

**TOWNSHIP OF TEANECK**  
**NEW JERSEY**

*THE PROPOSED*  
**1933 BUDGET**

*FOR*  
*MUNICIPAL EXPENDITURES ONLY*

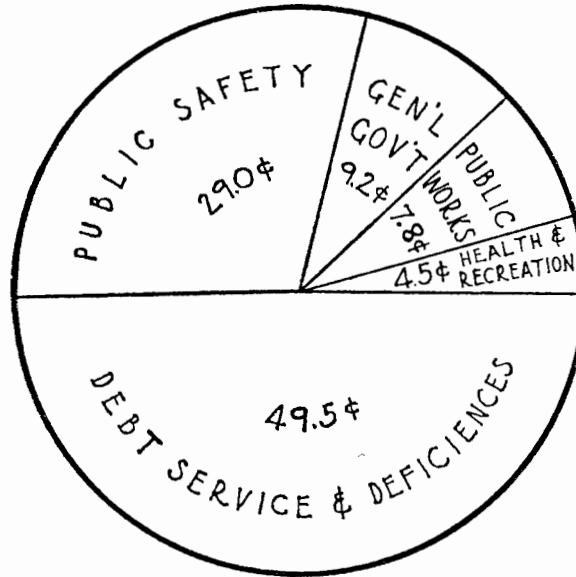
**To the Taxpayer:**

Out of each dollar you are taxed, about forty cents is spent by the Township of Teaneck. Half of this forty cents is used to pay the Township's debts, deficiencies and share of assessment improvements. The other half, or twenty cents out of each dollar, remains for operation. Out of it is furnished the General Administration, Fire, Police, Street Lighting, Sewers, Streets, Library, Health, Charities and Recreation.

The purposes for which this forty cents out of each dollar is needed, and the amounts thereof, are shown in this proposed budget submitted to you by your Council. Your close attention thereto is sought; whether you own a home, a commercial property, lots, or rent. To a greater or less degree each one is affected by it. The explanatory comments following the budget figures are appended for your further information.

The sixty cents out of each dollar which are not included in this budget, but which will appear on your tax bills, will be accounted for by the School, County and State Budgets.

# How Your Municipal Tax Dollar is Spent



## BUDGET SUMMARY

Comparison with 1932  
(Changes of \$500.00 or more only shown in detail)

### Increases

Extra Legal, \$3,500; Lien Foreclosure, \$5,000; Extra Clerical, \$800; Elections, \$500; Tax Sale, \$1,500; Salaries, Police, \$500; Salaries, Fire, \$6,560.00; Genl. Supplies, \$1,000, Hydrants, \$500. Building Inspector and Town Electrician, \$2,500; Child Welfare, \$4,000; Poor Relief, \$5,000; Contingent, \$500; Library, \$890; Redemption Unemployment Bonds, \$6,000; Interest on Tax Revenue Notes, \$8,000; Interest on Tax Anticipation Notes, \$4,000; Overexpenditures, 1931 Reserves, \$545.30; Liens Foreclosed, Taxes, \$1,840.66; Liens Foreclosed, Assessments, \$4,717.63; Reserve for Taxes More than 3 years old, \$14,000; Reserve Tax Title Liens, \$134,000; Assessments Cancelled by Court, \$18,302.54; Assessments Remitted and Cancelled, \$63,697.46. lies, D.P.W., \$1,500; Road Labor, \$4,000; Road

	18,703.28
<b>TOTAL INCREASES</b>	<b>\$290,394.09</b>

### Decreases

Supplies and Printing, \$500; Upkeep, Building & Grounds, \$2,000; Traffic Lights, \$650; Extra Help, Eng., \$1,000; Equipment and Supplies, D.P.W., \$1,500; Road Labor, \$4,000; Road Material, \$2,500; Snow Removal, \$1,000; Operators, Disposal Plants, \$1,050; Extra Labor, D.P.W., \$2,000; Board of Health, \$1,700. Parks and Recreations, \$500; Return 50% Bldg. Fees, \$2,500; Return Health Fees, \$2,000; Planning Board, \$4,000; Redemption of Capital Bonds, \$3,250; Int. on Assessment and Improvement Bonds, \$23,923.75; Overexpenditures, 1929 Appropriations, \$964.26; Expenditures without appropriation, 1930 Trust, \$2,499.58; Expenditures without Appropriations, Capital, 1930, \$987.18; Costs of Foreclosures, 1928, \$3,000; Costs in abeyance, \$30,000; Assessments held in Abeyance, \$7,000; Town's Share of Assessments, 1932, \$24,011.18. Town's Share of Improvements not bonded, \$1,750; Town's Share of Assessment Deficit, \$19,544.26.

<b>TOTAL DECREASES</b>	<b>\$144,728.77</b>
------------------------	---------------------

INCREASE IN MISCELLANEOUS REVENUE	164,368.60
-----------------------------------	------------

DECREASE IN AMOUNT TO BE RAISED BY TAXATION	18,703.28
---	-----------

## NOTE

The Tax Duplicate shows that during 1932 there was added to the tangible taxable worth of Teaneck, through the erection of new houses or through the completion of houses only partially assessed before, about \$500,000.00 This means that approximately \$25,000.00 more could have been appropriated in 1933 without an extra cent in taxes being levied on prior existing property. This \$25,000.00, added to the approximately \$18,000.00 less required from this year's taxes, means that the average taxpayer will pay less in 1933, than he did in 1932, to the total amount of about \$43,000.00.

**TOWNSHIP OF TEANECK**  
**NEW JERSEY**  
**TOWNSHIP BUDGET**  
**1933**

AMOUNT OF ESTIMATED SURPLUS REVENUE	1933 \$200,000.00	1932 \$140,000.00
-------------------------------------	----------------------	----------------------

**RECEIPTS**

SURPLUS REVENUE APPROPRIATED	\$150,000.00	
------------------------------	--------------	--

MISCELLANEOUS REVENUE ANTICIPATED:

A. Interest on Deposits	1,500.00	2,500.00
B. Interest & Costs on Taxes	30,000.00	22,000.00
C. Interest on Assessment Improvements	100,000.00	95,000.00
D. Magistrate's Court	750.00	1,000.00
E. Local Licenses, Permits, Fees	11,000.00	13,500.00
F. Engineering & Public Works	1,000.00	1,500.00
G. Franchise Taxes	45,000.00	42,000.00
H. Gross Receipts Taxes	12,000.00	10,000.00
I. Tax Searches	2,500.00	3,500.00
J. Poll Taxes	3,500.00	3,500.00
K. Return of Gasoline Tax	19,829.56	18,210.96

	377,079.56	212,710.96
--	------------	------------

AMOUNT TO BE PAID BY TAXATION

	489,776.40	508,479.68
--	------------	------------

TOTAL

	\$866,855.96	721,190.64
--	--------------	------------

**EXPENDITURES**  
**OPERATING**

Explanations and Details

**A—GENERAL GOVERNMENT**

A-1-a—SALARIES

1. Management

Council	\$ 2,500.00	\$ 2,500.00	
Township Manager	7,500.00	7,500.00	
Township Clerk	500.00	500.00	
Deputy Town Clerk	2,100.00	2,100.00	

	12,600.00	12,600.00
--	-----------	-----------

2. Treasurer & Collector

Treasurer	1.00	1.00	
Finance Clerk	1,800.00	1,800.00	
Tax Collector	3,000.00	3,000.00	
Clerks	7,500.00	7,500.00	

