

# TOWNSHIP OF TEANECK NEW JERSEY

## THE PROPOSED 1935 BUDGET

### FOR MUNICIPAL EXPENDITURES ONLY

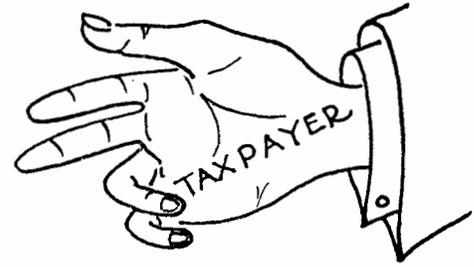
To the Taxpayer:

Here again is a proposed budget submitted for your consideration by the Council of the Township of Teaneck. It provides for the operation of your Township during 1935. To the requirements for the Township as herein shown, the County Board of Taxation will add the requirements for the School, County, and the State, the whole determining the amount of taxes which you will pay in 1935. Of that total the present budget will account for approximately 42c out of each of your tax dollars. Half of this 42c is needed for payment of the Township's debts, for interest thereon, and for general deficiencies. It is the remaining 21c which pays for the general Administration, Fire, Police, Street Lighting, Sewers, Streets, Library, Health, Charity and Recreation, in the appropriations as shown on the following pages.

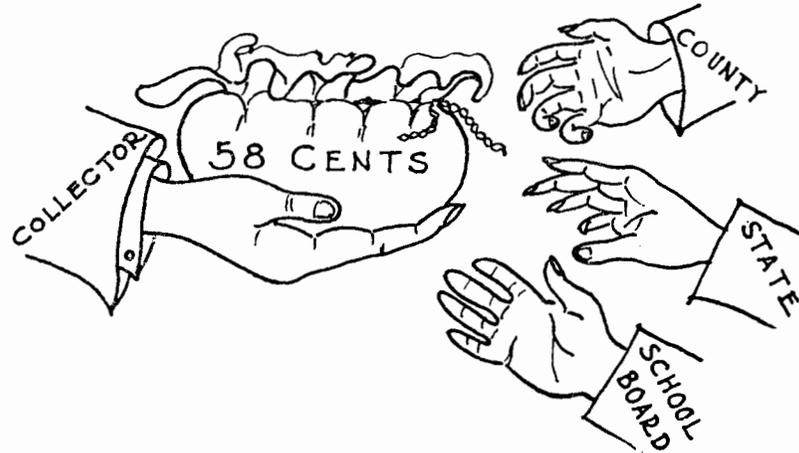
Your close attention and critical analysis of the detailed statement and explanations are invited. Furthermore, it is suggested that such supplementary information as may be desired be obtained at the Town Hall prior to date of the public hearing on the budget, since these hearings are primarily an opportunity for the taxpayers to present their views for the consideration of the Governing Body.

NOTE—Informal hearings are scheduled for January 28th and 29th at 8:30 P. M. at the Municipal Building, with formal hearing on February 5th, 1935.

# WHAT HAPPENS TO YOUR TAX DOLLAR



OUT OF EACH 100 CENTS WHICH THE TAXPAYER PAYS TO THE COLLECTOR, THE COLLECTOR TAKES ABOUT 42 CENTS FOR THE USE OF THE TOWNSHIP. THE OTHER 58 CENTS ARE PASSED ON TO THE SCHOOL BOARD, COUNTY AND STATE.



THE FORTY TWO CENTS WHICH ARE RETAINED ARE DIVIDED AS FOLLOWS



**21c** FOR DEBT AND DEFICIENCIES



**12c** FOR PUBLIC SAFETY  
POLICE - FIRE - STREET LIGHTING - HYDRANTS



**3½c** FOR PUBLIC WORKS  
STREET MAINTENANCE - DISPOSAL PLANTS - SEWER MAINTENANCE - GROUNDS AND BUILDINGS - BUILDING INSPECTION - ENGINEERING - SNOW REMOVAL - DUMPS



**3c** FOR GENERAL GOVERNMENT  
ADMINISTRATIVE SALARIES - SURETY BONDS - INSURANCE  
LEGAL - PRINTING AND SUPPLIES - TELEPHONES - ELECTIONS  
TAX SALE .



