

CITY BUDGET FACTS

BASED UPON
THE OFFICIAL ESTIMATES OF
THE CITY OF TORONTO

1920

Together with a discussion of
THE PUBLIC SERVICE ENTERPRISES
OF TORONTO



PART I.
THE BUDGET PROPER

ISSUED BY THE
BUREAU OF MUNICIPAL RESEARCH
189½ CHURCH ST., TORONTO.

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189½ CHURCH ST., TORONTO.
September, 1920.

WHERE EACH DOLLAR OF TAXES GOES

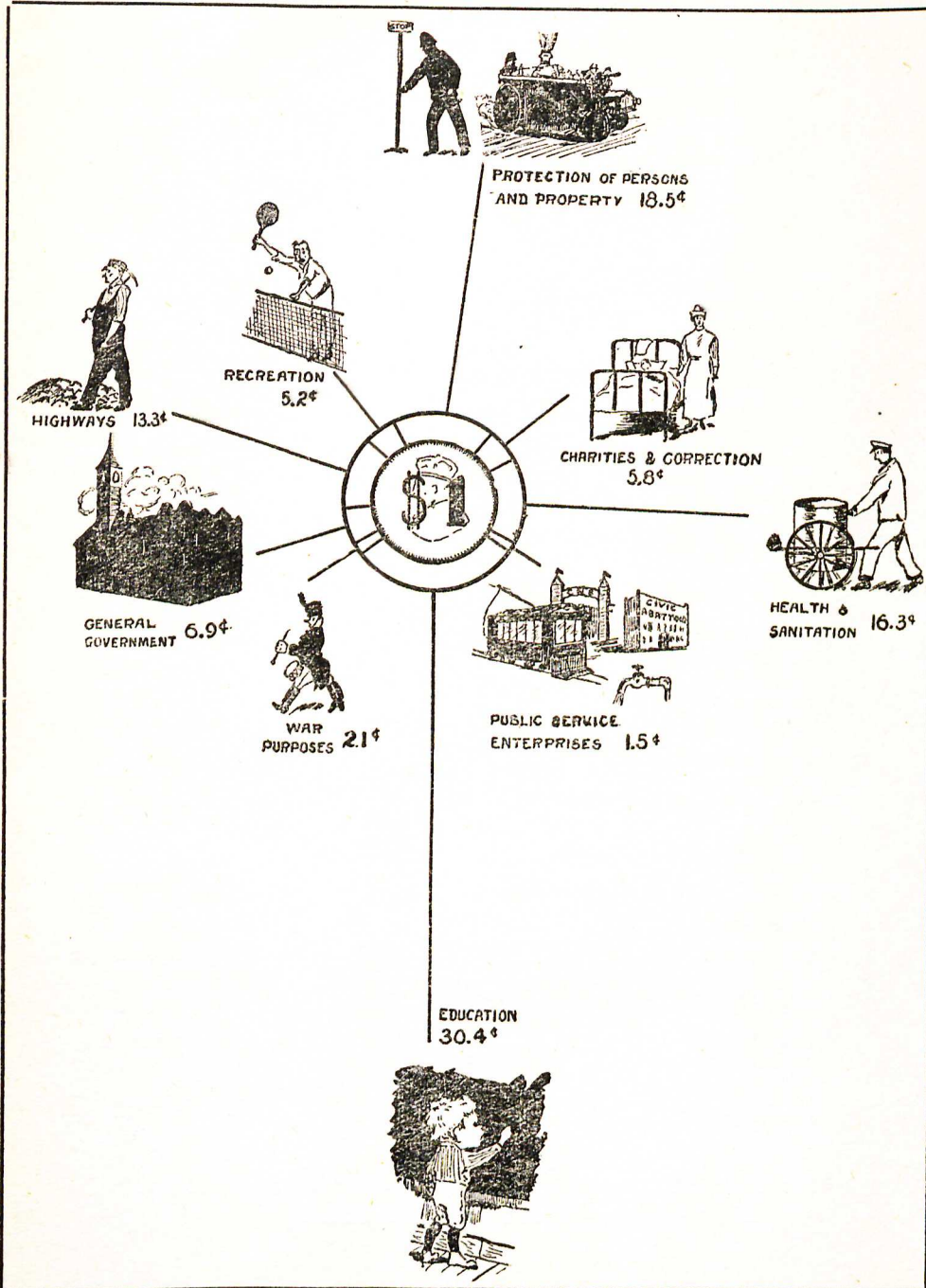
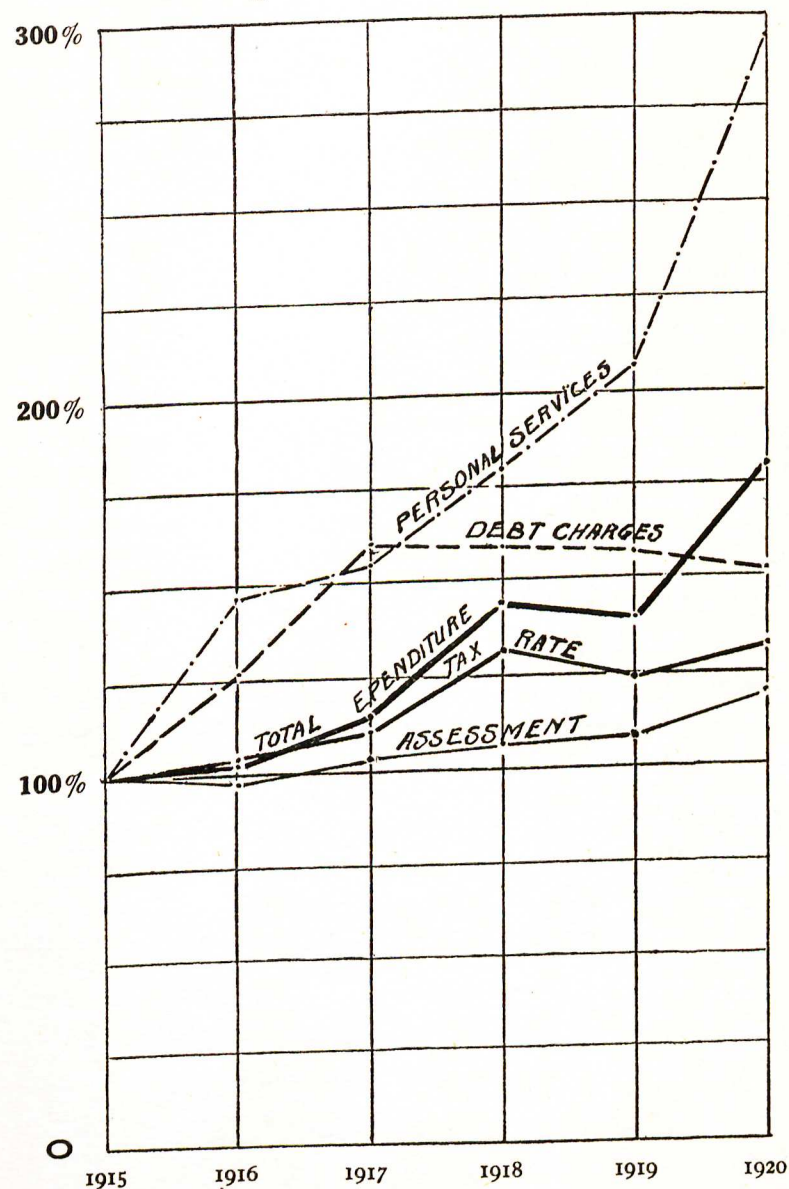