	12,301.00	12,301.00
--	-----------	-----------

3. Legal

Township Attorney	1,000.00	1,000.00	
Extra Legal	5,000.00	1,500.00	
Police Magistrate	1,000.00	1,000.00	
Lien Foreclosure	5,000.00		

	12,000.00	3,500.00
--	-----------	----------

4. Assessor

Assessor	4,000.00	6,000.00	
Clerks	3,500.00	1,500.00	

	7,500.00	7,500.00
--	----------	----------

Carried forward

	44,401.00	35,901.00
--	-----------	-----------

	1933	1932	1933	1932
5. Auditor	Brought Forward		44,401.00	35,901.00
			3,000.00	3,000.00
6. Poor Master			250.00	250.00
A-1-b—Extra Clerical			1,800.00	1,000.00
A-1-c—Supplies and Printing			2,000.00	2,500.00
A-1-d—Legal Advertising			350.00	350.00
A-1-e—Bonds and Insurance			750.00	750.00
A-1-f—Telephones			750.00	750.00
A-1-g—Elections			1,500.00	1,000.00
A-1-h—Miscellaneous			500.00	750.00
A-1-i—Tax Sale			3,500.00	2,000.00
			<u>58,801.00</u>	<u>48,251.00</u>

#### A-2—GROUNDS AND BUILDINGS

A-2—Salaries				
1.—Janitor	1,800.00	1,800.00		
2.—Upkeep	1,000.00	3,000.00		
3.—Electricity	1,200.00	1,000.00		
4.—Water	250.00	250.00		
5.—Fuel Oil	600.00	600.00		
6.—Supplies	750.00	750.00		
			<u>5,600.00</u>	<u>7,400.00</u>

#### B-1—POLICE DEPARTMENT

B-1-a—Salaries	78,000.00	77,500.00		
b—Traffic Lights	1,350.00	2,000.00		
c—Supplies	1,000.00	750.00		
d—Motor Equipment, Repairs, Gas	5,500.00	5,500.00		
e—Dog Pound	1,000.00	1,000.00		
f—Telephones	4,000.00	3,600.00		
g—Doctor	300.00	300.00		
h—Insurance	2,500.00	2,500.00		
i—Miscellaneous	250.00	250.00		
j—Street Markings & Signs	500.00	750.00		
k—Pension Fund	3,200.00	3,100.00		
			<u>97,600.00</u>	<u>97,250.00</u>

#### B-2—FIRE DEPARTMENT

B-2-a—Salaries	32,060.00	25,500.00		
b—Rentals—Volunteer Houses	1,800.00	1,800.00		
c—Insurance	2,000.00	2,000.00		
d—General Supplies	2,500.00	1,500.00		
e—New Hose	500.00	500.00		
f—Repairs to Apparatus	750.00	500.00		
g—Repairs to Fire House	200.00	200.00		
h—Telephones and Sirens	1,000.00	900.00		
i—Pension Fund	1,200.00	1,020.00		
j—Hydrants	31,500.00	31,000.00		
			<u>73,510.00</u>	<u>64,920.00</u>

B-3-a—STREET LIGHTING	35,000.00	35,000.00	35,000.00	35,000.00
-----------------------	-----------	-----------	-----------	-----------

#### C—PUBLIC WORKS

##### Engineering Department

C-1-a—Salaries				
1. Township Engineer	1.00	1.00		
2. Assistant Township Engineer	3,000.00	3,000.00		
3. Clerical Help	750.00	500.00		
4. Extra Help	1,000.00	2,000.00		
5. Supplies	500.00	500.00		
6. Building Inspector & Township Electrician	2,500.00	.....		
			<u>7,751.00</u>	<u>6,001.00</u>

<b>Streets and Street Repairs</b>				
C-2-a—Supt. Public Works, ½ Time	1,500.00	1,250.00		
b—Road Foreman	2,200.00	2,200.00		
c—Mechanic	1,500.00	1,500.00		
d—Clerk	750.00	600.00		
e—Truck Drivers	3,600.00	3,600.00		
f—Street Cleaning—Salaries & Supplies	2,800.00	2,800.00		
g—Equipment & Supplies	4,500.00	6,000.00		
h—Road Labor	6,000.00	10,000.00		
i—Road Material	7,500.00	10,000.00		
j—Insurance	1,500.00	1,500.00		
k—Snow Removal	1,000.00	2,000.00		
l—Street Signs	500.00	750.00		
			33,350.00	42,200.00
<b>Disposal Plant and Sewers</b>				
C-3-a—Supt. Public Works, ½ Time	1,500.00	1,250.00		
Chief Operator	2,200.00	2,200.00		
Operators	5,250.00	6,300.00		
b—Extra Labor	1,500.00	3,500.00		
c—Power, Water	5,000.00	5,000.00		
d—Supplies	750.00	750.00		
e—Insurance	200.00	200.00		
			16,400.00	19,200.00
C-4—Dumps	1,000.00	1,000.00	1,000.00	1,000.00
<b>D—HEALTH, CHARITIES &amp; RECREATIONS</b>				
D-1—Child Welfare	4,000.00	-----		
2—Board of Health	2,800.00	4,500.00		
3—Poor Relief	10,000.00	5,000.00		
4—Parks and Recreation	1,000.00	1,500.00		
			17,800.00	11,000.00
<b>E—MISCELLANEOUS</b>				
E-1—Contingent	1,500.00	1,000.00		
2—Mosquito Commission	400.00	400.00		
3—Library	11,200.00	10,310.00		
4—Patriotic Observance	500.00	500.00		
5—Return 50% Bldg. Fees	-----	2,500.00		
6—Return Health Fees (Now under Board of Health)	-----	2,000.00		
7—Return 100% Elec. Sign Fees	-----	100.00		
8—Planning Board	500.00	4,500.00		
			14,100.00	21,310.00
			<u>\$360,912.00</u>	<u>\$353,532.00</u>

Sub-Total Operating

### DEFICIENCIES AND DEBT

#### F—DEBT SERVICE

F-1—Redemption Unemployment Bonds	6,000.00	-----		
2—Redemption of Capital Bonds	11,730.20	14,980.20		
3—Interest on Assessments & Imp. Bonds	205,600.00	229,523.75		
4—Interest on Tax Revenue Notes	12,000.00	4,000.00		
5—Interest on Tax Anticipation Notes	6,000.00	2,000.00		

241,330.20      250,503.95

#### G—DEFICIENCY ADJUSTMENTS & RESERVES

G-1—Overexpenditures, 1931	160.50	-----		
2—Overexpenditures 1931 Reserves	545.30	-----		
3—Overexpenditures 1930 Appro.	-----	31.38		
4—Overexpenditures 1929 Reserves	-----	964.26		
5—Liens Foreclosed (Taxes)	2,121.60	280.94		
6—Liens Foreclosed (Assessments)	5,524.00	806.37		
7—Reserve for Taxes More than 3 yrs. old	16,000.00	2,000.00		
8—Expenditures without appropriation Trust, 1930	-----	2,499.58		
9—Expenditures without Appro. Capital, 1930	52.50	1,039.68		
10—Sundry Accounts Receivable, Trust, 1929	-----	17.18		
11—Costs of Foreclosures, 1928	-----	3,000.00		
12—Reserve for Tax Title Liens	134,000.00	-----		