**2½c** FOR HEALTH - RECREATION - LIBRARY  
EMERGENCY RELIEF AND CHILD WELFARE

# TOWNSHIP OF TEANECK NEW JERSEY TOWNSHIP BUDGET 1935

## GENERAL NOTE

Those who have read the notes accompanying the budgets of previous years will find that much of the explanatory material therein is duplicated here. In one way or another, much of it has been said not once, but several times. Yet it was thought desirable to again cover all points in detail, and that it was preferable to risk repetition rather than to omit information which might enlighten and guide the taxpayer.

Because of the plan of tentative salary restorations entered into by the School Board and the Township, the amount of money to be raised under this Township budget is \$33,000 smaller than would otherwise be the case. Correspondingly, the School Budget has increased \$33,000. Existing laws governing budget procedure of School Boards and Townships are such that this is the only possible way of accomplishing the tentative salary restorations which are described in detail under the comments. It is understood that the taxpayers will be given an opportunity to vote on the plan in the forthcoming school election. If they should reject the plan, the \$33,000 of surplus herein estimated must be removed. In either case the total amount of money to be raised by taxes for Township and School purposes will be the same.

## RESOURCES

	1935	1934
<b>SURPLUS REVENUE APPROPRIATED:</b>		\$66,000.00
(a) Account Interest on Tax and Assessment Lien Deficiency	\$41,589.29	
(b) Account of Township Salary Restorations—Balanced by corresponding appropriation. (To be used only if liquidated)	17,000.00	
(c) Account of School Salary Restorations—Balanced by corresponding increase in school budget. (To be used only if liquidated)	33,000.00	
<b>MISCELLANEOUS REVENUE ANTICIPATED:</b>		
Interest on Deposits	2,000.00	1,500.00
Interest and Costs on Taxes	40,000.00	35,000.00
Interest on Assessments	75,000.00	95,000.00
Magistrate's Court	750.00	750.00
Local Licenses, Permits, Fees	20,000.00	25,000.00
Engineering & Public Works	750.00	1,000.00
Franchise Taxes	48,000.00	48,000.00
Gross Receipts Taxes	12,000.00	12,000.00
Tax Searches	2,500.00	2,500.00
Poll Taxes	.....	3,500.00
Interest on Tax & Assessment Liens	40,000.00	50,000.00
	\$332,589.29	\$340,250.00
<b>AMOUNT TO BE RAISED BY TAXATION</b>	476,433.00	511,352.17
<b>TOTAL</b>	\$809,022.29	\$851,602.17

## EXPENDITURES

Explanations and Details	1935	1934	1935	1934
<b>A—GENERAL GOVERNMENT</b>				
<b>A-1-a—SALARIES</b>				
<b>1. Management</b>				
Council	2,250.00	2,250.00		
Township Manager	6,750.00	6,750.00		
Township Clerk	450.00	450.00		
Deputy Township Clerk	1,890.00	1,890.00		
<b>2. Treasurer &amp; Collector</b>			11,340.00	11,340.00
Treasurer	1.00	1.00		
Finance Clerk	1,620.00	1,620.00		
Search Clerk	1,620.00	1,620.00		
Tax Collector	2,700.00	2,700.00		
Clerks	5,130.00	5,130.00		
<b>3. Legal</b>			11,071.00	11,071.00
Township Attorney	1,000.00	1,000.00		
Extra Legal	2,000.00	4,000.00		
Police Magistrate	900.00	900.00		
Lien Foreclosure	40,000.00	50,000.00		
			43,900.00	55,900.00