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Chart Showing
**RELATIVE INCREASES, SINCE 1915, OF
 ASSESSMENT, TAX RATE, TOTAL EXPENDITURE, DEBT
 CHARGES AND PERSONAL SERVICES (Salaries and Wages)**
 Figures for 1915 assumed as 100%



LETTER OF TRANSMITTAL

To the Citizens of Toronto:

It is doubtful whether any other Canadian city has, in four years, made greater advances in financial administration than has Toronto. However, there still remains much to be done. For example, the departmental estimates are still unstandardized so that it is impossible to tell, from the city's budget, total proposed expenditures for each department and departmental function, analyzed according to objects of expenditure, or things bought, such as Personal Services (salaries and wages), Contractual Services, Heat, Light and Power, Supplies other than Light, Heat and Power, Upkeep of Structures and Equipment. The Bureau is not wedded to any particular classification of accounts, but is convinced that the best administration requires standardized inter-departmental accounting, with standardized methods of estimating, and appropriation-control based thereon. In the case of construction departments, such as Works, the estimates might be prepared as at present, by administrative units and work to be done, with a supplementary reclassification of totals according to objects of expenditure on whatever basis may be adopted by Council for the use of all departments.

This would enable the ordinary, garden variety of citizen to make some very vital comparisons which are now impossible. For example, the Bureau's analysis of the Budget shows that while the Assessment has increased 14%, and the Total Expenditure 80%, since 1915, the Debt Charges have increased 52% and Salaries and Wages 196%. See chart on page 4. Are these not illuminating facts? These and many others will be readily available when a standard classification of accounts is adopted for the city.

The annual estimates of the City of Toronto for 1920 were adopted by Council on March 31st—a repetition of the record for 1919. In 1916 they were not adopted until May 18th. In 1920, the first instalment of taxes became due June 6th. In 1914, the first instalment was not due until July 25th. This indicates not only a large saving in interest charges, but a great gain in administrative efficiency through the shortening of the period at the beginning of each year when the city operates practically without a plan. If the suggestion of the Bureau, made four years ago, that tentative annual

estimates be prepared by the outgoing Council for consideration and revision by the incoming Council, were adopted, the final estimates could be passed and the due-date of the first instalment of taxes fixed at least one month earlier than at present. In addition to the saving in time and money, this practice would secure more careful study of departmental proposals and would tend to promote continuity in administrative policy.

The recent proposal of the former Finance Commissioner, Mr. Bradshaw, that a fund for working capital be gradually built up by the imposition of an additional fraction of a mill on the tax-rate, each year for a term of years, would supplement the policy of early estimates and make temporary loans, with their resulting interest charges, entirely unnecessary.

In 1915, the tentative estimates were submitted by the City Treasurer with little comment and less recommendation. The estimates of 1920, like those of 1919, were presented to the Board of Control and Council by the Commissioner of Finance, with an illuminating analysis of the city's financial situation, which carried with it implied recommendations as to sound financial policy. A further reform in the accounting and reporting system of the city would make the Commissioner's reports even more valuable.

The extension of municipal ownership of public utilities has been so rapid in recent years, and the expenditure on and revenue from such publicly-owned undertakings now form such a large proportion of the total civic expenditure and revenue, that it has been thought wise to issue this Budget Analysis in two parts:

Part I—The Budget Proper.

Part II—The Public Service Enterprises of Toronto.

It will be noted that the discussion of the Budget Proper is shorter than that of last year, and very much shorter than that of former years. This is due to the tremendous improvement which has been made in the form of the public financial reports—changes which have made them much more easily understood by the average citizen. It is hoped that such advances will be made in the standardization of the city's accounts and reports that it will be unnecessary for the Bureau to issue further numbers of its Annual Analysis of the City's Estimates.

Respectfully submitted,

JOHN MACDONALD,
President.

HORACE L. BRITTAIN,
Managing Director.

