

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Brockville, Ont.—The rate of taxation for the year has been placed at 34 mills, an increase of two mills over last year. This is exclusive of the provincial war tax.

Raleigh, Ont.—Messrs. A. E. Ames and Company, of Toronto, have purchased a block of \$29,923 6 per cent. bonds, payable in ten annual instalments, for drainage purposes.

Smith's Falls, Ont.—A block of \$21,120.29 6 per cent. local improvement bonds, payable in twenty annual instalments, has been awarded to Messrs. Mulholland, Bird and Graham, of Toronto.

Hull, Que.—The annual report of the city assessor shows an increase of \$841,285 in the total valuation of the city, of which amount \$503,627 is taxable. In the last ten years the valuation of the city has increased by over \$8,000,000, while the population has risen by 2,332 during the past twelve months.

County of Halton, Ont.—A block of \$40,000 20-year 6 per cent. bonds, due on November 6th, 1937, for bridge purposes, has been awarded to Messrs. A. E. Ames and Company, of Toronto. Also a block of \$74,000 6 per cent. good roads debentures, payable in twenty annual instalments, with principal and interest, has been awarded to them.

Saskatchewan.—The following is a list of authorizations granted by the local government board from February 18th to February 22nd, 1918:—

Rural Telephone Company.—Industrial, \$800 15-years not ex. 8 per cent. annuity; P. J. Murray, Bradwell.

Village.—Pennant, \$1,750 10-years and \$1,500 7-years not ex. 8 per cent. instalment; R. L. Wright, Pennant.

Towns.—Leader, \$3,500 10-years and \$7,500 7-years 7 per cent. annuity; P. J. Hooge, Leader. Alsask, \$3,250 10-years 7 per cent. annuity; Fred. J. Clark, Alsask.

The following is a list of debentures reported sold from February 18th to 22nd, 1918:—

School Districts.—Leader, \$5,500, Paragon, \$8,000; Great-West Life Assurance Company, Winnipeg. Davidson, \$2,000; F. S. T. Hutchison, T. B. and E. B. Scott.

Rural Telephone Companies.—Great Deer, \$3,200, Luncheon, \$3,300, Outram, \$3,000; W. L. McKinnon and Company, Regina. Leslie, \$3,400; Northern Crown Bank, Foam Lake. Ridpath, \$8,300, Togo, \$12,300; J. A. Thompson, Winnipeg.

Rural Municipality.—Scott, \$6,000; Great-West Life Assurance Company, Winnipeg.

Red Deer, Alta.—The following auditors' report has been made for 1917:—

"Sufficient depreciation has been provided for on all buildings and equipment belonging to the city, and in addition the real estate owned by the city has been written down to its assessed value. Sufficient has been written off the boulevards, cement sidewalks, roads, bridges and plank sidewalks, waterworks and sewers to bring the book value down to the unexpired value of the debentures issued against these utilities.

"We have inspected the titles and securities covering the real estate and other assets and find them to be in order with the following exceptions:—

"(1) We were unable to find the title for the rink site, and recommend that one be obtained forthwith.

"(2) There is no title for the Station Park, and, with regard to this property, we would suggest that this should not stand amongst the assets of the city. In the original survey of the townsite it appears as part of the street, and several years ago it was brought on to the books at a value of \$30,000, but it appears very doubtful whether the city could ever get the title for this property, and we would recommend that the asset should stand on the books only at the cost of the improvements which have been done on it, and that the \$30,000 should be written off capital surplus.

"We, however, would like an expression of opinion of the council on this matter before making an entry.

"(3) Agreement for sale of Cement Builders, Limited, \$2,500. This remains in the same state as it was at the end of last year, no agreement apparently being in existence, but we are informed that the city will be taking title to this pro-

perty during the coming year, when this matter will be finally adjusted.

"There are balances of money raised by debenture which are still unexpended as follows:—

City Square	\$ 103.01
Isolation Hospital	28.63
Boulevards	33.52
Cement sidewalks	1,227.05
Waterworks	648.78
Sewers	88.35

\$2,129.34

"This amount is in a special savings account at the 31st December, 1917.

"The amount received during 1916 on the Inglewood lots still remains in suspense, but we understand that the city will be taking title for most of these lots, and this matter will be adjusted during the coming year."

The auditors signing the report are Messrs. Baldwin, Dow and Bowman, chartered accountants, who state that the city's books and records are in excellent condition.

MORTGAGE COMPANIES MERGE

The Holland Canada Mortgage Company, Limited, of Winnipeg, with offices in the Curry building, has amalgamated with the Netherlands Mortgage Company of Canada, which has in the past maintained an office in the Electric Railway building.

The merged companies will be known under the name of the Holland Canada Mortgage Company, and Mr. J. G. Coster, who has been the general manager of the Holland Canada company, will be the general manager of the combined companies, and will continue his offices in the Curry building.

Prior to the present amalgamation the Holland Canada had investments in this country of \$5,400,000 and the Netherlands Mortgage Company had investments of \$2,400,000. The total investment of the new company will, therefore, be \$7,800,000.

The two companies, which are now uniting their forces under one management, are the oldest of the Holland companies operating in this country, the Holland Canada being the first to commence business here.

The Holland Canada opened its offices in Winnipeg in the month of March in 1910, and the Netherlands Mortgage Company followed a few months later, in June of the same year. The business of the merged companies will be carried on along the same lines as in the past.

BRITISH NORTHWESTERN INSURANCE COMPANY

A properly conservative attitude has been taken by the directors of the British Northwestern Fire Insurance Company, of which Hon. Edward Brown is president. While the balance sheet may appear to warrant it, the directors are of the opinion that it is in the best interests of both the shareholders and policyholders of the company that until the future can be viewed with greater certainty, the surplus revenue will be better employed for the present in strengthening the position of the company by building up its reserves rather than using the surplus revenue for dividends. This policy has been followed, therefore, and, after providing usual allowances for depreciation in office equipment and for reduction in value of securities to government valuation, the balance of the past year's revenue was transferred to general reserve account and profit and loss and surplus account.

The increase in the company's business last year was uniformly distributed over the provinces of the Dominion in which the company is operating. While 1917 was an unprofitable year for the business of fire insurance, the company's loss ratio was below the general average for all companies. The operating expense ratio was reduced below that of 1916. The large increase in premium income, 30 per cent. over that of 1916, was not obtained by taking on business of a greater hazard than the company has been in the habit of writing. No change had been made in the underwriting policy. Mr. F. K. Foster is managing director and secretary of the company.