	1935	1934	1935	1934
4. Assessor	3,600.00	3,600.00		
Assessor	3,150.00	3,150.00		
Clerks			6,750.00	6,750.00
5. Auditor	3,000.00	3,000.00	3,000.00	3,000.00
6. Poor Master	250.00	250.00	250.00	250.00
A-1-b—Extra Clerical	1,500.00	1,800.00	1,500.00	1,800.00
A-1-c—Supplies & Printing	3,000.00	2,500.00	3,000.00	2,500.00
A-1-d—Legal Advertising	500.00	500.00	500.00	500.00
A-1-e—Bonds & Insurance	650.00	1,000.00	650.00	1,000.00
A-1-f—Telephones	750.00	750.00	750.00	750.00
A-1-g—Elections	2,000.00	2,000.00	2,000.00	2,000.00
A-1-h—Miscellaneous	500.00	500.00	500.00	500.00
A-1-i—Tax Sale	3,000.00	3,500.00	3,000.00	3,500.00
			\$88,211.00	\$100,861.00
A-2—GROUNDS & BUILDINGS				
1. Janitor	1,620.00	1,620.00		
2. Upkeep	1,000.00	1,000.00		
3. Electricity	1,200.00	1,200.00		
4. Water	250.00	250.00		
5. Fuel Oil	500.00	500.00		
6. Supplies	750.00	750.00		
			5,320.00	5,320.00
B-1—POLICE DEPARTMENT				
B-1-a—Salaries	69,000.00	69,000.00		
b—Traffic Lights	1,500.00	2,100.00		
c—Supplies	1,650.00	1,500.00		
d—Motor Equipment, Repairs, etc.	6,500.00	6,000.00		
e—Dog Pound	1,200.00	1,000.00		
f—Telephone & Radio	2,500.00	3,500.00		
g—Doctor	300.00	300.00		
h—Insurance	2,000.00	2,500.00		
i—Miscellaneous	250.00	250.00		
j—Street Marking & Signs	750.00	500.00		
k—Pension Fund	2,800.00	2,800.00		
			88,450.00	89,450.00
B-2—FIRE DEPARTMENT				
B-2-a—Salaries	42,250.00	31,000.00		
b—Rentals, Volunteer Houses	2,150.00	2,150.00		
c—Insurance	1,500.00	1,500.00		
d—General Supplies	3,000.00	2,500.00		
e—New Hose	500.00	750.00		
f—Repairs to and rebuilding of apparatus	1,500.00	750.00		
g—Repairs to Fire Houses	250.00	200.00		
h—New Pumper	.....	1,500.00		
i—Telephones & Sirens	1,000.00	1,000.00		
j—Pension Fund	1,000.00	1,200.00		
			53,150.00	42,550.00
B-3-a—HYDRANTS	31,500.00	31,500.00	31,500.00	31,500.00
B-3-b—STREET LIGHTING & COST OF RATE CASE	31,000.00	31,000.00	31,000.00	31,000.00
C—PUBLIC WORKS				
Engineering Department				
C-1-a—Salaries				
1. Township Engineer	1.00	1.00		
2. Assistant Township Engineer	2,700.00	2,700.00		
3. Clerical Help	750.00	750.00		
4. Extra Help	1,000.00	1,000.00		
5. Supplies	250.00	500.00		
6. Building Inspector and Township Electrician	1,800.00	1,800.00		
			6,501.00	6,751.00
Streets and Street Repairs				
C-2-a—Supt. Public Works, ½ time	1,125.00	1,125.00		
b—Road Foreman	1,980.00	1,980.00		
c—Mechanic	1,350.00	1,350.00		
d—Clerk	600.00	600.00		
e—Truck Drivers	3,240.00	3,240.00		
f—Street Cleaning—Salaries and Supplies	3,625.00	2,700.00		
g—Equipment and Supplies	3,000.00	3,000.00		
h—Road Labor	8,000.00	8,000.00		
i—Road Material	7,000.00	7,000.00		
j—Insurance	1,500.00	1,500.00		
k—Snow Removal	1,000.00	1,000.00		
l—Street Signs	500.00	500.00		
			32,920.00	31,995.00

	1935	1934	1935	1934
<b>Disposal Plants and Sewers</b>				
C-3-a—Supt. Public Works, ½ time	1,125.00	1,125.00		
Chief Operator	1,980.00	1,980.00		
Operators	4,750.00	4,750.00		
b—Extra Labor	1,500.00	2,000.00		
c—Power, Water	4,625.00	5,000.00		
d—Supplies	750.00	750.00		
e—Insurance	200.00	100.00		
			14,930.00	15,705.00
C-4—DUMPS	500.00	1,000.00	500.00	1,000.00
<b>D—HEALTH, CHARITIES &amp; RECREATION</b>				
D-1—Child Welfare	2,000.00	2,000.00		
2—Board of Health	2,500.00	2,500.00		
3—Poor Relief	25,000.00	18,000.00		
4—Parks and Recreation	1,500.00	1,000.00		
			31,000.00	23,500.00
<b>E—MISCELLANEOUS</b>				
E-1—Contingent	1,500.00	3,000.00		
2—Mosquito Commission	350.00	350.00		
3—Library	12,600.00	12,120.00		
4—Patriotic Observance	500.00	500.00		
5—Planning Board	200.00	200.00		
			15,150.00	16,170.00
			<u>Sub-Total Operating</u>	<u>\$398,632.00</u>
				<u>\$395,802.00</u>