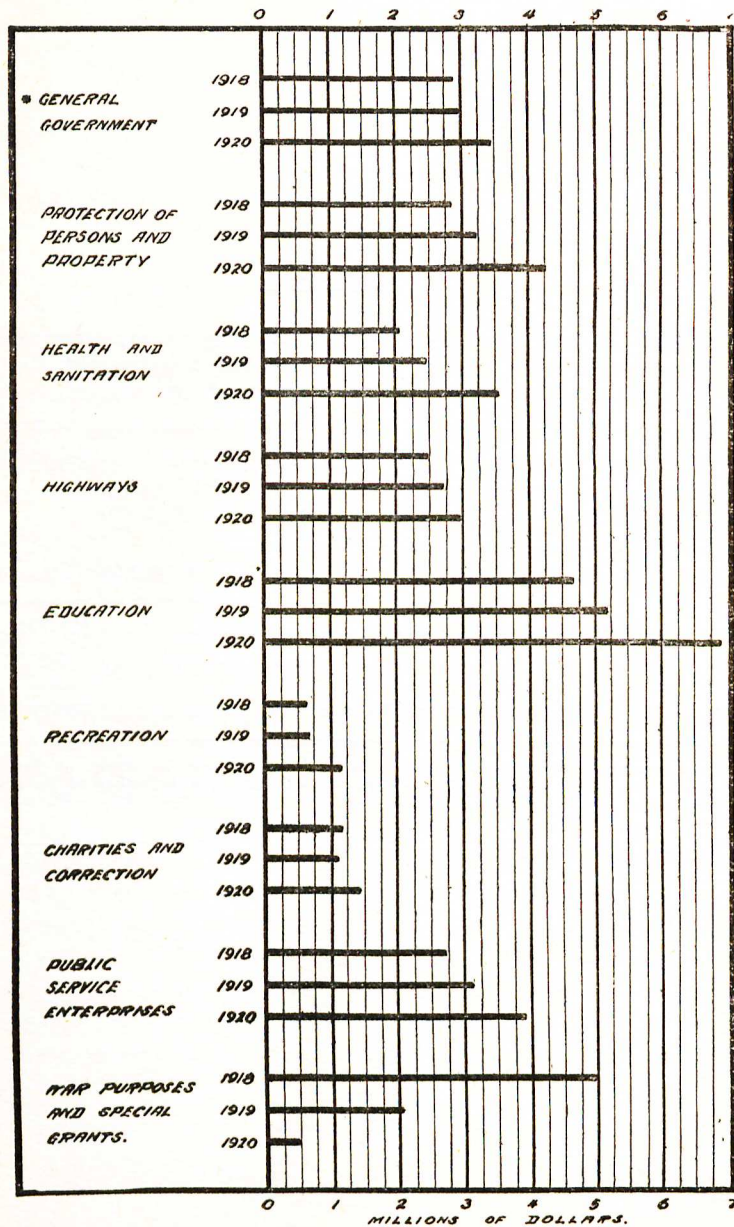
STATEMENT I.

A Summary Statement showing at a glance the proposed expenditures of all departments of the city government for 1920, together with the anticipated sources of revenue to meet such expenditures.

The proposed gross expenditures are.....	*\$30,118,989.02
The anticipated revenue other than taxation is.....	\$6,202,648.00
Local Improvement Taxes—Ratepayers' Share.....	1,605,675.00
Revenue from Toronto Hydro-Electric Commission—	
for debt charges.....	606,069.00 8,414,392.00
Leaving proposed net expenditure of.....	\$21,704,597.02
The surplus from last year is.....	2,415,345.00
Making the amount to be raised by taxation.....	\$19,289,252.02

*Total requirements, without deduction of special revenue of the Board of Education, Separate School Board and Public Library Board, and also inclusive of Ratepayers' Share of Local Improvement Taxes and Debt Charges of Toronto Hydro-Electric Commission.

A Comparison of
THE CITY'S GROSS EXPENDITURES 1918-1919-1920
 Analyzed by Main Functions.



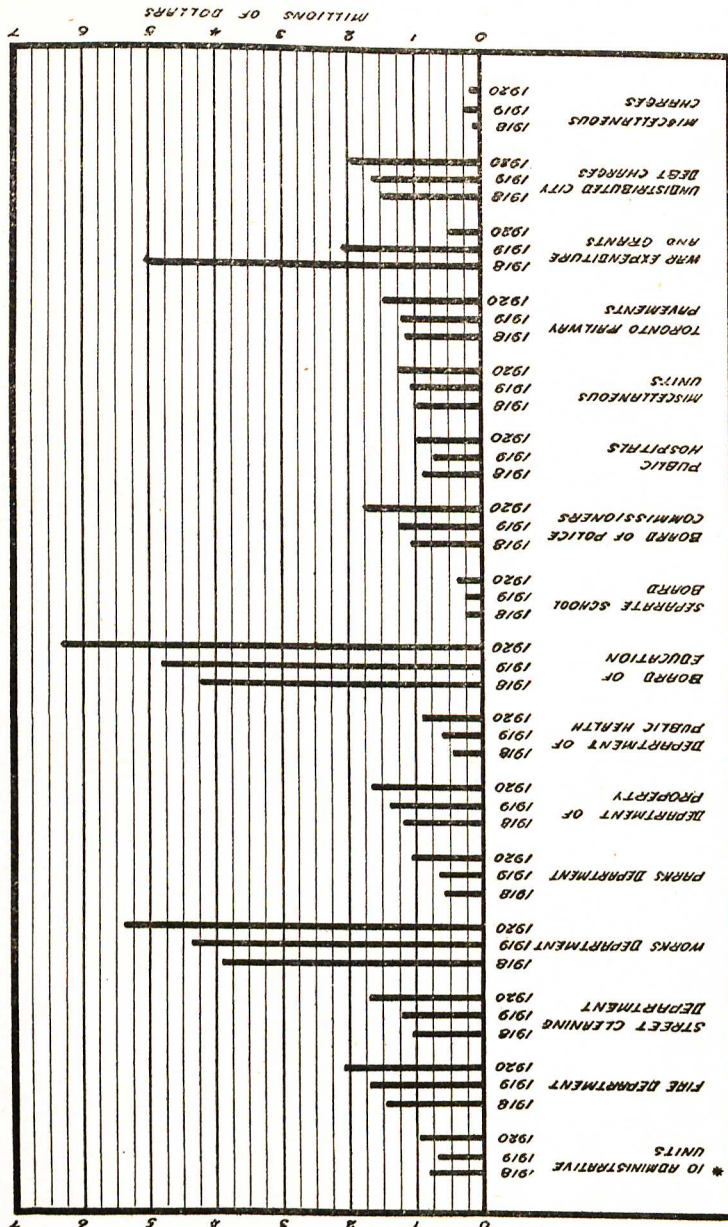
*Does not include Ratepayers' Share of Local Improvements and Debt Charges for Toronto Hydro-Electric Commission.