158,403.90      10,639.39

**H—TOWNSHIP'S SHARE OF TRUST OBLIGATIONS**

H-1—Costs in abeyance	-----	30,000.00	
2—Assessments held in abeyance	-----	7,000.00	
3—Assessments Cancelled by Court	22,302.54	4,000.00	
4—Assessments Remitted & Cancelled	77,697.46	14,000.00	
5—Town's share of Assessments Deficit 1928 and 1929	-----	19,544.26	
6—Town's Share of Assessments, 1932	-----	24,011.18	
7—Town's Share of Imps. not bonded	6,209.86	7,959.86	
		-----	
		\$106,209.86	\$106,515.30
Sub-Total, Deficiencies and Debt		\$505,943.96	\$367,658.64
		-----	
<b>GRAND TOTAL</b>		<b>\$866,855.96</b>	<b>\$721,190.64</b>

**COMMENTS ON THE BUDGET  
RESOURCES**

**SURPLUS REVENUE APPROPRIATED**

The first item to strike the eye of the reader of this budget is the fact that \$150,000.00 of surplus revenue has been appropriated, and he will thereupon immediately inquire why such an appropriation has been made, particularly in view of what has previously been said regarding the undesirability of appropriating surplus revenue. The remarks in last year's budget were to the effect that for safe, conservative municipal financing, the maintenance of a reasonable surplus revenue account is as essential to it, as it is for private business to maintain a surplus and undivided profit account, though relatively the municipal funds can and should be smaller. The present budget set up in no way vitiates this principle. The appropriation of this surplus revenue is not for the purpose of reducing taxes or for the purpose of using it for operating expenses. The appropriation of the surplus is to specific delinquencies, thereby making it more certain that it will be eventually so used. Items G—7 and G—12 amounting to this \$150,000 will be found on the expenditure side as a reserve for tax title liens and for taxes more than three years old. The only way by which this surplus can then in the future be made liquid or available for other purposes, is that, when these delinquencies against which it is set up, or any part thereof, is turned into actual cash through their collection, then a corresponding amount will revert to unhampered surplus.

During 1931 there was an addition to surplus revenue of \$59,072.00 so that the total of a year ago stood at \$156,829.68. The completion of this year's audit will probably show another \$35,000.00 added to this surplus, bringing it almost to \$200,000.00. The large increase of both 1931 and 1932 can be attributed almost entirely to the fact that more miscellaneous revenue was collected than was anticipated and because the budgets were underspent.

**MISCELLANEOUS REVENUE ANTICIPATED**

The total amount of the budget this year is \$866,855.96. Of this amount \$150,000.00, as has been indicated, is an appropriation of surplus revenue as a reserve. This does not enter into the figures dealing with the general cost of operating the Township during 1933. Deducting then the \$150,000.00 from the total budget, the amount we have left, \$716,855.96, is the total cost of operating the Township of Teaneck during 1933, and paying its debts and deficiencies. Of this \$716,855.96, \$227,079.56 (excluding again the surplus revenue item) is to be derived from other sources than taxation. The amount so to be raised under Miscellaneous Revenue Anticipated, thus amounts to over 31% of the total costs for 1933. A table is again inserted showing the amounts actually received from 1930-1932 inclusive under the various headings into which the Miscellaneous Revenue Anticipated is divided.

	1930	1931	1932	1933 (Est.)
Interest on Deposits	5,270.62	4,335.74	1,751.69	1,500.00
Interest & Costs on Taxes	23,018.27	30,906.56	47,480.34	30,000.00
Interest on Assessments	108,589.50	126,230.41	112,006.37	100,000.00
Recorder's Court	538.00	1,108.25	702.50	750.00
Local Licenses, Permits, Fees	10,070.86	13,144.63	10,537.10	11,000.00
Eng. and Public Works	1,991.45	1,651.65	1,293.75	1,000.00
Franchise Taxes	40,139.37	42,039.17	45,455.79	45,000.00
Gross Receipts Taxes	11,631.50	10,335.54	12,296.09	12,000.00
Tax Searches	3,608.51	3,679.50	3,099.50	2,500.00
Poll Taxes	3,573.00	3,814.00	3,849.00	3,500.00
Return of Gas Tax	-----	16,748.64	18,210.96	19,829.56
	-----	-----	-----	-----
	\$208,431.08	\$253,994.09	\$256,683.09	\$227,079.56

The estimated receipts for 1933 are in general based upon the amounts actually received in 1932, with such modifications as experience or judgment may indicate. In detail they are as follows:

## A—"INTEREST ON DEPOSITS"

This amount is conservatively estimated at \$1,500.00 and represents interest paid on current balances on the Township's deposits in various banks. The present depositories of the Township remain the same as last year, i.e., West Englewood National Bank of Teaneck; Teaneck National Bank of Teaneck; Peoples Trust & Guaranty Co., Hackensack; City National Bank, Hackensack; Hackensack Trust Company, Hackensack, and Palisades Trust and Guaranty Co., Englewood. The rate of interest varies from one-half of one per cent. to 1½%, depending on the bank and also on the classification of the bank account. As pointed out in last year's comments, the reason that this interest return shows such a great drop after 1931 is because the trust monies were not allowed to lie idle in the banks in large amounts, but were used in buying in bonds before their maturities, thereby creating a saving not only in the face amount of the bonds, but also in the consequent saving of interest, for the Township's outstanding obligations bear interest all the way from 4½% to 6%. Naturally this saving of interest is reflected in the budget, in that the appropriations for interest on outstanding bonds is reduced below the total which would be required had no bonds been purchased.

## B—"INTEREST AND COSTS ON TAXES"

Although this appropriation of \$30,000.00 is \$8,000.00 larger than last year, still it is more than \$17,000.00 less than the actual receipts of last year. It is true that the tax sale held last June was productive in bringing in a larger amount of interest and costs on taxes than would ordinarily be expected. However, since there is to be another sale in 1933, it is believed that the anticipation is thoroughly conservative.

## C—"INTEREST ON ASSESSMENT IMPROVEMENTS"

This amount of \$100,000.00 is almost \$12,000.00 less than the actual receipts last year. The 1930 tax sale, since it did include some assessments, had of course its effect in producing \$112,000.00 for 1932, but the 1933 sale should have even a greater effect, because in this sale are to be included all assessment delinquencies, whereas in the last sale only those properties on which taxes were delinquent, were assessments included.

## D—"MAGISTRATE'S COURT"

Here the anticipation has been dropped below that of last year, since the fines and court costs collected last year amounted only to \$700.00. It is again pointed out that all fines collected in motor vehicle cases are transferred to the State Highway Department through the County, and that the Township in such cases only retains the court costs. Fines imposed for the violation of local ordinances, of course, remain with the Township, as well as the costs of court. All cases involving indictable offenses are handled by the District Court in Hackensack and there is no return to the Township of either court costs or fines.

## E—"LOCAL LICENSES AND PERMITS"

The slowing up in construction had its effect on the total amount received in this account last year, with the result that some \$3,000.00 less than anticipated was actually realized, the exact amount being \$10,537.10. The amount anticipated is \$500.00 more this year, or \$11,000.00. This increase is not made on the anticipation that building or construction activity in general will show a great increase over last year, but rather on the fact that last year the Public Library turned over to the Township of Teaneck almost \$1,000.00 in fines, which was not credited to this item, but which was listed among "Miscellaneous Revenue Unanticipated." It is the intention this year to include all such returns by the Library under item E.

For general information, the Table printed last year in the budget report, showing all licenses which were issued by the Township, the fees, and by whom issued, is again inserted with the necessary additions to bring it up-to-date.