### DEFICIENCIES AND DEBT

<b>F—DEBT SERVICE</b>				
F-1—Redemption, Unemployment Bonds	7,500.00	6,000.00		
2—Redemption of Capital Bonds	46,000.00	61,974.58		
2-a—Redemption of Funding Bonds—				
Maturities, 1935	\$180,000			
From Trust	170,000			
@ 60% 1934 collections	16,700.00	.....		
3—General Bond Interest	150,000.00	180,000.00		
3-a—Funding Bond Interest				
1935 Requirements	\$51,000			
@ 60% 1934 collections	86,000.00	.....		
4—Tax Revenue Note Interest	3,500.00	20,000.00		
5—Tax Anticipation Note Interest	2,000.00	10,000.00		
			311,700.00	277,974.58
<b>G—DEFICIENCY ADJUSTMENTS &amp; RESERVES</b>				
G-1—Overexpenditures, 1931 Reserve	.....	1.10		
2—Liens Foreclosed (Taxes)	59.48	998.78		
3—Liens Foreclosed (Assessments)	.....	1,014.95		
4—Reserve for Taxes more than 3 years old	10,000.00	10,000.00		
5—Reserve for Tax Title Liens	.....	66,000.00		
6—Discounts on Taxes & Notes	1,988.31	7,555.70		
7—1932 (1931) Bills Paid without Reserve	1,380.26	150.00		
8—Taxes Cancelled and Reduced, 1933 (1929-1932) (Unexpended Balance Account)	22,140.60	14,738.33		
9—Reserve for Outstanding Tax and Revenue Notes	.....	50,000.00		
10—Costs, Recall Election	.....	1,878.00		
11—Deficit Miscellaneous Revenues Anticipated, 1934 General	4,532.35	.....		
12—Interest on Tax and Assessment Liens (Balanced by Surplus Appropriation)	41,589.29	.....		
			81,690.29	152,336.86
<b>H—TOWNSHIP'S SHARE OF TRUST OBLIGATIONS</b>				
H-1—Assessments Remitted and Cancelled	.....	10,000.00		
2—Deficiency Assessment Bonds, Series 3 and 4, matured in 1933	.....	15,488.73		
			.....	25,488.73
<b>I—SALARY CUT RESTORATIONS</b>				
(To be used when balancing surplus item is liquidated)				
I-1—General Government	3,420.00	.....		
2—Public Safety	9,775.00	.....		
3—Public Works	2,385.00	.....		
4—Health, Charities, etc.	375.00	.....		
5—Engineering Department	555.00	.....		
6—Library	490.00	.....		
			17,000.00	.....

	1935	1934	1935	1934
Sub-Total, Deficiencies and Debt			\$410,390.29	\$455,800.17
Sub-Total, Operating			398,632.00	395,802.00
			<hr/>	<hr/>
			\$809,022.29	\$851,602.17

GRAND TOTAL

## DETAILED COMPARISON 1935 and 1934

	1935	1934	Reasons for 1935 Deductions
<b>DEFICIENCIES &amp; DEBT—Gross Total</b>	\$410,390.29	\$455,800.17	
Deductions	58,589.29	66,000.00	Provisional Salary Bonus
Net Total	\$351,801.00	\$389,800.17	
<b>OPERATING—Gross Total</b>	\$398,632.00	\$395,802.00	
Deductions	40,000.00	50,000.00	Compensating Tax Foreclosure Item
Net Total	\$358,632.00	\$345,802.00	
Total Actual Requirements: Debt	\$351,801.00		
Operating	358,632.00		
Total Amount Required for Township Purposes	\$710,433.00		
Miscellaneous Revenue Anticipated	201,000.00		
	\$509,433.00		
Provisional School Salary Bonus Deducted to compensate for School Budget Increase	33,000.00		
	\$476,433.00		

