriate functional headings, and an amount of \$139,179 was recovered from the municipal enterprises for which the related net long term liabilities were incurred.
- 5. Provision for reserves**
Provision for reserve amounting to \$14,000 is included in the Statement of Revenue and Expenditure under Public Works.
- 6. 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 \$76,508 at the end of the year. No provision has been made for this liability.
- 7. Contractual obligations**
The municipality signed agreements with the Ontario Water Resources Commission for the installation and operation of a sewage and water system. Based on 1970 the anticipated future annual costs are as follows:
Operating costs Sewage Project Nil Water Project \$49,671
Reserve for renewal and replacement of assets \$4,498 \$3,530
Debt retirement, including interest \$56,000 \$59,000
In addition to the above a further contract is signed for the installation of water mains at an estimated cost of \$220,000.
- 8. The Regional Municipality of York Act, 1970**
In accordance with the provisions of the above-mentioned Act, the Township of Markham ceases to exist as of January 1, 1971 and as described in the Act, various portions of the municipality are annexed to the Town of Markham, The Town of Richmond Hill and the Town of Whitchurch-Stouffville. Subsequent to the balance sheet date the Town of Markham passed a by-law under the provisions of Bill 143, Section 76 Assessment Act, authorizing certain reductions in taxes levied in 1970. The total amount of taxes that may be written down in 1971 with the approval of the Assessment Review Court, in that portion of the Municipality annexed to the Town of Markham, amounts to \$33,000. No provision is made in the accounts at December 31, 1970 for this write down.

STATEMENT OF CAPITAL FUND OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 1970

	1970	1969		1970	1969
Unfinanced capital outlay at the beginning of the year	\$ 11,727	\$ 743,975	Capital financing		
Capital outlay			Long term liabilities incurred	849,712	1,550,692
Capital expenditures			Contributions from other governments		107,508
General government	2,969	16,392	Contributions from the revenue fund for capital expenditures	406,219	251,935
Protection to persons and property	22,415	11,676	Contributions from reserve funds	409,671	6,295
Public works	1,083,038	225,582	Unfinanced capital outlay at the end of the year	\$ 258,455	\$ 11,727
Sanitation and waste removal	795,567	681,889			
Recreation and community services	8,341				
Transfer to School Board and Water Area		248,643			
Total	1,912,330	1,184,182			

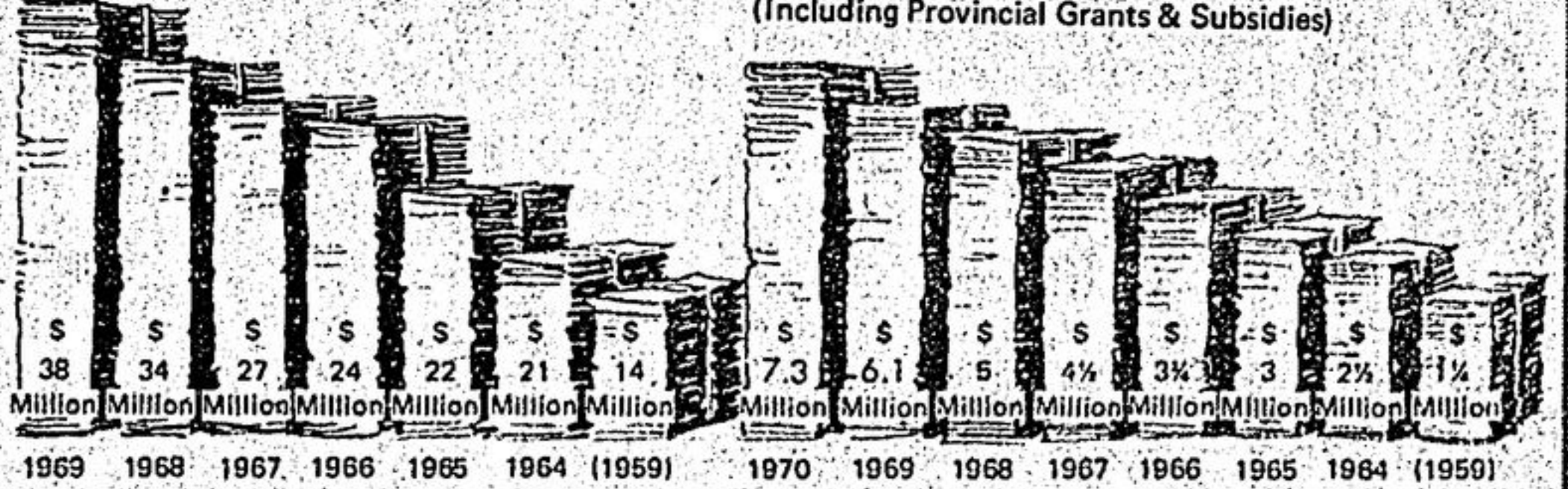
SPECIAL NOTE RE: 1970 COUNTY RE-ASSESSMENT