### Department of Public Works

Street Opening Permits—Cost varies  
Construction Permits—Cost varies  
Sewer Permits—Cost varies

### Health Department

Milk and Ice Permits—\$2.00  
Plumbing Permits—Cost varies  
Marriage Licenses—\$2.00  
Birth Certificates—No fee  
Death Certificates—Cost varies

### Building Inspector

Building Permits—Cost varies  
Occupancy Permits—\$1.50

### Fire Department

Storage of Inflammable Materials—\$5.00  
Sale of Fireworks—\$1.00  
Installation of Oil Burners—\$1.00

### Police Department

Dog Licenses—\$2.00  
Redemptions—\$3.00

### Electrician

Electric Signs—\$2.00

### Township Clerk

Pedlar's Licenses—Cost varies  
Ash & Garbage Licenses—\$25.00  
Gas Pumps—\$10.00  
Taxi Driver's License—\$1.00  
Taxi Owner's License—\$2.50  
Fishing Licenses, Residents'—\$2.15  
Hunting Licenses, Residents'—\$2.15  
Fishing & Hunting, Residents'—\$3.15  
Tennis Courts—\$10.00 each court  
Dance Halls, Skating Rinks  
and Golf Courses—\$200.00  
Bowling Alleys—\$10.00 first alley  
\$5.00 each additional alley  
Pool and Billiard Parlors, \$25.00 per year for first  
and second tables, \$15.00 a year all other tables.  
Swimming Pools—\$100.00

## F—"ENGINEERING AND PUBLIC WORKS"

Here again the anticipated amount is considerably less than anticipated last year and about \$300.00 less than the amount actually received. The revenue under this account is derived from street opening permits, permits to connect with the sewer, and construction permits which entail the use of the streets. Some of these items are refundable. In actual practice all monies received by the Engineering Department are turned over to the Township Treasurer and deposited with other Township funds. Refunds are made only upon proper bill being passed by Council and after the satisfactory completion of the work for which the charge was made.

## G—"FRANCHISE TAXES"

This revenue results from a tax of 5% which the State places upon the gross receipts of all public utilities which use or occupy the municipal highways in the State. It is distributed by the State, through the County to the individual municipalities in proportion to the relative valuation of the company's property in these municipalities. Companies with less than \$50,000 gross receipts, pay only 2%. All of such companies also pay an additional tax either for personal property or for a second time on their gross receipts. The rule in anticipating franchise taxes for budget purposes, is to use the actual amounts received in the preceding year, which in the case of the Township of Teaneck was \$45,455.79. It may be expected that the gross receipts of the utility companies will be somewhat less during the coming year than they were in the past year. Any such loss, however, will be partly compensated for by the fact that all these utility companies have increased their plant in the Township in a greater proportion than in other municipalities.

## H—"GROSS RECEIPTS TAXES"

These taxes, as are the franchise taxes, are levied under the State law which imposes a tax on the gross receipts of certain public utilities, specifically mentioned in the law. The amount of the tax is computed by applying to the total of the company's gross receipts the "Average rate of State taxation" and is distributed back to the individual municipalities, as is the franchise tax, in proportion to the relative value of the company's property in the taxing districts.

The Public Service Electric & Gas Company and the Public Service Coordinated Transport are the only companies which are subject to a gross receipts tax in addition to franchise tax. The remaining public utility companies, except the railroad, are assessed for personal property at the local rate instead of paying a gross receipts tax.

In addition to this, bus lines also pay 5% of their gross receipts as an additional tax, which tax is distributed to the Towns through which the bus line operates in proportion to the length of the route in each Town. The amount received from this tax is included under item "E"—Local Licenses and Permits. The 5% tax for busses applies only to intra-state lines; inter-state busses which do not load and discharge the same passenger within New Jersey, are not subject to these taxes nor to any other control by the State Public Utility Commission.

These are divided into four classes. On the first and fourth classes the State imposes taxes directly, the amount resulting therefrom being retained by the State and being eventually used for school purposes, some of it finding its way back to the local school districts. Second class railroad and third class railroad properties are taxed by local municipalities as above stated. Second class railroad property is such property owned by the railroad as is used for railroad purposes, but is not included in the main right-of-way. Third class railroad property is property owned by the railroad, but not used by the railroad for railroad purposes.

So that the amount of taxes which public utility companies pay to the Township of Teaneck may be realized, the following table is appended:

COMPANY	FRANCHISE	PERSONAL & CORPORATION	GROSS RECEIPTS	2nd CLASS R.R.
Public Service Elec. and Gas Company.....	\$31,011.63	-----	\$12,044.73	-----
Bogota Water Co. ....	188.97*	1,261.66	-----	-----
Hackensack Water Co. ....	11,802.17	45,275.36	-----	-----
N. J. Bell Tel. Co. ....	2,452.27	6,097.30	-----	-----
Postal Telegraph of N. J. ....	.75	42.50	-----	-----
Western Union Tel. Co. ....	-----	540.71	-----	-----
Public Ser. Coord. Transport .....	-----	-----	251.36	-----
New York Central R. R.....	-----	-----	-----	\$4,711.52

\* Under appeal.

## I—"TAX SEARCHES"

The amount realized last year was \$3,099.50. The amount anticipated this year has been cut to \$2,500.00.

## J—"POLL TAXES"

This item covers a dollar per head assessed under State laws upon every male inhabitant of the age of twenty-one years. There has been no change made in this amount from the anticipated amount last year.



## K—"RETURN OF GASOLINE TAX"

In 1930 the State laws were amended so that \$5,000,000.00 of the amount of money received by the State from its tax on gasoline is distributed back to the municipalities for their use on local highways or in traffic protection. This amount is distributed to the various municipalities in proportion to their assessed valuations. The amount of rebate per million dollars of assessed valuation is determined by the State Treasurer's office and this amount multiplied by the valuation of each Town gives the total amount which that town may expect to receive. In Teaneck's case it will be \$19,829.56.

## EXPENDITURES

**GENERAL COMMENTS**—In accordance with the precedent established last year, the operating side of the budget is again broken down into two divisions. First, the operating expenses, and second, the fixed charges. Operating expenses in any municipality are subject, to a certain extent, to the control of the governing body in office, the degree of this control being modified considerably by the so-called mandatory expenditures. The part of the budget required for fixed charges is inflexible and very largely beyond the control of any municipal governing body at any particular time. It is the part of the budget which reflects the municipal housekeeping of previous years.

The following table shows the amounts needed during the past four years for operating expenses, debts, and deficiencies, together with the revenue anticipated and the amount which had to be raised by taxation in each year.

	1930	1931	1932	1933	Change from 1932	
					Amount	Percent
Debt and Deficiencies.....	\$387,806.63	\$379,427.60	\$367,658.64	\$355,943.96	-\$11,714.68	-3.3%
Operation .....	412,231.95	345,812.00	353,532.00	360,912.00	+ 7,380.00	+2.1%
Total Expenditures.....	800,038.58	725,239.60	721,190.64	716,855.96	- 4,334.68	-0.6%
Revenue Anticipated.....	208,000.00	216,248.64	212,710.96	227,079.56	+ 14,368.60	+6.3%
Am't raised by Tax.....	592,038.58	508,990.96	508,479.68	489,776.40	- 18,703.28	-3.9%

### A-1—GENERAL GOVERNMENT

Item A-1-a-1—Salaries—Management. 1932 expenditures, \$12,559.52. No change.

Item A-1-a-2—Treasurer and Collector. 1932 expenditures \$11,184.19. No change in the estimated expenditures. While last year's final figures showed a balance remaining in this appropriation, the appropriation has not been reduced, because of anticipated extra work in the Department this year in connection with the refunding of bonds, and tax sale.