## COMMENTS ON THE BUDGET RESOURCES

### SURPLUS REVENUE APPROPRIATED

Because of its effect on surplus revenue appropriated, it is necessary at this point to describe the conditional salary restoration. In 1933 all Township and School Board employees were subject to a flat 10% salary decrease. Because of the overlapping of the School Board fiscal year this decrease in the case of the School Board will continue until July 1st, 1935. During 1934 the financial condition of the Township, particularly when regarded from the cash viewpoint, has shown considerable improvement, and the question arose during the preparation of this year's budget as to whether or not the Township employees, in view of this satisfactory cash position of the Township, and in view of the again increasing costs of living, were not entitled to a restoration of the cuts. It was fundamentally decided that employees were not entitled to such a salary restoration if thereby it meant an increase in taxes for the taxpayer. On the other hand, it was believed that if 1935 should show a corresponding improvement comparable to that of 1934, then the employees should share in the improvement, again providing such sharing could be done without increasing the tax rate. Consequently the tentative salary restoration plan was devised. Primarily it is based on the theory that if at the end of 1935 the Township has continued to operate on a cash basis, if it has succeeded in paying all salaries on the present basis, if it has paid all its bills for materials and supplies, has paid County, State and School Board in full, and has in the Current Account at least as much of a cash balance as it had at December 31, 1934, then any balance above this amount or as much of it as might be necessary, should be used for the purpose of salary restorations, either in full or in part, depending upon the amount of such balance.

Actually this method depends upon the liquidation of paper surplus revenue. In the past, the appropriation of surplus revenue for the purpose of decreasing the tax rate has been repeatedly warned against, particularly when such surplus represents only paper excess of assets over liabilities. The present tentative appropriation of surplus is to be distinguished for such an out and out appropriation. The surplus herein appropriated, it is repeated, is to be used only after certain stipulated conditions prevail which will result in its actually being converted into cash.

Items "B" and "C" are the two surplus revenue appropriation items found necessary in order to carry through the suggested plan. Since in the case of the School Board the increase in salaries could not be paid unless it had appeared on the budget voted by the people, it became necessary for the School Board to include it in their budget, thereby increasing their budget by \$33,000. On the other hand, they have agreed not to demand it from the Township unless it is made liquid, thereby permitting the Township through a corresponding \$33,000 surplus revenue appropriation, to decrease its own budget to a compensating amount.

Item "A" under Surplus Revenue Appropriation in the amount of \$41,589.29 on account of Interest on Tax and Assessment Lien Deficiency is of a different nature and represents purely a bookkeeping transaction. In last year's budget the amount of \$50,000 was appropriated for interest on tax and assessment liens, primarily, as then stated, for the purpose of providing funds for the then proposed tax lien foreclosure contract. It has developed that this contract, which went into force about the middle of the year, has resulted in the collection of interest on tax and assessment liens in the amount of \$8,410.71. The balance of the anticipation in the amount of \$41,589.29 has been appropriated in this year's budget as a deficit in miscellaneous revenues anticipated, and a corresponding surplus revenue appropriation made. These two items neutralize each other, and for the carrying out of the contract during the coming year a new appropriation has been made, balanced against an identical miscellaneous revenue anticipated.

**MISCELLANEOUS REVENUE ANTICIPATED**

Miscellaneous Revenue Anticipated this year, excluding the surplus revenue anticipated on Interest on Tax and Assessment Liens, amounts to \$201,000 as compared to estimated revenue in the corresponding items of \$224,250. That is, a decrease of \$23,250 in miscellaneous revenue that had to be compensated for by either decreased appropriations or increased taxes. The actual revenues realized under the miscellaneous revenue anticipated items in 1934 amounted to \$4,532.34 less than the estimate, or a difference of less than 2%. This is the first time out of four budgets, wherein the miscellaneous revenue items have not exceeded the anticipations. Miscellaneous Revenue not anticipated was about \$8,000 in 1934, which more than counterbalanced the deficit in the anticipated items. However, the budget procedure will not allow this miscellaneous revenue unanticipated to be used to cancel the deficit in miscellaneous revenue anticipated.