STATEMENT II.

Which answers the question
 "What is each activity of the City Government to cost?"
 An analysis of the expenditures by main functions.

Main Functions.	Gross Expenditures.	Revenue Other Than Taxation.	Net Expenditures.
General Government	\$5,748,429.97	\$4,246,265.00	\$ 1,502,164.97
Protection of Persons and Property	4,250,422.75	248,750.00	4,001,672.75
Health and Sanitation.....	3,556,485.63	21,500.00	3,534,985.63
Highways	2,934,952.67	41,200.00	2,893,752.67
Education	6,816,231.44	221,711.00	6,594,520.44
Recreation	1,145,346.89	11,400.00	1,133,946.89
Charities and Correction.....	1,314,770.52	52,000.00	1,262,770.52
Public Service Enterprises.....	3,882,393.38	3,571,566.00	310,827.38
War Purposes and Special Grants	469,955.77	.....	469,955.77
Total.....	\$30,118,989.02	\$8,414,392.00	\$21,704,597.02

A Comparison of
THE CITY'S GROSS EXPENDITURES 1918-1919-1920
 Analyzed by Organization Units.



*City Council, Mayor's Office, Audit Dept., Treasury Dept., City Clerk's Dept., Law Dept., Assessment Dept., Court of Revision, City Hall Switchboard and Commission on Claims.

STATEMENT III.