Item A-1-a-3—Legal. 1932 expenditures \$3,178.56. 1933 Appropriations, \$12,000.00. This increase of \$8,500 in this item needs more than a word of explanation. Under this item have been paid salaries of the Police Magistrate, the salary of \$10.00 per meeting to the attorney, and his fees for extra work. No greater expenditure in any of these items is anticipated during 1933. However, there are two new factors entering into the operation of the Township during the coming year which will require considerable extra legal services. The first is that refunding operations to meet this year's and next year's bond maturities must be undertaken. While it is possible that under the present laws there is some leeway in refunding, it is practically certain that municipalities in New Jersey will demand additional powers from the legislature. Just what form the amending legislation will take cannot be seen at the present time. However, the refunding in Teaneck's case must be done and in doing it, we will need the guidance and opinion of some firm of New York bond attorneys, not only because of the highly complicated procedures involved, but because it is practically impossible to float any municipal bonds on the market unless they are supported by the opinion of a New York bond attorney. The estimated amount required is \$3,500.00. This, together with the \$1,500.00 which has been allotted during the past several years for extra legal work on the part of our own Township Attorney makes up the total of \$5,000.

The second factor in the increase is an item of \$5,000.00 for the foreclosure of liens. The Township at present has about 150 liens resulting from the 1928 tax sale, the equity of redemption in which can now be foreclosed by the Township, i.e., the Township can now take the final step to assume absolute title to these properties, thereafter placing them in the market through public sale, and if they again pass into private hands, re-establish its right to assess taxes against them. Also, as long as these properties represented by these liens are not foreclosed, they are included in the Township's ratables and the Township will have to make provision for paying not only the County and State taxes thereon, but its own taxes as well. Even if they are foreclosed, so long as they remain in the Township's hands County and State taxes must be paid thereon. How many of these liens this \$5,000.00 will foreclose it is difficult to say. Probably the work can be done by contract after competitive propositions are asked for.

Item A-1-a-4—Assessor. No change.

Item A-1-a-5—Auditor. 1932 expenditures \$1,246.07. The amount spent out of the 1932 budget for the audit was not the entire cost of the audit, which approximated \$4,300.00, the difference coming from the "reserves" held out of the previous year's appropriation. In corresponding manner reservations to the amount of \$750.00 were made in the 1932 accounts to partly pay for the 1932 audit. This reservation, together with the appropriated amount, will be sufficient to take care of the anticipated costs.

Item A-1-a-6—Poor Master. No change.

Item A-1-b—Extra Clerical. 1932 expenditures \$2,585.11. Amount appropriated, 1933, \$1,800.00. Out of this appropriation are paid temporary extra clerical services wherever they may be needed in the Township because of extra work. The stenographic services furnished to the various Advisory Boards of Council are also taken care of under this account.

Item A-1-c—Supplies and Printing. Actual expenses, 1932, \$2,882.34. This amount has been cut considerably below the actual expenses of last year. However, some office equipment was bought last year which will not have to be duplicated this year, and by strict economy it is believed that the \$2,000.00 appropriated will be sufficient.

Item A-1-d—Legal Advertising. 1932 expenditures, \$205.78. Appropriated \$350.00. Out of this item are paid such costs as the advertising of ordinances and bids.

Item A-1-e—Bonds and Insurances. 1932 expenditure \$801.56. Amount appropriated \$750.00. The reduction was made possible because of the change of the expiration date of the policies.

Item A-1-f—Telephones. Actual expenditures 1932, \$690.47. No change.

Item A-1-g—Elections. Actual expenditure, 1932, \$822.12. 1933 appropriation \$1,500.00. The extra amount is added because of the possibility that additional election districts will have to be established in the Township.

Item A-1-h—Miscellaneous. Actual expenditures, 1932, \$316.18. 1933 appropriation \$500.00. "Miscellaneous" is always an unknown quantity and considering the closeness of some of the other appropriations \$500.00 is none too much to estimate.

Item A-1-i—Tax Sale. Actual expenditures, 1932, \$2,000.00. 1933 appropriations, \$3,500.00. The extra amount is added not only because it is anticipated that the sale this year will contain more properties than last year, but also because part of the cost of the sale last year was paid out of an amount reserved therefor.

Item A-2—Grounds and Buildings. Actual expenditure, 1932, \$5,756.65. 1933 appropriations \$5,600.00. Comparing item for item in this appropriation, it will be noticed that \$2,000.00 reduction has been made for upkeep. This is the first reflection in the 1933 budget of the indirect benefits received by Teaneck from its dependency relief work. The labor required in any repairs and upkeep in buildings and grounds will, during the coming year, be furnished by the unemployed who are working for actual relief received. The only additional expense by the Township will be that for materials. Lighting has been increased \$200.00 to meet the bills as determined through two years' experience.

#### B-1—POLICE DEPARTMENT

Item B-1-a—Salaries. Actual expenditures, 1932, \$76,336.18. 1933 appropriation \$78,000.00. The \$500.00 increase is due entirely to the increase in salaries to the patrolmen for each year's service up to a maximum of \$2,500.00. Last year's appropriation was not entirely used because the Department operated with 29 men only for a time.

Item B-1-b—Traffic Lights. Actual expenditures, 1932, \$2,098.39. 1933 appropriation \$1,350.00. The decrease of \$650.00 this year is due to the fact that it is planned to place the combined offices of Township Electrician and Building Inspector on a salary, instead of a fee basis. This is further discussed under the Engineering Department.

Item B-1-c—Motor Equipment, Repairs and Gas. Actual expenditures, 1932, \$5,811.58. 1933 appropriation \$5,500.00. While last year's expenditures slightly over-ran the estimated amount, it is hoped to keep this year's within the appropriation. The Township buys four new cars each year on competitive bids. Gasoline is also bought on competitive bids at a cost of about nine cents per gallon below what the motorist pays at the retail pump. Cars are maintained under a contract agreement entered into at the time the new cars are purchased.

Item B-1-e—Dog Pound. Actual expenditures, 1932, \$1,310.69. 1933 appropriation \$1,000.00. It is hoped to keep the expenditure this year down to the \$1,000.00; part of last year's over-run being accounted for by the fact that the Dog Warden's car was replaced.

Item B-1-f—Telephones. Actual expenditures, 1932, \$3,732.65. 1933 appropriation, \$4,000.00. This amount will adequately take care of the present system and also permit the installation of several new police boxes. This item covers the police signal system, charges for which are based on the miles of wire used by the Department. At present we have thirty-eight call boxes.

Item B-1-g—Doctor. Actual expenditures, 1932, \$166.00. 1933 appropriation, \$300.00.

Item B-1-h—Insurance. Actual expenditure, 1932, \$1,428.95. The appropriation this year is the same as that of last year, since the expenditures for last year did not include a quarterly payment on compensation insurance, which has not yet been billed.

Item B-1-i—Miscellaneous. Actual expenditure, 1932, \$408.27. No change in appropriated amount.

Item B-1-j—Street Marking and Signs. Actual expenditure, 1932, \$1,042.18. It is believed that \$500.00 will be sufficient this year because unemployed labor will here be used to do a considerable amount of the work. This item includes the marking on the pavements and traffic signs. Street signs are included in the Highway Department.

Item B-1-k—Pension Fund. Actual expenditure, 1932, \$3,018.43. This amount is required by law, and is fixed at 4% of the salaries actually paid. An additional 2% is taken out of the pay of the Patrolmen. The Township is also responsible for any deficiencies which may occur in this fund.

