

Citizen Control of the Citizen's Business

TORONTO'S CITIZENS CAN CONTROL TORONTO'S AFFAIRS ONLY
THROUGH FREQUENT, PROMPT, ACCURATE AND PERTINENT INFOR-
MATION WITH REGARD TO TORONTO'S BUSINESS.

ISSUED BY THE
BUREAU OF MUNICIPAL RESEARCH
813-820 Bank of Hamilton Building, Toronto
Telephone : Main 3620.

White Paper No. 33

December 22, 1919

SOME GAINS IN TORONTO'S FINANCIAL ADMINISTRATION 1914--1918

Some Gains in Toronto's Financial Administration, 1914-1918

The following comparisons serve to illustrate some of the gains made in methods of financial administration in Toronto during the past five years.

If Toronto is to maintain her present high credit and, at the same time, finance the huge undertakings facing her in the near future, the fullest measure of support must be given to sound financial methods.

1914

BONDED DEBT

1918

Amount of unnegotiated debentures: \$11,328,792.25.

No Toronto debentures issued were of the instalment type.

Increase in gross debt of the city: \$14,131,287.

Increase in city's net debt: \$12,252,404.

Annual debt charges (met directly by revenue from general taxation) increased by \$459,582.

Amount of unnegotiated debentures: \$650,000 (These were sold in January, 1919)

All debentures issued were of the instalment type.

Increase in gross debt of the city: \$3,792,719.

Increase in city's net debt: \$1,941,135.

These annual debt charges increased by \$50,915.

MAKING THE REVENUE AND EXPENDITURE YEARS OF THE CITY MORE NEARLY COINCIDE

Yearly estimates adopted by Council: April 20th.

First instalment of taxes payable: July 25th.

Amount paid for Interest on Temporary Loans, etc., not procurable for 1914, but in 1916 this was \$262,000.

Yearly estimates adopted by Council: April 4th.

First instalment of taxes payable: June 14th.

Amount paid for Interest on Temporary Loans, etc., \$85,799.

COLLECTION OF TAXES

Tax rolls outstanding for six years.

5% was added to tax bills after last instalment was payable, but no further charge could be levied until the tax-rolls were closed (sometimes not until after six years) when compound interest at 5% was charged.

Only two years' tax rolls outstanding.

5% was added to each instalment when overdue and, in addition, interest at the rate of 6% per annum charged.

GENERAL

1914 ended with an operating deficit of \$1,041,599.

1918 ended with a surplus of \$987,582.84.

FINANCIAL REPORTING

In the period 1914-1918, the yearly financial reports have been revised. and vastly improved.

The introduction to the Estimates for 1918 gave a comprehensive, readable story of the activities of the city and the cost of carrying them on, with suggested future financial policies. This was not done to a sufficient extent in 1914.

The Estimates for 1918, in addition to the estimated expenditures as set forth in 1914, contained—in two parallel columns—the estimated and actual expenditure for the year previous for each item, making comparison possible.

The Debt Charges were also analyzed under the various city activities and the sinking fund and interest charges given in detail for each.

In the 1918 Estimates, two departments presented their estimated itemized expenditure according to work to be done and things to be purchased. If all departments did this, according to a definite plan, it would be possible to analyze the totals according to general functions and objects of expenditure.

Improvements in financial administration are only possible when the far-sighted policies of expert administrators receive the support of the elected representatives.

Are you sure that your candidates endorse such policies ?