Reassessment has produced the effect of bringing our Assessment in line with Provincial Equalization. It has completely revised the previous mill rate structure of this Municipality, and as an example, if we compare a specific 1969 total mill rate of say 145.5 mills and convert same using the new basis of assessment, this mill rate would be reduced to approximately 18 mills, to produce the same dollar value taxation. The average increase in this Township was approximately seven times the previous. Consequently, increases of more than average ratio resulted in tax increase due to reassessment. The purpose of said re-assessment is to distribute the tax burden on a more equitable basis.

1970 ASSESSMENT ANALYSIS

Residential	\$218,158,489.00	74%
Farm	24,640,944.00	8%
Commercial & Industrial	52,413,329.00	18%
	\$295,212,762.00	100%

GROWTH PATTERN STATISTICS ASSESSMENT

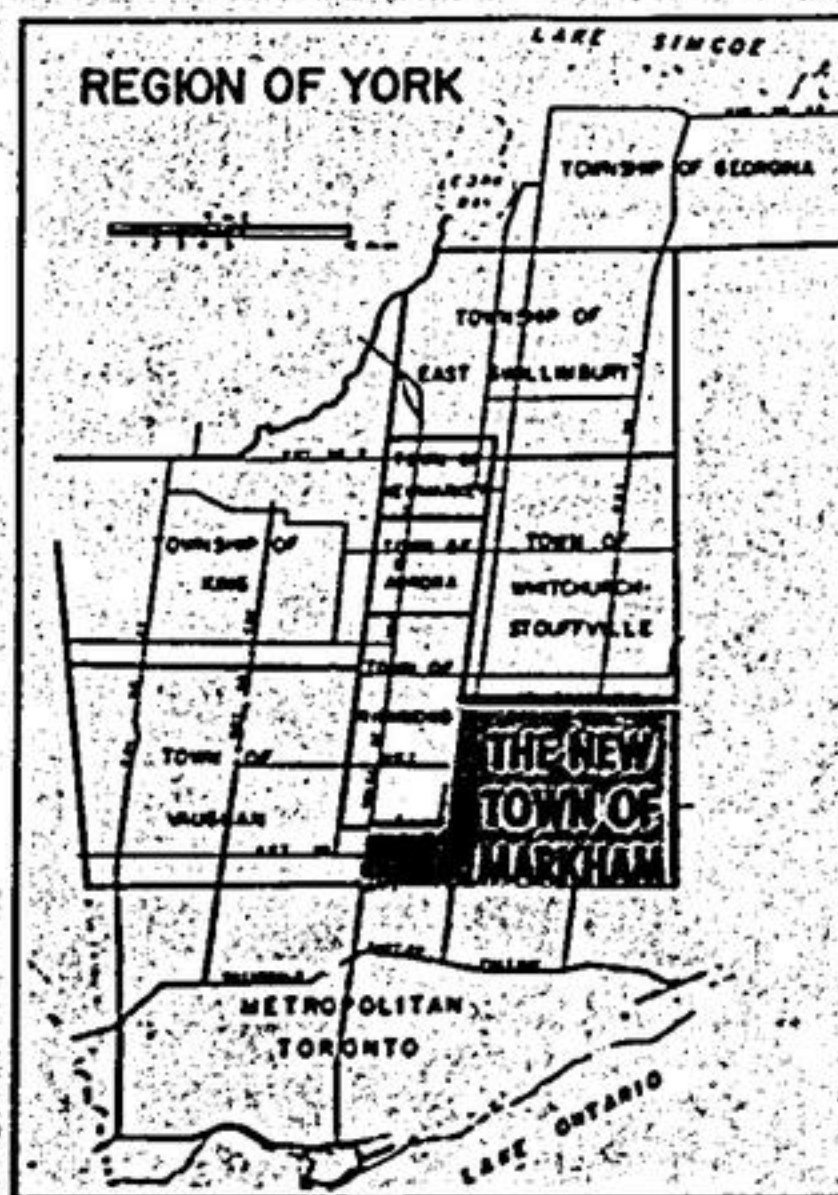
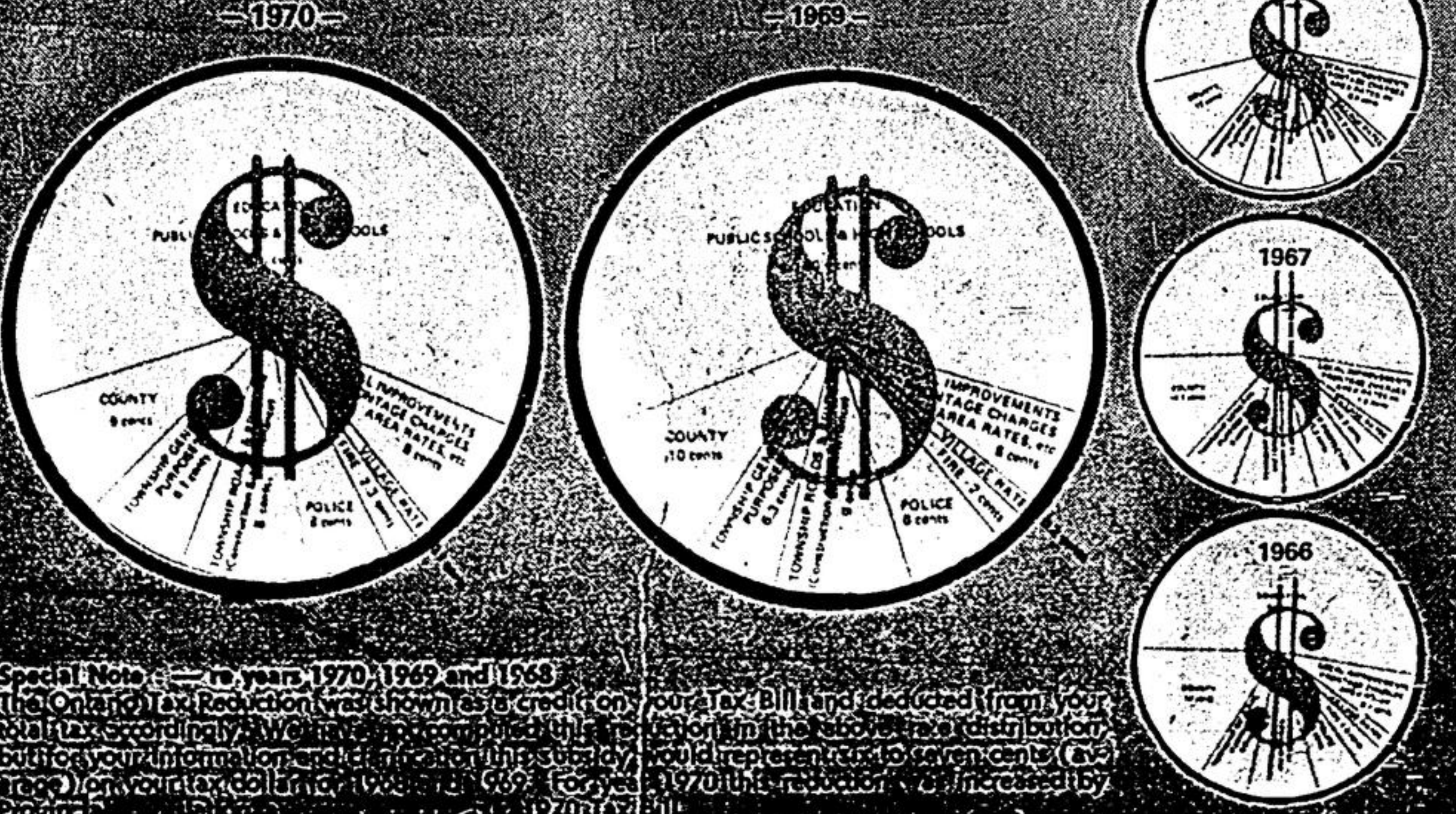


TOTAL GROSS REVENUE (Including Provincial Grants & Subsidies)

COMPARISON DISTRIBUTION OF YOUR PREVIOUS TAX DOLLARS

DISTRIBUTION OF YOUR TAX DOLLAR - 1970

COMPARISON PREVIOUS YEAR - 1969



Special Note:
This publication represents the final report for the former Township of Markham since on January 1/1971 your New Area Municipality of the Town of Markham was created under Provincial Bill 102 which formed the new Regional Municipality of York. The New Town of Markham comprises the former Town of Markham and the former Township of Markham. The next publication for the year 1971 will reflect combined statements for combined operations.

Publication of the above audited financial statements and the report of the auditors thereon, pursuant to Section 233 (a) of the Municipal Act.



E. A. BARTON, Treasurer.