



Township of

North Dundas

COUNCIL REPORT	
To:	CAO, Mayor and Members of Council
From:	John J Gareau, CA, AMCT, Treasurer
Date of Meeting:	May 10 th 2011
Subject:	Finance Department Report – April 30 th 2011

Bank Balances:

Bank Balances, Apr 30 th	2011 Apr 30 th	Last Month Mar 31 st	2010 Apr 30 th
General Operating Acct	6,892,205.10	8,097,902.68	5,195,997.42
Cash, GIC's, (Reserve Fund)	6,083,710.50	6,070,106.14	7,419,341.45
Total	\$12,975,915.60	\$14,168,008.82	\$12,615,338.87

Taxes Receivable – Apr 30th

	2011	2010	Difference
Current Year (2011)	905,708.58	921,947.21	(16,238.63)
One Year in Arrears (2010)	638,459.37	615,736.01	22,723.36
Two Years in Arrears (2009)	339,776.35	284,087.95	55,688.40
Three Years in Arrears (2008+)	141,693.87	123,015.49	18,678.38
Penalty & Interest	114,750.18	109,415.91	5,334.27
Sub-Total	2,140,388.35	2,054,202.57	86,185.78
Allowance for Uncollectible Taxes	(14,812.76)	(14,812.76)	---
Net Taxes Receivable	<u>\$2,125,575.59</u>	<u>\$2,039,389.81</u>	<u>86,185.78</u>
Net Taxes Receivable Excluding Current Year	<u>\$1,219,867.01</u>	<u>\$1,117,442.60</u>	<u>\$102,424.41</u>

Total taxes billed to Date \$14,514,604.92 \$13,961,992.57 \$552,612.35

Taxes receivable outstanding as a percentage of total taxes billed for the previous year:

Percentage Outstanding	8.404%	8.003%	5.01%
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Net taxes receivable last month were \$2,543,892.83; this month's balance of \$2,125,575.59 represents cash collections in the amount of \$418,317.24 in April resulting from the fact that we billed our interim tax bills in February – with a due date of March 25th. This accounts for our healthy operating cash position above (in excess of \$8M) and therefore we still have not had to borrow any funds on a short-term basis.

- **State of the Union**

Our cash position is still very good. Basically the increase in our cash position is a direct result of March being a “tax collection month.” We mailed out interim tax bills totalling \$7,136,482.94 with a due date of March 25th – and we are still riding the crest of that cash flow wave. We have also received some of our Federal and Provincial funding in connection with last year's Infrastructure Stimulus Projects and in addition, we received our second quarter OMPF funding in the amount of \$240,600 on April 26th. We made our first regular payment to the school boards in the amount of \$848,264.31 (payment was due March 31st) – and made our first payment to the counties in the amount of \$1,516,983.40 – which was their first levy of \$1,480,190.50 plus \$36,792.90 due to them for their share of supplementals less write-offs pertaining to the 2010 fiscal year. This amount was due April 15th – so this cash inflow has come in handy.

All of this is helping to stave off the need to borrow but in discussions with various managers, there are significant cash requirements looming on the near horizon. The Water & Sewer department alone is going to need about \$2.1 Million within the next couple of months.

I have been in contact with Bob Keene of Infrastructure Ontario (he called Monday, May 2nd) and he is still very desirous of assisting us with getting our applications in line for our Infrastructure Funding. I informed him that currently we are not in a position where we need to borrow but it is certainly comforting to know that he has our back.

- **Properties Eligible for Tax Registration, Appendix #1**

The 2011 listing of properties that are eligible for tax registration has now been combined into one listing – attached as **Appendix # 1**. The 2011 listing is now down to **46** roll numbers representing total taxes outstanding of **\$355,724.89** and a minimum dollar amount of **\$124,292.00** representing the third year amounts that must be cleared to avoid registration. The net effect of all this is the net amount required to avoid registration is better than last month by \$6,622.54 and the overall taxes outstanding for this group of delinquent taxpayers is also down from last month by \$9,767.45. This is mainly due to two large payments that were received at the end of April. As mentioned in previous reports, we were working with taxpayer # 5 - (he had his property listed for tax sale and was encountering some legal issues re a road allowance) – the good news is, this issue was finally resolved in April, the taxpayer sold the land in question and we have been paid in full on this property.

The comparable numbers for the same time last year were **37** roll numbers with minimum payment amounts of **\$112,847.75** and total taxes outstanding of **\$341,963.68**. Therefore, we are slightly behind last year in terms of keeping our delinquent accounts to a minimum – approximately \$13,761.21 overall at this point.

Council Resolution

A resolution has been prepared for council's consideration authorizing treasury to present a list to legal counsel to commence formal registration of these properties for unpaid taxes.

Projects Worked on During April

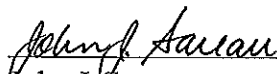
Basically the month has been taken up with the following:

- Assisting in filing the Drain Maintenance Grant Application
- Preparing for and attendance at department head meeting of May 4th
- Responding to tax queries
- Contacting Carleton University/placing ads in newspapers, etc. re hiring of summer student
- Reviewing resumes and contacting potential candidates

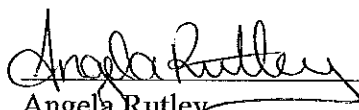
I had been hoping to get to the year-end binder in preparation for the auditors arrival on May 30th – unfortunately this didn't happen due to time constraints. We are a little short-staffed in Treasury at the present time; as well as being without the services of Gabrielle who returned to Europe at the end of March, Rosy Hooper is now off on short-term disability as of April 26th. Michelle has stepped up admirably on short notice and we are making do. However it is also a tax billing month – we are hoping to have the tax bills printed off in late May for mailing in early June with a due date of June 30th – this dovetails in very well with the cash flow requirements for counties and school boards.

We will bring the taxing by –law re the setting of 2011 tax rates and establishing their due dates to the next council meeting on May 24th.

Respectfully submitted,


John J. Gareau

Approved by:


Angela Rutley
Encl.