

News of Municipal Finance

Greater Winnipeg Water District Assets—Middlesex County Reduces Tax Rate—Bank Urges York County to Discontinue Road Construction Because of Stringent Money Market—Calgary Increases Street Railway Fares—Walkerville Tax Rate Increased

Harriston, Ont.—Tax rate for this year has been fixed at 46 mills.

Winnipeg, Man.—The city council has passed estimates totalling \$6,490,461 and a tax rate of 22.5 mills, as compared with 23 mills last year.

Hamilton, Ont.—Appeals against the city's assessment resulted in the following reductions: Buildings, \$21,360; incomes, \$6,620; land, \$4,550.

Lindsay, Ont.—Tax rate this year has been reduced from 41 mills to 38 mills. This reduced rate takes care of a \$5,000 deficit, as well as increased school estimates and salaries.

Charlottetown, P.E.I.—Estimates of the city for the current year give a surplus of \$404, expenditures being \$138,532 and revenue \$138,936. The municipal tax will contribute \$115,886.

Walkerville, Ont.—Total tax rate for 1920 is 32 mills, an increase of $4\frac{1}{2}$ mills, which advance is caused from the increased estimates for school purposes of practically 4 mills, and in the general rate, a $\frac{1}{2}$ mill.

Fort William, Ont.—The city council has voted to increase the fares on the municipal street railway to seven cents from five cents. It is expected that the increase will help to overcome an annual deficit of \$60,000.

Greater Winnipeg Water District, Man.—The auditor's report of the District for the year ended December 31st, 1919, shows assets as follows: Aqueduct proper, \$13,604,452; railroad and equipment, \$1,594,509; telephone system, \$33,620; gravel pits and rock quarries, \$97,185; picnic grounds, \$1,184; sundry buildings and equipments, \$116,828; original survey and charter, \$125,912; outstanding water levy, 1918-19, \$988,564; outstanding water charges, \$28,102.

Bonded indebtedness of the District is shown to be \$14,294,588. The total liabilities of the District, inclusive of the amount overdrawn on the District account, amounts to \$16,387,671. Land purchased by the District on which the aqueduct and railroad has been built has cost \$314,932.

Calgary, Alta.—City commissioners have decided to increase fares to 10 cents, single fare, or two tickets for 15 cents, four tickets for a quarter and twenty tickets for \$1. The present rate is 5 cents for a single ticket, or five tickets for 25 cents and twenty-two tickets for \$1. The rate for children, which is now eight tickets for 25 cents, will not be changed. Increases in operation, including \$123,000 for wages and \$38,000 for depreciation fund, to be set aside for further depreciation on the basis that was used prior to the war, are the reasons for the advance in fare rate.

York County, Ont.—Treasurer D. J. MacDonald has submitted estimated expenditures as follows: For general purposes, \$111,376; industrial home, \$27,000; court house debentures and interest, \$4,875; road improvement and interest, \$20,812; road improvement and construction, \$130,000; road improvement and maintenance, \$16,000; reduction road improvement indebtedness, \$92,000; road improvement interest charges, \$18,000; total, \$420,060.

The Canadian Bank of Commerce, in a letter to the financial committee of the county, urges the discontinuation of all highway construction which is not of vital necessity on account of the stringency in the money market. The letter points out that the county's borrowings amounted to \$288,350 last year, but that the amount was \$459,006 this year. The increase was explained by the treasurer, who stated that the government had not paid its share toward the maintenance of highways, and was not likely to do so until the roads have been inspected in the fall. The government will be asked to pay at an early date, which will mean a saving of \$2,000 per month to the county in interest.

Edmonton, Alta.—Tax arrears amounting to \$408,000 have been paid into the city assessor's office since January

1st, according to an announcement by Assessor Walker, and is apart from the \$1,500,000 of current taxes paid during the May discount period.

The report shows that throughout the first six months of this year there has been a steady payment of arrears. These back payments were for 1919, as well as previous years. By months, the payments were as follows: January, \$124,000; February, \$62,000; March, \$75,000; April, \$46,000; May, \$51,000; June 1st to 24th, \$50,000. After July 1st all property in arrears at December 31st, 1919, will be placed in the tax sale list and the assessor's staff will commence the preparation of it. It is expected that the sale will not be held earlier than October, and possibly next November.

Middlesex County, Ont.—An amendment to a previous by-law cuts one mill off the tax rate this year, which has now been set at 6.83 mills. Councillor Grieve was the only one to voice an objection, the question being whether the rate should be based on the treasurer's estimates, which showed a deficit of \$20,000, or struck on the auditor's report, which showed a balance of \$24,000 on hand.

In speaking to the council, Mrs. T. E. Robson, county treasurer, reviewed the finances as far back as 1913, and pointed out that up until 1913 the county had been raising sufficient revenue each year to carry on the business of the county without resorting to borrowing. Since that time the estimates had been cut in various ways, with the result that it was necessary every year to borrow from the bank. She pointed out that by doing business in this way the county was every year paying out \$7,000 in interest. In connection with the \$20,000 deficit, Mrs. Robson declared that she could not say from where it originated as this had been lost track of in the necessary renewal of notes. The balance of \$24,000 was actually in the bank when the audit was made, but she pointed out that there was \$80,000 in notes against this at the time. She thought that the rate should be eight mills in order that the county might finance throughout the year without resorting to borrowing, and declared that if the estimates were to be cut so that borrowing was necessary, that in the next ten years, with the same tactics, the county would pay out \$70,000 in interest on notes for current revenue.

Macleod, Alta.—At an informal meeting of the provincial finance commission, bondholders and town representatives at Calgary last week, the tax rate was discussed, and it is likely that a 66-mill rate will prevail this year. The matter of a current rate of taxation for the town was carefully gone into. The bondholders asked that a 75-mill rate be applied to Macleod, while Mr. Mercer, manager of the Bank of Commerce, in W. Macleod, who appeared on behalf of the bank, spoke of a 70-mill rate. Mr. J. L. Fawcett, mayor of Macleod, submitted that a 60-mill rate of taxation, without providing for the sinking fund, would be more applicable. After a long discussion a compromise was effected between the parties interested, and all agreed on the application of a 66-mill rate. This decision will be laid before the financial commission when it meets, and will in all probability be adopted. The view expressed by town officials and those best qualified to judge of local conditions is that the levying of the 66-mill rate will be in the best interests of both the town and their bondholders.

Both the bondholders' representatives and the commission were satisfied that there has been no mismanagement of town affairs, and that the present conditions were due wholly to unavoidable circumstances. The town of Macleod has paid its way in the past, and not only the commission, but the leading financial men who are interested in its municipal affairs, were satisfied that those affairs were being conducted in a safe and sane way, and that the creditors of the town would be fully protected under the new taxation.