Tables of amounts actually received under this item from 1930 to 1934 inclusive, together with the estimate for 1935, follow:

	1930	1931	1932	1933	1934	1935 (Est.)
Interest on Deposits	\$5,270.62	\$4,335.74	\$1,751.69	\$1,489.77	\$2,437.57	\$2,000.00
Interest and Costs on Taxes	23,018.27	30,906.56	47,480.34	38,270.61	46,628.85	40,000.00
Interest on Assessments	108,589.50	126,230.41	112,006.37	100,843.25	77,185.86	75,000.00
Recorder's Court	538.00	1,108.25	702.50	636.50	873.50	750.00
Local Licenses, Permits, Fees	10,070.86	13,144.63	10,537.10	22,213.39	24,947.99	20,000.00
Engineer and Public Works	1,991.45	1,651.65	1,293.75	708.15	613.25	750.00
Franchise Taxes	40,139.37	42,039.17	45,455.79	48,801.48	47,977.96	48,000.00
Gross Receipts Taxes	11,631.50	10,335.54	12,296.09	11,919.73	11,926.92	12,000.00
Tax Searches	3,608.51	3,679.50	3,099.50	2,753.00	2,537.75	2,500.00
Poll Taxes	3,573.00	3,814.00	3,849.00	4,537.00	4,588.00	.....
Return of Gas Tax	.....	16,748.64	18,210.96	19,347.26	.....	.....
Interest and Taxes on Assessment Liens	.....	.....	.....	.....	8,410.71	40,000.00
	\$208,431.08	\$253,994.09	\$256,683.09	\$251,520.14	\$228,128.36	\$241,000.00

**A—"INTEREST ON DEPOSITS"**

Amount estimated as interest on deposits for this year is \$2,000, or \$437.57 less than the amount realized last year. At present the Township is carrying heavy Trust Fund deposits, most of it in the form of Certificates of Deposit, on which 1½% interest is being paid. Because of the anticipated calling in of Tax Revenue Notes as elsewhere described, however, it is expected that the amounts of these deposits will very largely be decreased, and while, if this is done, the anticipated interest may not be realized, it will be more than compensated for by interest saved. The Township's official depositories now are—West Englewood National Bank of Teaneck; Peoples Trust Co. of Bergen County, Teaneck Branch; Peoples Trust Co. of Bergen County, Hackensack; City National Bank, Hackensack; Hackensack Trust Company, Hackensack; Palisades Trust and Guaranty Co., Englewood and Bergen County National Bank, Hackensack. Of these, the Palisades Trust and Guaranty Company, the West Englewood National Bank and the Bergen County National Bank are the ones with which the Township does the greatest amount of business.

**B—"INTEREST AND COSTS ON TAXES"**

This appropriation has been increased \$5,000 over that of last year, but still \$6,628.85 below the actual receipts of 1934.

**C—"INTEREST ON ASSESSMENT IMPROVEMENTS"**

It was this item which last year showed the greatest loss between anticipations and realizations, a difference of about \$18,000. This occurred even though the 1934 anticipations were reduced 6% below the collections of the previous year. The anticipation this year has been put slightly below the realizations of last year. With less and less assessments outstanding, and with those which are outstanding becoming harder to collect, this item will show a material decrease during the next few years. It has already dropped \$51,000 below the realizations of 1931, which means \$51,000 more to be made up through other sources.

**D—"MAGISTRATE'S COURT"**

Last year's receipts in the Magistrate's Court were \$873.50. The anticipation, however, has been kept the same. Mention is again made of the fact 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"**

Last year's anticipation of \$25,000 was realized except for \$52.01. This year's anticipations have been decreased to \$20,000 in the expectation that the number of liquor licenses, the receipts of which are credited to this item, will show a sharp decrease when it becomes necessary to renew them next June. This item also includes license fees and permits derived from other general sources which are turned over to the Township and indicated below:

<b>Department of Public Works</b>	<b>Police Department</b>
Street Opening Permits—Cost varies	Dog Licenses—\$2.00
Construction Permits—Cost varies	Redemptions—\$3.00
Sewer Permits—Cost varies	<b>Electrician</b>
<b>Health Department</b>	Electric Signs—\$2.00
Milk and Ice Permits—\$2.00	<b>Township Clerk</b>
Plumbing Permits—Cost varies	Pedlar's Licenses—Cost varies
Marriage Licenses—\$2.00	Ash and Garbage Licenses—\$25.00
Birth Certificates—No fee	Gas Pumps—\$10.00
Death Certificates—Cost varies	Taxi Driver's License—\$1.00
<b>Building Inspector</b>	Taxi Owner's License—\$2.50
Building Permits—Cost varies	Fishing Licenses, Residents'—\$2.10
Occupancy Permits—\$1.50	Hunting Licenses, Residents'—\$2.10
<b>Fire Department</b>	Fishing and Hunting, Residents'—\$3.10
Storage of Inflammable Materials—\$5.00	Tennis Courts—\$10.00 each court
Sale of Fireworks—\$1.00	Dance Halls, Skating Rinks and Golf Courses—\$200.00
Installation of Oil Burners—\$5.00	Bowling Alleys—\$10.00 first alley
Refrigeration Plants—\$5.00	\$5.00 each additional alley
Public Garages—\$5.00	Pool and Billiard Parlors, \$25.00 per year for first and
Dry Cleaning and Pressing Establishments—\$5.00	second tables, \$15.00 a year all other tables
Bake Shops—\$5.00	Swimming Pools—\$100.00
Kitchen Oil Ranges—\$1.00	

**F—"ENGINEERING AND PUBLIC WORKS"**

This item showed receipts of \$613.25. This item again failed to come up to the anticipations. However, the total anticipations are comparatively small and we have estimated the same amount as heretofore. 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 moneys 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"**

The actual revenue to be derived from this source during 1935 is subjected to a great doubt, due to the fact that it is expected that there will be a 10% reduction in electric rates during the coming year, this reduction being brought about because of the rate hearings which have occupied the Public Utility Commission for some time. However, a 10% reduction in rates would naturally affect the gross receipts of the Electric Company and make a corresponding reduction in their taxes. However, any such reduction in receipts under this item or under the gross receipts taxes will be compensated for by a reduction in the street lighting and electric power bills.

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 \$47,977.96.

**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.

Railroad property is divided into four classes for taxation purposes. 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. 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 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 .....	\$28,107.05	.....	\$11,584.00	.....
Bogota Water Co. ....	338.60	\$793.76	.....	.....
Hackensack Water Co .....	12,626.75	46,281.26	.....	.....
N. J. Bell Tel. Co. ....	6,903.79	5,660.80	.....	.....
Postal Telegraph of N. J. ....	1.77	52.52	.....	.....
Western Union Tel. Co. ....	.....	495.83	.....	.....
Public Ser. Coord. Transport .....	.....	.....	342.92	.....
New York Central R. R. ....	.....	.....	.....	3,953.41
	<u>\$47,977.96</u>	<u>\$53,284.17</u>	<u>\$11,926.92</u>	<u>\$3,953.41</u>

It is repeated that the actual receipts from franchise and gross receipts taxes, as far as electric light companies are concerned, may be affected by a decrease in rates.

**I—"TAX SEARCHES"**

The amount realized last year was \$2,537.25. The amount anticipated this year is the same as last.

**J—"POLL TAXES"**

This item covered a \$1.00 per head, previously assessed under State Laws, on every male inhabitant over the age of 21 years. The last Legislature, however, removed the poll tax except in such municipalities where it might again be levied by special ordinance of the municipality itself. Teaneck has not passed such an ordinance, and consequently no anticipations have been made under this item. The amount shown as realized therein last year as \$4,588., does not represent the actual collection of the poll taxes, but represents the total amount levied which under budgetary procedure is credited by the accountants in toto as a receipt. Then finally such amount as is not paid, is set up against delinquent taxes and charged off by appropriations against delinquent taxes when cancelled. Actually, approximately \$2,500 of this amount had been collected.

**K—"INTEREST ON TAX AND ASSESSMENT LIENS"**

This \$50,000 item, already mentioned under "Surplus Revenue," was last year placed in the revenue side of the budget and with its contra-item of \$50,000 under lien foreclosure, permitted the operation of the tax title lien foreclosure contract. This contract was finally entered into in the middle of June, and the amount of interest subsequent to the date of sale collected on tax and assessment liens amounted to \$8,410.71. It is out of this item that the attorney, who is foreclosing the liens, has been paid. He had not, however, been paid the amount of \$8,410.71. His total fees, to the first of the year, amounted to \$3,375.00. The balance of \$5,035 remained in the Special Trust Account. This is spoken of again under the corresponding appropriation item. It was originally intended to make of this anticipation and its corresponding appropriation a continuing item,

carried separately as a reserve as long as the contract was in force. However, the Department of Municipal Accounts, particularly in view of precedence that might be set up for other municipalities, felt that it would be better if this account were closed out each year, and through corresponding revenue and expenditure items, providing for the following years, were made anew. This has been done, as has been before explained under surplus revenue.