## B-2—"FIRE DEPARTMENT"

Item B-2-a—Salaries. Actual expenditure, 1932, \$28,716.14. 1933 appropriation, \$32,060.00. The appropriation this year for salaries is in accordance with the recommendations of the Public Safety Advisory Board, and provides for the following set-up:

1 Chief .....	\$3,800.00 a year
9 Paid men .....	2,500.00 a year
3 Extra men .....	100.00 a month
6 Call men .....	1,260.00 total for the year.

The Department has only nine paid men instead of ten which it carried the year before. The appropriation of \$600.00 for the part time Chief is also lacking. This elimination of a \$2,500.00 man plus the \$600.00 part time Chief's salary produces a credit of \$3,100.00 against the \$3,800.00 salary being paid the full time Chief.

Item B-2-b—Rentals—Volunteer Houses. Actual expenditure, 1932, \$1,800.00. No change in appropriation.

Item B-2-c—Insurance. Actual expenditure, 1932, \$1,609.47. 1933 appropriation, \$2,000.00. Here, too, because of the fact of delay in audit by the insurance companies, a quarterly payment was missing in 1932.

Item B-2-d—General Supplies. Actual expenditure, 1932, \$4,238.16. 1933 appropriation, \$2,500.00. This appropriation was largely exceeded last year because of changes incident to the change in methods at the Fire House and the revamping of old and installation of new equipment.

The appropriation this year contemplates the usual expenditures for light, fuel, laundry service, miscellaneous supplies, and in addition improvements in the drill tower, added equipment of ladders, and the connection of our various fire stations with our own phone and signal lines, this latter at an approximate cost of \$800.00, against which a considerable saving may be made in present telephone charges.

Item B-2-e—New Hose. 1932 appropriation not used. The purchase of about 700 feet of new hose is contemplated in 1933.

Item B-2-f—Repairs to Apparatus. Actual expenditure, 1932, \$785.88. 1933 appropriation \$750.00. This includes major repairs to apparatus foreseen at the present time, new tires, radiator, etc.

Item B-2-g—Repairs to Fire House. Actual expenditure, 1932, \$376.31. 1933 appropriation, \$200.00. The amount here is also reduced, because any labor needed will be furnished by the unemployed.

Item B-2-h—Telephones and Sirens. Actual expenditure, 1932, \$1,079.82. 1933 appropriation, \$1,000.00. It is probable that part of this item will not be used if our own inter-communication system is established.

Item B-2-i—Pension Fund. The figure is on the same basis as in the Police Department.

Item B-2-j—Hydrants. Actual expenditures, 1932, \$30,080.54. 1933 appropriation, \$31,500.00. An increase of approximately \$1,500.00 over last year is due partly to increased rates set by the Hackensack Water Company for their services and approved by the Public Utility Commission, and partly to allowance for the installation of twenty extra hydrants. The charge for hydrant service to the Fire Department is composed of two factors: first, a charge of \$12.00 per year per hydrant, and secondly, a much larger charge in the nature of a ready to serve charge. This is computed by taking the length of all of the water mains in the Township, multiplying the individual lengths by their respective diameters and then charging one cent per inch foot.

## B-3-a—"STREET LIGHTING"

Actual expenditures, 1932, \$34,768.93. 1933 appropriation, \$35,000.00. It is not felt that much greater economies can be had in the street lighting system, the cost of which has been reduced about 33½% below its peak. A considerable number of new lights had to be placed last year because of additional developments, and undoubtedly new lights will be used this year. It is hoped to compensate for any new lights by reductions in the present system.

## C—"PUBLIC WORKS"

Item C-1-a—Engineering Department—Salaries. The Township Manager will again serve as Engineer at \$1.00 per year.

Item C-2—Assistant Township Engineer. Salary \$3,000.00.

Item C-3—Clerical Help. Actual expenditure, 1932, \$500.00. 1933 appropriation \$750.00. This does not mean an increase in salary, but merely transfer in duties between Departments. Under the present set-up the Health Department and the Engineering Department are sharing one \$1,500.00 Clerk.

Item C-4—Extra Help. Actual expenditure, 1932, \$1,692.44. 1933 appropriation \$1,000.00. This has been reduced also because of the possibility of using unemployed.

Item C-5—Supplies. Actual expenditure, 1932, \$496.34. 1933 appropriation, \$500.00.

Item C-6—Building Inspector and Township Electrician. The Building Inspector was also Township Electrician in 1932, compensated on a fee basis. A salary fixed at \$2,500.00 (necessary changes to be made in the ordinances), is below what the combined offices have paid for the past four year average and gives an adequate compensation to the man holding the responsible office of Building Inspector. Aside from his duties as Building Inspector and Electrician, he will be required to put in all spare time as an assistant to

the Assessor in completing the equalization system begun in 1931. It should be noted that the reduction of \$650.00 in the traffic light item of the Police Department and the dropping of the item E-5 "Return of Building fees" in the amount of \$2,500.00 should here be regarded as compensating items towards this salary.

#### "STREETS AND STREET REPAIRS"

Item C-2-a—Superintendent of Public Works, ½ time. Actual expenditure, 1932, \$1,250.00. 1933 appropriation, \$1,500.00. The increase of \$500.00, half of which is in this item, and half of which is in Item C-3-a, is made as a proper adjustment in the salary of this responsible official, the justice of which is clearly brought out by comparison with salaries paid in other municipalities for like work.

Item C-2-b—Road Foreman. Actual expenditure, 1932, \$2,200.00. 1933 appropriation, \$2,200.00.

Item C-2-c—Mechanic. Actual expenditure, 1932, \$1,336.86. 1933 appropriation, \$1,500.00.

Item C-2-d—Clerk. Actual expenditure, 1932, \$600.00. 1933 appropriation, \$750.00. An adjustment of the salary to \$750.00 is well merited.

Item C-2-e—Truck drivers. Actual expenditure, 1932, \$3,509.26. 1933 appropriation \$3,600.00.

Item C-2-f—Street Cleaning—Salaries and Supplies. Actual expenditures, 1932, \$2,896.82. 1933 appropriation, \$2,800.00. This item includes the salary of the Operator of the sweeper of \$1,800.00 plus necessary supplies for new brooms, and the necessary repairs on machine.

Item C-2-g—Equipment and Supplies. Actual expenditure, 1932, \$6,707.95. 1933 appropriation \$4,500.00. The amount is reduced this year because the payment for the sweeper was completed last year. Two new trucks were also bought. On the other hand other new equipment, particularly a tractor, is essential.

Item C-2-h—Road Labor. Actual expenditure, 1932, \$6,094.12. 1933 appropriation \$6,000.00. Reduction below the estimated amount last year was made possible because of the use of unemployed labor, which will be continued this year.

Item C-2-i—Road Material. Actual expenditure, 1932, \$6,902.34. 1933 appropriation, \$7,500.00. The use of practically the same amount of material is contemplated this year.

Item C-2-j—Insurance. Actual expenditure, 1932, \$979.31. 1933 appropriation \$1,500.00. Another quarterly payment also due on this.

Item C-2-k—Snow removal. Actual expenditure, 1932, \$468.89. 1933 appropriation \$1,000.00. This is always an item very difficult to estimate in advance.

Item C-2-l—Street Signs. Actual expenditure, 1932, \$444.06. 1933 appropriation, \$500.00. Practically the same amount of signs as were bought last year will be purchased this year.

