

# The Municipal World

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## A Provincial Municipal Auditor.

The most important Municipal Act at present before the legislature is that providing for the appointment of a Provincial Municipal Auditor, who will have authority to regulate the form of books of account to be kept by treasurers, and the system of bookkeeping to be adopted, and the manner in which securities and moneys of municipalities and School Boards are to be kept, and the auditing of the said accounts; that the auditor shall prepare sets of books for use by the various classes of municipalities, except cities, and when approved by the Lieutenant-Governor in council these books are to be procured and used in these municipalities. The auditor may also, if directed by the Lieutenant-Governor in council, prepare books of account for the use of School Boards. The auditor may, at any time, on his own motion, when requested by a member of the municipal council, if directed by the Lieutenant-Governor in council, or if required by requisition in writing, signed by thirty ratepayers, make a full inspection of the books and moneys in the hands of the treasurer or collector, or the auditor may authorize the work to be done by some person to be approved by the Lieutenant-Governor in council. The auditor is to have full power to summon witnesses, and to compel the production of books and documents in the same manner as in court; and municipal treasurers, within five days from their appointment to office, are to inform the auditor of their appointment, giving him their full name and post-office address, and the auditor is to report to the municipality and to make such recommendations as may seem to him to be necessary for the due carrying out of the law. It is to be the duty of the members to see that the act is duly carried out. The expenses of an inquiry made by the auditor are to be paid by the municipality

to the Provincial Treasurer when the auditor personally conducts the inquiry, or to the person deputed by him in other cases. The auditor is to be paid by salary. He is to report annually upon the number and character of the investigations made by him, and as to any changes made in the rules or laws which he may consider advisable. Every bank or company in which the treasurer of a municipality or School Board has deposited moneys as such treasurer is to state the balance in the hands of the bank or company at any time, when requested to do so by a member of the council or School Board, and shall quarterly, on the first days of January, April, July and October in each year, deliver to the head of the municipality or chairman of the School Board a statement showing the balance of such treasurer's account at the close of business on the last day of the preceding month, and the statement is to be read at the next regular meeting of the council or School Board."

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We believe that a change in the audit system of local municipalities is more necessary than a provincial auditor, and that provision should be made for the appointment, by county councils, of an auditor to act with a similar official appointed by the council of each local municipality. County auditors co-operating with a provincial auditor would have no difficulty in securing a uniform system of book-keeping and efficient audits in every municipality. The defect in the present system is that the local auditors are inefficient. The appointment of a provincial official will not remedy this, but it will make special audits for which municipalities are to pay more frequent. The aim of new legislation should be to make the annual audit so efficient that special investigations will be unnecessary.

The services of county auditors would be required for a portion of the year only, and in large counties two auditors might be necessary to overtake the work in proper time. After the first year all treasurers would keep their books according to a uniform system, and carry out the auditor's instructions. There would be no extra expense attached to the county auditor system as they would take the place of one of the auditors now paid by the local municipalities.

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The Municipal Act now requires the treasurers of all municipalities except townships to keep a cash-book and a separate bank account. This should be made compulsory in all municipalities and in addition every treasurer should be required to keep a journal and ledger; also a debenture register.

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The *Newmarket Era* says: It is understood the Government is considering the idea of appointing an official who will be called a special auditor of municipal accounts. This official, it is said, will

have an office in the Parliament Buildings, and will have the same duties as inspectors and superintendents already appointed in other departments. We quite fall in with the idea of better and more efficient municipal auditing; but a Provincial officer will scarcely reach the end desired. Each county should have an auditor whose duty should be to annually examine all municipal accounts of county, township, towns and village treasurers.

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To the Editor of THE MUNICIPAL WORLD.

DEAR SIR,—I note that in the editorial paragraph referring to my paper on "municipal accounts" in your January number, that you speak of my suggested auditors as "provincial" auditors. That was not quite my idea. What I propose is county auditors or inspectors to have charge of all the municipalities in the county. I did say that as they must check the work of the county council, they ought, perhaps, to be appointed by the province and paid by the county. But I look upon the question of who is to appoint this official, as a delicate one, which I would like to see discussed freely. I recognize that it is one of those questions of patronage, which are so difficult to deal with. If I had my way, I would soon get rid of the patronage feature of it, and put it on a basis of business, and business only. I should like very much to see the whole question freely discussed, for I judge from the "bills" which have been before the legislature and which have been "tabled," that there is a general feeling that improvement is needed, but possibly a want of a well defined scheme, fully dealing with all the technicalities of the situation.

Briefly, what I propose is, a uniform system of accounts, and county auditors, all under the supervision of a provincial superintendent. This last feature, I consider a vital part of the scheme.

Yours truly,

A. C. NEFF,

Chartered Accountant.

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The report of the Welland House of Industry for 1896, stated that the cost per inmate per week was \$1.72, this should have been \$1.59. The affairs of this institution were made the subject of a special investigation at the January session of the council and a more economical management will no doubt be the result.

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The investigation of irregularities connected with municipal elections in Ingersoll shows that deputy-returning officers must comply strictly with the requirements of the Act, that they should remain at the polling place from 9 a. m., until 5 p. m., and that the clerk or returning officer has no authority to excuse a deputy and take charge of the polling place during his absence.