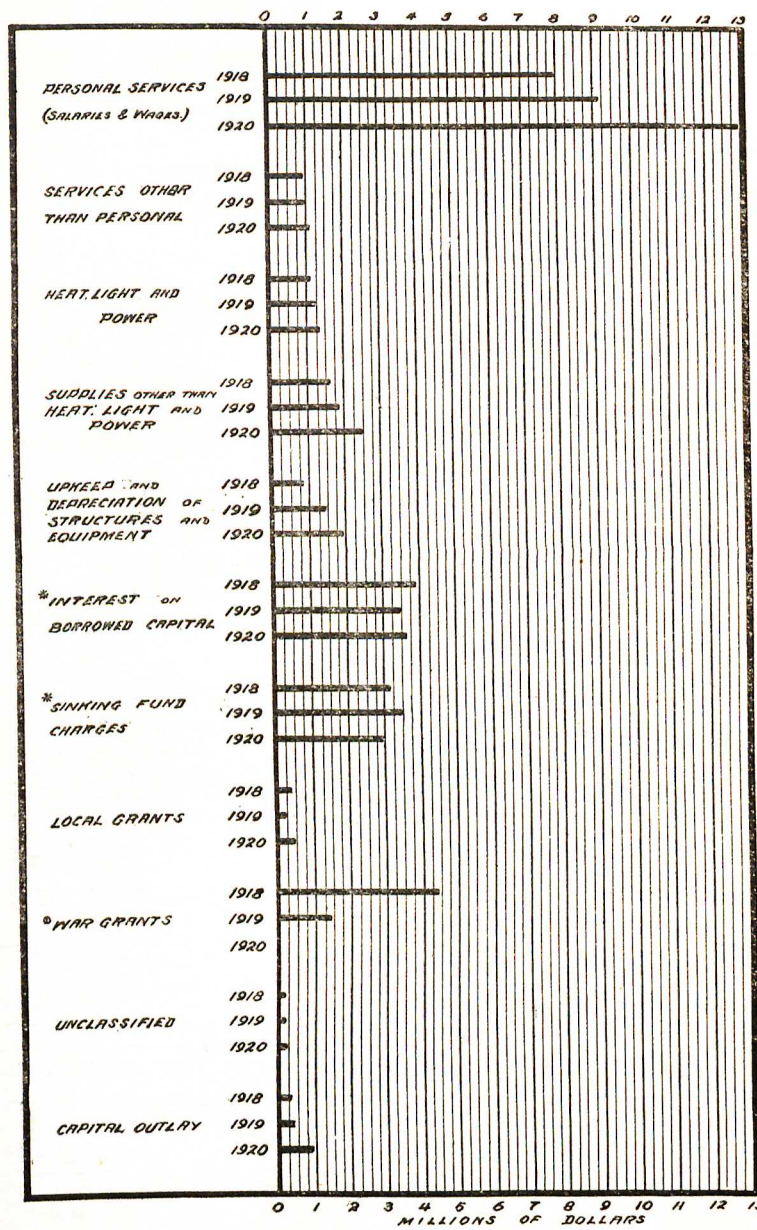
Which answers the question, "Who is to make the expenditures" ?
 An analysis of the expenditures by departments or other organization units.

Organization Units.	Gross Expenditures.	Revenue.	Net Expenditures.
City Council	\$ 60,200.00	\$	\$ 60,200.00
Mayor's Office	12,162.00	.....	12,162.00
Audit Department.....	44,242.00	.....	44,242.00
Treasury Department.....	383,496.00	†288,000.00	95,496.00
City Clerk's Department.....	130,880.00	.....	130,880.00
Law Department	67,528.00	.....	67,528.00
Assessment Department	214,355.00	.....	214,355.00
Court of Revision.....	6,696.00	.....	6,696.00
City Hall Switchboard.....	6,296.00	370.00	5,926.00
Commission on Claims.....	15,000.00	.....	15,000.00
Fire Department	2,073,091.03	.....	2,073,091.03
Street Cleaning Dept.....	1,679,632.39	2,500.00	1,677,132.39
Works Department	5,339,450.62	3,336,041.00	2,003,409.62
Parks Department	1,072,780.89	8,100.00	1,064,680.89
Dept. of Property.....	1,599,279.52	383,632.00	1,215,647.52
Dept. of Public Health.....	860,519.10	12,500.00	848,019.10
City Architect's Dept.....	108,585.00	38,400.00	70,185.00
Juvenile Court	27,497.00	1,000.00	26,497.00
City Relief Office.....	11,550.00	.....	11,550.00
Social Service Commission.....	128,125.00	.....	128,125.00
Board of Education.....	6,262,786.10	203,000.00	6,059,786.10
Separate School Board.....	312,422.20	5,711.00	306,711.20
University of Toronto.....	11,600.00	.....	11,600.00
Public Library Board.....	242,973.14	13,000.00	229,973.14
Board of Police Commissioners.....	1,702,201.65	150,100.00	1,552,101.65
Miscellaneous Courts of Justice.....	152,000.00	59,250.00	92,750.00
City Jail	48,058.00	41,000.00	7,058.00
Industrial Schools	25,517.38	.....	25,517.38
Public Hospitals	902,690.40	.....	902,690.40
Special Works—			
Toronto Harbor Commissioners....	132,858.00	.....	132,858.00
Toronto & York Highway Commission	178,500.00	.....	178,500.00
Toronto & Hamilton Highway Commission	4,513.00	.....	4,513.00
Toronto Railway Company.....	1,404,160.85	1,098,451.00	305,709.85
Canadian National Exhibition Board	162,741.26	100,000.00	62,741.26
Local Improvements — Ratepayers' Share of Rates.....	1,664,674.68	1,605,675.00	*58,999.68
Toronto Hydro-Electric Commission —for Debt Charges.....	606,069.00	606,069.00	.....
War Expenditures	451,405.77	400,000.00	51,405.77
Special Grants	18,550.00	.....	18,550.00
Undistributed City Debt Charges..	1,876,936.76	.....	1,876,936.76
Miscellaneous Charges	116,965.28	61,593.00	55,372.28
Total.....	\$30,118,989.02	\$8,414,392.00	\$21,704,597.02

† Of this amount, \$175,000 is Taxation Percentages in Excess of Discounts.