#### C-3—"DISPOSAL PLANT AND SEWERS"

Item C-3-a—Supt. of Public Works, ½ Time. Actual expenditure, 1932, \$1,250.00. 1933 appropriation, \$1,500.00. (See explanation above under "Superintendent of Public Works.")

Chief Operator. Actual expenditure, 1932, \$2,200.00. 1933 appropriation, \$2,200.00.

Operators. Actual expenditure, 1932, \$6,291.67. 1933 appropriation, \$5,250.00. Reduction made this year since experience has shown that the Pomander Walk Plant can be operated satisfactorily with half-time service.

Item C-3-b—Extra Labor. Actual expenditure, 1932, \$3,057.96. 1933 appropriation, \$1,500.00. Reduction to \$1,500.00 is made because of the availability of unemployed labor.

Item C-3-c—Power, Water. Actual expenditure, 1932, \$5,100.25. 1933 appropriation, \$5,000.00.

Item C-3-d—Supplies. Actual expenditure, 1932, \$651.25. 1933 appropriation, \$750.00.

Item C-3-e—Insurance. Actual expenditure, 1932, \$244.81. 1933 appropriation, \$200.00.

Item C-4. Dumps. Actual expenditure, 1932, \$49.75. 1933 appropriation, \$1,000.00. For the past two years care of the dumps has been placed entirely in the hands of the ash and garbage collectors, and no change is contemplated therein. However, not less than the amount specified should be appropriated so as to take care of any contingencies as may arise, such for instance as refusal by the person who is now removing the garbage from the hoppers to continue to do so, in which case the Township must be prepared to remove it with its own forces.

#### D—HEALTH, CHARITIES AND RECREATIONS

This item shows a little different set-up than last year, when the provisions for the Child Welfare were included in the Board of Health. Under the present set-up these two functions are separated and the provision of \$4,000.00 for the child welfare is the amount requested by the Board on Child Hygiene, Clinical and Social Service. It provides for the employment of two nurses, fees to the doctors and dentists attending the clinics and the necessary supplies. The Board of Health item includes the salary of the Health Officer, who has previously been working on a fee basis, a varying percentage of different fees being returned to him for his services. The salary fixed for the Health Officer is \$1,800.00. The additional amounts making up the total appropriation are \$750.00 for half of the salary of the Clerk, (the other half being paid

by the Engineering Department), plus an appropriation for serums, toxins and supplies which may be needed by the Board of Health. The actual combined expenses for 1932 for Child Welfare and Board of Health work were \$3,505.48, the Child Welfare not operating the entire year.

Item D-3—Poor Relief. Actual expenditures, 1932, \$5,000.00 plus \$15,500.00 saved in other parts of the budget transferred to this appropriation. This is a difficult item for which to set up a budget appropriation. In the first place it is contemplated that the total dependency relief expenditures for the Township of Teaneck during 1933 will be \$60,000.00, half of which will ultimately be repaid by the State of New Jersey, leaving the Township's share as \$30,000.00.

If the discussed salary reduction of Township employees and school employees should become a fact, the entire \$30,000.00 would be provided by this means, leaving the present \$10,000.00 appropriation in the budget available for transfer. The natural item to which it should be transferred would be the one providing for the payment of unemployment bonds now outstanding. The \$10,000.00 item in the budget was arrived at on the basis of a possibility of this reduction not developing. In this case the Township's share for this year might possibly be derived as follows: \$10,000.00 in the budget appropriations, \$15,000.00 possible saving in other Departments through strictest economy — \$5,000.00 from the Block-Aid Committee. Contemplating another possible saving of \$15,000.00 in a budget drawn as closely as this is rather optimistic. If it is not realized, the deficit can be funded into eight year periods, as provided by the State law.

Item D-4—Parks and Recreation. Actual expenditures, 1932, \$540.50. 1933 appropriation, \$1,000.00. The very fact that there is a great quantity of unemployed labor available will mean additional expenditures for materials, such as grass seed and shrubs.

#### E—"MISCELLANEOUS"

Item E-1—Contingent Account. Actual expenditure, 1932, \$699.55. 1933 appropriation, \$1,500.00. The appropriation of \$1,500.00 as a contingent item, in a budget of \$866,000.00 is small enough. The fact that no more was spent last year may be laid to good fortune. The State Law would permit the appropriation of almost \$25,000.00 in this item.

Item E-2—Mosquito Commission. Actual expenditure, 1932, \$400.00. 1933 appropriation, \$400.00. This expenditure is the amount agreed upon with the County, who actually do the work, and who spend at least an equal amount in drainage work along the Hackensack River, Overpeck Meadows, oiling catch basins, etc.

Item E-3—Library. Actual expenditure, 1932, \$9,784.63. 1933 appropriation, \$11,200.00. The appropriation allowed is that requested by the Library Trustees, and is greater than last year because of the additional work thrown on the Library during recent years, particularly because of existing unemployment.

Item E-4—Patriotic Observance. Actual expenditure, 1932, \$611.98. 1933 appropriation, \$500.00.

Items E-5 to E-7—The elimination of the next three items "Return 50% Building Fees," "Return Health Fees," "Return 100% Electric Sign Fees" has been explained in previous comments.

Item E-8—Planning Board. Actual expenditure, 1932, \$3,026.00. 1933 appropriation, \$500.00. The Board still owes a balance of \$400.00 on its contract with the Town Planner. This has been reserved, as has been an equal amount for the printing of its final report. The amount allowed this year should be sufficient for such stenographic service and incidental services as the Board may need.

#### F—"DEBT SERVICE"

Item F-1—Redemption of Unemployment Bonds. This is a new item made necessary by the funding of \$42,500.00 of unemployment bonds to be paid off in eight years.

Item F-2—Redemption of Capital Bonds. Actual expenditure, 1932, \$14,980.20. 1933 appropriation, \$11,730.20. This is a fixed item required by the audit.

Item F-3—Interest on Assessment and Improvement Bonds. Actual expenditure, 1932, \$226,954.36. 1933 appropriation, \$205,600.00. Last year's item was not expended by \$3,000.00 because of the saving incurred by the buying in of bonds before maturity. The amount this year is less because of the maturities of \$406,000.00 worth of bonds last year, plus those bought in before maturity, and is increased above what it would then be, by the necessity of paying interest on the unemployment bonds outstanding.

Items F-4 and F-5—Interest on Tax Revenue and Anticipation Notes. Actual expenditure, 1932, \$189.45. 1933 appropriation, \$18,000. The Township of Teaneck was fortunate enough last year to have enough cash on hand to meet its obligations, without attempting to borrow on tax notes, except on one occasion, and that for a temporary period.

The amounts estimated this year are considerably increased over the amounts last year, for it seems certain the Township this year will have to issue large amounts of tax paper in order to meet maturity of its assessment bonds. The fact has often been referred to that when surplus cash was available in the trust account, this cash was used by current account to pay operating expenses, instead of the current account going into the open market and borrowing money. The time has now arrived when the money so loaned to current account must be paid back. The only possible way to do this is to issue tax notes reimbursing the trust account with the proceeds thereof. If, as is very probable, the Township is not able to sell these tax notes on the open market, then some method of exchange with the holders of the maturing bonds must be arranged. In either case the interest demanded by these tax notes must be met. The amount allotted to this interest of \$18,000.00 is sufficient to pay a year's interest on \$300,000.00, or one-half year's interest on \$600,000.00. Just what the actual demand will be is difficult to foresee. Conservative opinion places it at about the amount allotted.

