

BONDS and MUNICIPAL CREDIT

VANCOUVER CITY

Will Issue More Bonds—Prices of Two Loans—Municipal Debt Limit.

The City of Vancouver in order to keep pace with its rapid development has been a somewhat heavy municipal borrower. It was in the market in June 1908, with a loan of \$1,975,000 and again in June this year with another big issue of \$1,397,000 4 per cents.

The city obtained 98.26 for the latter block of bonds, to be delivered unstamped in London, and 93.29 and accrued interest for the 1908 issue.

Local improvements will again call for large sums of money. Waterworks extensions, bridge building and the clearing of city streets to the boundaries are some of the contemplated improvements works.

Limit is Twenty Per Cent. of Average.

The city is limited as to its borrowing capacity by a charter enactment, which fixes the maximum debenture issue at 20 per cent. of the average assessment for the two years antecedent to the creation of the debt. On this basis the debt limit of the city for the present year stands at \$11,649,671. On January 1 next the limit will be increased to \$13,435,022. The bonded indebtedness of the city on general account at June 30 was \$8,982,851. In addition to this the city at June 30 had issued bonds to the amount of \$1,243,647 on account of local improvement works. A further amount of \$839,509 is charged in the financial statement issued at that date as advances to capital account on account of local improvement undertakings, debentures for which amount must be issued. That brings the total local improvement indebtedness at June 30 to \$12,083,156.

Total of Eleven Millions.

Combining the general indebtedness and expenditures on account of local improvement work a grand total of \$11,066,007 is obtained. The city charter provides that the local improvement indebtedness shall not be taken into account when comparisons are made with the debt limit. Discussion arose some years ago as to the exact status of local improvement debentures, these being issued on the general credit of the city. It was pointed out that whatever the legal standing of these bonds might be, bond buyers took them into general account when considering the purchase of civic debentures. A legal opinion stated that the proportion of the local improvement debentures for which the city as a whole was liable should be taken in connection with the general indebtedness in comparing with the debt limit.

Of the Present Margin.

The city's proportion of the local improvement bonds already issued is \$518,881. The city's share on local improvement account will be about \$818,000. Combining the above figures with the general indebtedness of \$8,982,851 the total of \$9,801,732 is obtained, which is the figure civic authorities take when computing the debenture account and the debt limit. On this basis the city has a margin at the present time of about \$1,800,000.

At a meeting of the Moose Jaw city council a rate of 15½ mills was struck.

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COMING BONDS.

St. Boniface, Man.—The ratepayers will vote on by-law authorizing the raising of \$10,000 for the erection of a clock tower on the city hall.

Nanton, Alta.—A by-law authorizing the issue of debentures to the amount of \$5,000 for street improvements, has been carried by the ratepayers.

Ladysmith, B.C.—This town is laying a sewerage system, an electric light plant is being installed, and in September a \$15,000 hospital will be begun.

Moose Jaw, Sask.—A by-law authorizing the expenditure of \$35,000 for power plant purposes has been carried. Bridge and sidewalks by-laws have also been carried.

Rosthern, Sask.—The ratepayers have defeated the by-law to authorize the issuance of debentures to the extent of \$6,000 for fire protections. The citizens are not in favor of the council's scheme, although they are in favor of fire protection.

Guelph, Ont.—The ratepayers will vote on by-laws to authorize the erection of two new bridges, and also for local improvements, the cost of which will be covered by the issuance of debentures.

Weyburn, Sask.—This town will sell debentures to complete the water-works system. The issue amounts to \$75,000, which will make the total debenture liability of the town approximately \$150,000.

DEBENTURES AWARDED.

Delta, Man.—\$10,000 5 per cent. 6-year debentures to the Union Bank of Canada at par.

St. Vital, Man.—\$2,500 5 per cent., 7-year debentures to Messrs. George A. Stimson & Company, Toronto.

Cauthier, S.D., Sask.—\$12,000, 5 per cent., ten instalment debentures to Ontario Securities Company, Toronto.

Piche, S.D., Sask.—\$7,000, 5½ per cent., ten instalment debentures to Ontario Securities Company, Toronto.

Sidney Mines, N.B.—\$35,000, 4½ per cent. 20 year debentures to Messrs. J. M. Robinson & Son, St. John, N.B.

Hawkesbury, Ont.—\$9,400, 6 per cent. 10 instalment debentures to Messrs. George A. Stimson & Company, Toronto.

La Fortune, Man.—\$800, 6 per cent., ten instalment debentures to Messrs. George A. Stimson & Company, Toronto.

Killarney, Man.—\$10,000, 5 per cent., twenty instalment municipal building debentures to Messrs. Aemilius Jarvis & Company, Toronto.

Invermay, Sask.—\$1,000, 6 per cent., fifteen instalment, sidewalk and road grading debentures to the Ontario Securities Company, Toronto.

Wilmot and Wicklow, S.D. N.B.—\$7,000, 5 per cent. and 10, 15, 20, and 25 year debentures to Messrs. J. M. Robinson & Son, St. John, N.B.

Carleton County, N.B.—\$26,000, 4 per cent, 12, 13 and 19 instalment debentures to Messrs. J. M. Robinson & Son, St. John, N.B.

Madawaska County, N.B.—\$12,000, 4½ per cent., and 17 instalment debentures, to Messrs. J. M. Robinson & Sons, St. John, N.B.

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