* Ratepayers' Share of Local Improvement Rates, exempt by Act and assumed by city.

A Comparison of
THE CITY'S GROSS EXPENDITURES 1918-1919-1920
 Analyzed by Objects Purchased.



*Does not include expenditures for Ratepayers' Share of Local Improvements, or Hydro-Electric Commission for Debt Charges.
 ○All the war expenditures in 1920 are for sinking fund or interest on grants capitalized in previous years.

STATEMENT IV.

Which answers the question, "What is to be purchased?"
 An analysis of the expenditures by objects purchased. This statement also shows the amount of capital expenditures proposed to be made out of general funds.

CHARACTER OF EXPENDITURE	Gross Expenditures
Objects Purchased	
Expense:	
Personal Services (Salaries and wages).....	\$12,988,777.00
Services Other Than Personal.....	1,062,144.00
Heat, Light and Power.....	1,302,197.00
Supplies Other Than Heat, Light and Power.....	2,490,901.00
Upkeep and Depreciation of Structures and Equipment	1,869,450.00
Interest on Borrowed Capital.....	4,636,899.50
Sinking Fund Charges.....	4,237,715.52
Unclassified	*655,912.00
	\$29,243,996.02
Capital Outlay.....	874,993.00
	Total.....\$30,118,989.02

*Of this amount, \$462,331.00 was for Local Grants.

STATEMENT V.

ANTICIPATED REVENUE OTHER THAN TAXATION.

GENERAL GOVERNMENT.

Treasury Department:

License Fees	\$ 113,000.00	
Taxation Percentages in Excess of Discounts	175,000.00	\$ 288,000.00

Department of Property:

Rentals of Miscellaneous City Pro- perty	\$ 177,007.00	
Garage Service Revenue.....	50,825.00	227,832.00

City Hall Switchboard:

(Telephone, City Hall).....		370.00
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Works Department:

Bond Fees	\$ 1,900.00	
Don Improvement	1,375.00	3,275.00

General Revenue:

Street Railway Franchise.....	\$1,098,451.00	
Cash Surrender Values on Life Insur- ance re enlisted citizens.....	400,000.00	
Provincial Railway Tax.....	5,000.00	
Dividends on Consumers' Gas Co. Shares	1,500.00	
Miscellaneous Revenues	10,093.00	1,515,044.00
		\$2,034,521.00

PROTECTION OF PERSONS AND PROPERTY.

Miscellaneous Courts of Justice:

Provincial Government's Proportion of Cost of Trials, Inquests, etc.....	\$ 48,250.00	
County of York's Proportion of Cost of Civil Justice.....	11,000.00	\$ 59,250.00

Juvenile Court:

Fees		1,000.00
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Board of Police Commissioners:

Pound Fees	\$ 100.00	
Police Court Fines and Fees.....	150,000.00	150,100.00

City Architect's Department:

Building Permits	\$ 25,000.00	
Elevator Fees	4,400.00	
Electric Sign Inspection Fees.....	9,000.00	38,400.00
		\$ 248,750.00

HEALTH AND SANITATION.

Department of Public Health:

Hospital Fees	\$ 12,300.00	
Special Drain Inspection and Smoke Tests	200.00	\$ 12,500.00

Street Cleaning Department:

Removal of Waste from Factories.....	\$ 1,500.00	
Refuse Disposal—Sale of Recovered Material	1,000.00	2,500.00

Works Department:

Sewer Connections.....		6,500.00
		\$ 21,500.00

STATEMENT V.—Continued.

ANTICIPATED REVENUE OTHER THAN TAXATION.

HIGHWAYS.

Works Department:

Street Area Rentals.....		41,200.00
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EDUCATION.

