

NEWS OF MUNICIPAL FINANCE

Regina's Sinking Fund Kept in Good Condition—Province May Assist South Vancouver—Analysis of Toronto's Budget

Hastings County, Ont.—The county tax rate for 1919 has been fixed at 12½ mills.

Victoria, B.C.—During the city's recent tax sale, approximately \$43,000 was obtained. About 15 per cent. of the property offered was sold to outside bidders.

Edmonton, Alta.—The Public Utilities Commission has given permission to the city to submit a by-law to the citizens to expend \$260,000 on a telephone extension.

Vancouver, B.C.—The city has decided to exercise its option for the acquisition of the Kitsilano Beach property, under which it has a ten-year option from the Canadian Pacific Railway. The price is \$240,000.

St. Boniface, Man.—The city has given notice that treasury notes of the municipality due July 2nd, 1920, will be redeemed at the rate of 99.80, if presented for payment at Toronto, Montreal, Winnipeg, or St. Boniface, on or after July 1, 1919.

Prince Edward County, Ont.—The county rate has been fixed by the council as follows: 7 mills for county purposes and public schools, 1-10 mill for high school debentures, 1-10 mill for house of refuge debentures, and 1½ for good roads debentures, making a total of 88-15 mills.

South Vancouver, B.C.—The province of British Columbia intends aiding the municipality to the amount of \$200,000, in connection with the consolidation of arrears of taxes, a large proportion of which has been hypothecated as security. It is probable that the assistance from the province will take the form of a guarantee and will not involve the use of actual provincial funds.

County of Ontario, Ont.—The county council has passed a by-law giving the assessment of all municipalities for county purposes for five years. The figures in part are as follows: Oshawa, \$3,793,907; Whitby, \$1,270,965; Pickering Township, \$4,189,053; E. Whitby Township, \$1,660,212; Whitby Township, \$1,809,976; Uxbridge, \$516,212; Port Perry, \$515,672; Cannington, \$238,012; Beaverton, \$331,559.

Northumberland County, Ont.—The tax rate for Northumberland and Durham counties this year will be three mills less than last year. During the year the counties paid \$120,000 a year to the patriotic fund, equal to four mills on the assessment and one mill of a provincial war tax. Both of these are now done away with, but the counties have placed \$60,000 in their estimates for good roads, equal to two mills on the assessment.

York County, Ont.—The county tax rate has been fixed at 8.8288 mills, a reduction of nearly three mills on last year's rate. The total expenditure for the year amounted to \$402,425. The expenditure estimates presented by the finance committee, are as follows: General purposes, \$88,395; industrial home, \$12,500; court house debentures, \$4,857; highway improvement debentures, \$20,812; highway improvement construction, \$70,000; highway improvement maintenance, \$16,000; Toronto-Hamilton highway, road and bridge construction, \$117,860; reduction in highway improvement indebtedness, \$60,000; highway improvement interest charges, \$12,000.

Regina, Sask.—The annual report of the Sinking Fund Trustees for the year ended December 31st, 1918, shows that the total amount of money available for investment during the year was \$614,490. This was made up of cash on hand and in the bank on January 1st, 1918, payments received on account of sinking fund levy, reductions on account of investments and \$75,000 held in trust for the city of Regina (capital account). This latter amount is a portion of the insurance money collected on the winter fair building and handed over to the trustees for investment in Victory bonds. New investments to the amount of \$487,661 were acquired,

and at the close of the year there was a balance on hand of \$125,007. The excess earnings for the year were \$26,774, which amount, added to the surplus at the beginning of the year, \$18,708, makes a total surplus of \$45,482. A reserve of \$5,708 was set up to provide for any possible losses or depreciation in the securities. The sum of \$30,000 was transferred in the city's general account to be used for current or other expenditure, as authorized by the local government board under an order dated December 31, 1918, leaving a balance in surplus account of \$3,774.

The average yielding rates on the investments were as follows:—

City of Regina stock and debentures	5.51%
Saskatchewan rural telephone debentures ..	6.70%
Saskatchewan rural municipal debentures ..	6. %
Saskatchewan school district debentures ...	6.75%
Government bonds	5.71%
First mortgages on farm lands	7. %

Total average yielding rate 6.10%

The financial statement for the year ended December 31, 1918, shows a deficit of \$97,351, compared with the estimate of a surplus of \$2,433. The two principal items causing this deficit are interest and exchange, and deficit on utilities. The former account shows an over-expenditure of \$21,714, which is accounted for by payments during the year of \$14,600 in connection with the exchange of funds to retire coupon bonds held in New York at a time when the exchange rate was at a high premium against Canada. The net deficit shown on the operation of the utilities is \$76,081, after crediting the sum of \$20,574 for payment of street railway sinking fund from property sales. The health department also showed an over-expenditure of \$10,212.

Edmonton, Alta.—The public utility operations of the city of Edmonton show a net surplus for the month of May of \$2,345, as compared with a net deficit for the same month last year of \$3,549. The net surplus for the five months (inclusive of the street railway deficit) amounts to \$62,233, against \$33,809 for the corresponding period of 1918. Net surpluses for the five months of the respective departments are as follows:—

	1919.	1918.
Electric light	\$ 66,056	\$54,131
Telephone	21,356	13,845
Waterworks	14,246	10,746
Total	\$101,659	\$78,724

The street railway deficit is \$39,425, as compared with \$44,914 last year, leaving, as already stated, a net surplus of \$62,233 on the combined utilities, as compared with \$33,809 in 1918.

Toronto, Ont.—The Toronto Bureau of Municipal Research has issued its annual analysis of the city's finances, entitled "City Budget Facts." These are based on the estimates for 1919. Among other figures it shows that the city's taxes and income are expended as follows:—

	Taxes %.	Income %.
General government	8.0	20.0
Protection of persons and property	16.5	12.6
Health and sanitation	13.0	9.4
Highways	14.5	10.6
Education	27.4	20.3
Recreation	3.8	2.8
Charities and correction	5.7	4.2
War and special grants	11.0	8.0
Public service enterprises1	12.1

A comparison for the past five years shows that the expenditures in the form of personal services have increased considerably as have also debt charges with the exception of the past year. Grants reached their minimum in 1918. Of the total expenditure of \$25,562,357, personal services absorb 35.5 per cent. The next largest item is the debt charges of 35.2 per cent., which is divided into sinking fund 18.2 per cent. and interest 17 per cent.