

## THE FINANCIAL POSITION OF EDMONTON

City Comptroller D. Mitchell in his annual statement shows that the City of Edmonton, Alta. is making good progress, due largely to the improved percentage (69 per cent) of collection of current taxes. "Another favorable aspect of the City's financial position" says Mr. Mitchell "includes a reduction in the Net Funded debt of \$669,219.09 from that of 1918; a surplus of \$53,359.72 on General Revenue Account; a Net Surplus on the combined operations of the Civic Utilities of \$147,147.83; and a further addition of \$359,346.26 to Reserve against Uncollected Taxes.

"The year 1919, which closed without an overdraft, was commenced with an indebtedness to the bank on Current Account of \$873,404.73, which is merged in the Short Term Loans and Notes outstanding as at 31st December last, and which amount to \$5,456,564.29 as compared with \$5,395,488.08 a year previous.

Referring to the difficulties of exchange, the Report says:—

"The continued adverse state of U.S. exchange imposes a severe tax in remitting that portion of funds required in New York, which amount to \$974,000.00 the balance of the maturities being held locally." Of the importance of building up a good reserve, Mr. Mitchell observes:—"The abnormal amount of tax arrears still remaining due to the City accordingly emphasizes the importance of the reserve which has been created to offset any shrinkage which may occur in these arrears as a reliable asset. This reserve to which \$359,346.26 has been added during the past year, of which \$100,000 was contributed from the Tax Levy, the balance being the difference between estimated interest penalty and the actual—now amounts to \$695,077.97. A further addition to the reserve has been included in the current year's Tax Levy of \$150,000 and it is fully expected that by the end of 1920, the Reserve will at least have reached \$1,000,000.00."

Like all other municipalities the cost of administration of the City of Edmonton was increased considerably, the controllable expenditure amounting for 1919 to \$912,453 as against \$720,626 for 1918 an increase of \$191,827. In commenting on the increased cost of administration the report says:—"The economic conditions of the past two years, but especially in 1918, have not been conducive to normal cost of administration, arising out of the universally increased scale of wages for service and prices of commodities. The demand therefore, is the more potent to use every effort to secure increased efficiency and the elimination of all but the most essential operations until the situation in these respects has improved. Indeed at no time since the war commenced has there been any greater need for careful nursing of the city's financial position than at the present time; and only with conservative management will ultimate recovery from its difficulties be assured."

### Civic Utilities

"The operation of the several public utilities during 1919, resulted in producing an unprecedented net surplus of \$147,147.85 as contrasted with \$14,274.90 for the year previous.

The combined revenues for all the Utilities amounted to \$2,150,737.00 as against \$1,708,991.92 for 1918, as appears from accompanying analysis:—

### Cross Earnings of Utilities

	1918	1919
Electric Light and Power . . . . .	538,709.81	640,744.34
Street Railway . . . . .	607,185.82	682,715.19
Telephone . . . . .	286,266.47	633,059.33
Waterworks . . . . .	376,829.82	401,399.75
Power House (since Sept. 3r, 1919)		92,820.37
	1,708,991.92	2,150,737.00

### Expenditures. Operation and Maintenance.

	1918	1919
Electric Light and Power . . . . .	266,240.51	329,281.43
Street Railway . . . . .	395,926.43	487,727.24
Telephone . . . . .	90,341.26	112,953.99
Waterworks . . . . .	188,710.77	210,185.73
Power House . . . . .		100,478.11
	941,218.97	1,240,626.60

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