Board of Education:

Elementary Schools — Government Grants	\$ 80,000.00	
Secondary Schools — Government Grants, Students' Fees, etc.....	45,000.00	
Technical Schools — Government Grants, Students' Fees, Etc.....	70,000.00	
Commercial Schools — Government Grants, Students' Fees, etc.....	8,000.00	203,000.00

Separate School Board:

Government Grant		5,711.00
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Public Library Board:

Government Grant		13,000.00
		221,711.00

RECREATION.

Parks Department:

Rental of Park Property.....	\$ 1,000.00	
Checking Rentals	7,100.00	\$ 8,100.00

Department of Property:

Harrison Bath Fees.....		3,300.00
		11,400.00

CHARITIES AND CORRECTION.

Department of Property:

Revenue from Industrial Farm.....	\$ 11,000.00	
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City Jail:

Provincial Government Share of Cost of Operating City Jail.....	\$ 39,000.00	
County of York's Share of Cost of Operating City Jail.....	2,000.00	41,000.00
		\$ 52,000.00

PUBLIC SERVICE ENTERPRISES.

Works Department:

Water Works Revenue.....	\$2,840,066.00	
Civic Car Line Revenue.....	445,000.00	3,285,066.00

Department of Property:

Civic Abattoir Revenue.....	\$ 130,000.00	
Revenue from Markets, Stock Yards and Weigh Houses.....	11,500.00	141,500.00

Toronto Housing Commission:

For Debt Charges.....		45,000.00
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Canadian National Exhibition:

Excess of Receipts over Direct Operating Ex- penses		100,000.00
		3,571,566.00

Total.....		\$6,202,648.00
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STATEMENT VI.

The Anticipated Revenue from Taxation, with details as to the Assessment and the Rate of Taxation.

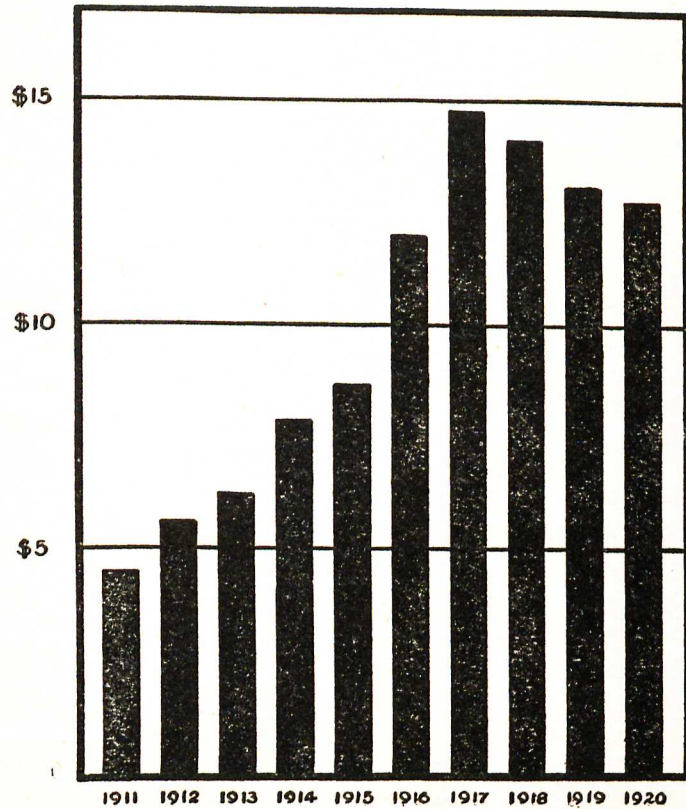
1. General Rate—Total Assessment of \$637,771,320.	
20.50 mills on above assessment.....	\$13,074,312.06
2. School Rate—Total Assessment of \$639,678,791.	
10.00 mills on above assessment.....	6,396,787.91
	19,471,099.97
Less Allowance for Uncollectable Taxes, Allowances and Adjustments	181,847.95
Total Amount to be Raised by Taxation.....	\$19,289,252.02

PER CAPITA DEBT CHARGES*

1911—1920

Based on Official Estimates

1911—\$4.51 1920—\$12.82



*In this graph the Debt Charges for Local Improvements, Ratepayers' Share, and for Hydro-Electric Commission are excluded.