**G—"DEFICIENCY ADJUSTMENTS AND RESERVES"**

Items G-1 and G-2—Overexpenditures in appropriations and Reserves. Corresponding amounts last year, \$995.64. These amounts, necessary to take care of overexpenditures, in the previous year's budget, are considerably less than corresponding amounts which have had to be consistently placed in the Township's budget in former years. It is hoped this year to practically eliminate them.

Items G-5 and G-6—Liens Foreclosed (Taxes and Assessments). Actual expenditures, 1932, \$1,087.31. 1933 combined appropriation \$7,645.60. The necessity for these items arises from the fact that as soon as the Township forecloses any liens, the total amount of taxes and assessments owing on the properties against which this lien was foreclosed, must be placed in the succeeding year's budget.

Item G-7—Reserve for Taxes More Than Three Years Old. This item bears upon the appropriation of surplus, and will be discussed in connection with Item 12.

Item G-8—Expenditures without appropriation, Trust, 1930. 1932 expenditure \$2,499.58. No appropriation in this budget.

Item G-9—Expenditures without Appropriation, Capital, 1930. Actual expenditure, 1932, \$1,039.68. 1933 appropriation, \$52.50. This is due to the fact that the auditors picked up this additional amount in balancing their accounts.

Item G-11—Costs of Foreclosures, 1928. Actual expenditure, 1932, \$3,000.00. An item corresponding to this has been discussed under "Extra Legal."

Item G-12—Reserve for Tax Title Liens—\$134,000.00. As a result of this year's tax sale, as well as previous sales, the Township holds tax title liens alone in an amount well over \$134,000.00. The exact quantity has not been determined by the auditors. In addition to this it has outstanding taxes more than three years old, also well above \$16,000.00, the exact amount of which to date is also awaiting the completion of the audit. Undoubtedly from time to time the Township will realize on some of these tax title liens and taxes more than three years old, either by forcible collection of the delinquent personal taxes or by redemption of the tax title certificates. Neither of these quantities take into account assessment title liens which have accrued as the result of tax title sales and which now, unfortunately, amount to close to \$500,000.00.

How much and how soon the Township will realize on these two items of delinquent taxes and tax title liens is uncertain. What is certain is that in theory and in fact they are classed as slow assets, if indeed some be assets at all. It will have been noted that the two items under discussion amount to \$150,000.00, or the same amount as the surplus revenue which was appropriated. As explained in the revenue side of the budget, it was for this particular purpose that the surplus revenue was appropriated. This surplus revenue is now tied down definitely for a certain specific purpose. When these slow assets now represented only by figures, actually become cash by redemption or payment, then these reserves can be reduced by a corresponding amount and the actual cash once more placed into surplus.

**H—"TOWNSHIP'S SHARE OF TRUST OBLIGATIONS"**

Under this heading are grouped the various payments which the Township is making by tax money to take care of that part of the assessment program of former years which never was, or is not now, covered by outstanding assessments. These payments can be divided into seven different classes. For three years now the Township has been paying heavily on this account, the total appropriations, including this year's budget, amounting to \$302,725.16.

The following table shows the amounts outstanding on January 1st, 1931, the total amounts now outstanding, the amounts appropriated in this budget and the balance still remaining to be paid.

	Amount Owing Jan. 1, 1931	Outstanding Jan. 1, 1933	Appropriated 1933
Assessments Receivable Held in Abeyance	\$46,079.71	\$39,079.71	-----
Township's Share of Assessments Receivable	283,303.26	199,747.82	-----
Imp. Costs Held in Abeyance	188,156.30	158,156.30	
Assessments Cancelled by Court	26,302.54	22,302.54	22,302.54
Assessments Remitted and Cancelled	143,585.11	79,585.11	77,697.46
Township's Share of Improvements Not Bonded	118,897.63	110,937.77	6,209.86
	<hr/>	<hr/>	
	\$806,324.55	\$609,809.25	\$106,209.86
 Balance Remaining	 \$503,599.39.		

For a clearer understanding, the following definition of the items included are given:

Item H-1—Costs in Abeyance. This is the amount which was from time to time determined by the Assessment Commission to represent the future benefits to properties by reason of improvements made. That is, benefits which were not immediately assessable because the improvement was not of immediate but rather of potential value to the property. For instance, such as the potential benefit of a trunk sewer to a property within its drainage area, which property, however, has as yet no lateral sewer serving it and connecting it with the trunk sewer.

Items H-2—Assessments Held in Abeyance. These differ from "costs in abeyance" only in the fact that assessments were actually levied against the property, and that after the levying of these assessments it was shown that no immediate benefit existed, the assessment being held in abeyance through action of Council until such a time as benefit might actually be derived.

Item H-3—Assessments Cancelled by Court. The title of this is more or less self-explanatory. Here are included all those charges against properties whose owners have legally proven that no benefit exists.

Item H-4—Assessments Remitted and Cancelled. In this group, in general, are included those assessments which at various times were remitted and cancelled by action of Council because in the opinion of Council there were not now, or ever would be, the benefits to the property which the Assessment Commission assumed there would be, or because the Council felt that the benefits assessed against the properties were greater in amount than the actual benefits received. An instance of this is the reduction of the Queen Anne Road paving, which was reduced by Council materially below the figure assessed by the Assessment Commission.

Item H-5—Township's Share of Assessment Deficit, 1928 and 1929. This appropriation does not appear this year. It should be mentioned that this was to make up for a lack of appropriation in the 1928 and 1929 budgets.

Item H-6—Town's Share of Assessments. This amount represents that portion of various improvements made which were either directly assessed against the Township or were voluntarily assumed by the Township, for instance, in an improvement costing \$100,000.00, the Assessment Commission might have determined that only \$90,000.00 worth of benefit was received by the individual properties, leaving \$10,000.00 as the general Township's share. Again for several years the Township agreed to assume 10% of all the cost of paving done.

Item H-7—Township's Share of Improvements Not Bonded. This represents the amount of money assessed against the Township for certain improvements and paid for out of trust funds in hand instead of having bonds issued for them.

---

The rate at which appropriations have been made during the last two years for all of these deficiencies, was that necessary to clean them out within the total of six years, or by the time the last bond had matured.

It will be noted that this year's appropriation is practically the same as last year, but that the distribution is different. The reason for changing this distribution is that there seems to be a possibility that items H-1, H-2 and H-6 can be taken care of by refunding over the life of the improvement, even under existing laws. This is one of the points now under discussion with New York bond attorneys. If this proves to be the case then the yearly appropriations can be materially reduced. However, since the possibility of doing this is by no means a certainty, the safest and most conservative financing demands that the full proportionate amount be placed in this year's budget, lest deficits would have to be taken care of next year. It is certain that Items H-3 and H-4 can not be refunded over a longer term, consequently this year's appropriation was applied entirely to these two items, practically clearing them off the books. In next year's budget then, either the appropriations under this division will be considerably less in amount if refunding is successfully accomplished, or if it is not, another appropriation of approximately \$106,000.00 can be distributed among the items passed over this year.

**TOWNSHIP COUNCIL**

**KARL D. VAN WAGNER**

**Mayor**

**LOUIS G. MORTEN**

**Councilman**

**SAMUEL S. PAQUIN**

**Councilman**

**FREDERICK T. WARNER**

**Councilman**

**TOWNSHIP MANAGER**

**PAUL A. VOLCKER**

**FINANCIAL ADVISORY BOARD**

**Irwin G. Ross**

**Chairman**

**C. L. Wedel**

**Robert P. Lewis**

**Jos. A. Kenyon**

**R. N. Tremble**

**AUDITORS**

**N. J. State Department of Municipal Accounts**