## EXPENDITURES

**GENERAL COMMENTS**—In accordance with the established precedent, the operating side of the budget is again broken down into two divisions; the operating expenses and 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 and by the necessity of providing minimum standards of service. The part of the budget required for fixed charges is more inflexible and is very largely beyond the control of any municipal governing body at any particular time.

The following table shows the amounts needed during 1930, 1934 and 1935 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	1934	*1935	% Change	
				From 1934	From 1930
Debt and Deficiencies .....	\$387,806.63	\$455,800.17	\$351,801.00	-10.8%	- 9.8%
Operation .....	412,231.95	395,802.00	358,632.00	+ 3.7%	-13.1%
Total Expenditures .....	800,038.58	851,602.17	710,433.00	- 3.5%	-11.2%
Revenue Anticipated .....	208,000.00	340,250.00	201,000.00	-10.3%	- 3.3%
Amount raised by Tax .....	592,038.58	\$511,352.17	\$509,433.00	- .4%	- 14%

\* See detailed comparison at end of budget.

### A-1—"GENERAL GOVERNMENT"

Items A-1-a-1—Salaries—Management. 1934 expenditures, \$11,202.50. 1935 appropriation, \$11,340. There has been no change in this item from the 1934 appropriation.

Item A-1-a-2—Treasurer and Collector. 1934 expenditures, \$11,211.00. 1935 appropriation, \$11,071. In this item also no change has been made from the appropriation for 1934. It is again emphasized that quarterly billing has greatly increased the clerical work in the Collector's office. The tax title foreclosure contract has also increased the work by the necessity of making tax and assessment searches and in the detailed keeping of accounts.

Last year the returns from tax searches amounted to \$2,537.75. These were made by the Tax Search officer, whose salary is \$1,620.

Items A-1-a-3—Legal—1934 expenditures—Township Attorney and extra legal, \$2,373.77—Police Magistrate, \$900.00—Lien Foreclosure, \$8,410.71. This item is broken into three divisions. The first division in general includes the regular fees of the Township Attorney and fees for extra work which he may be called upon to do. For this an allowance of \$3,000 is made this year as against \$5,000 last year. The difference is due to the fact that last year the fees of the special attorney engaged to handle the work incidental to the refunding were charged against this item. The funding bond issue put out late last year, however, provides that all expenses in connection therewith can be charged against the issue itself and need not be taken care of through budget appropriations.

The Police Magistrate's salary remains the same as it has been for years, \$1,000 minus the usual 10%.

The third item is the item which provided for the payments on the tax title lien foreclosure contract last year, and should be taken into consideration with its corresponding revenue item. The reason for such an appropriation to carry out the contract, was explained at great length in the 1934 budget booklet. The contract was actually awarded on June 11, 1934. It was originally intended to make this appropriation and revenue anticipation large enough to carry the contract through to its final completion, carrying both items as suspense or reserve accounts after the first of this year. The auditors, however, preferred that the 1934 appropriation be cancelled out, and a new appropriation made, which, at the expense of some additional bookkeeping, is done in this budget. Of the \$50,000 appropriation of last year, \$8,410.71 was actually expended; that is, it was expended in the sense that this was the amount which was received as subsequent interest on tax titles, and was the amount which was taken as a whole and transferred from the budget appropriation over to the Special Trust Account covering this contract. It is out of this Special Trust Account that the Township's agent is finally paid. Such payments amounted to \$3,375 at the first of the year, leaving a balance of approximately \$5,000 in the Special Trust Account as of that date. This year's appropriation undoubtedly is greater than will really be used, and in the 1936 budget the same process of writing off balances and re-appropriations will have to be gone through.

Item A-1-a-4—Assessor. 1934 expenditures, \$6876.10. 1935 appropriation, \$6,750. This appropriation is left the same as that of last year.

Item A-1-a-5—Auditor. 1934 expenditures, \$2,088.45. 1935 appropriation, \$3,000. This account has been rather confusing because of reserves set up out of each year's budget to pay for the audit of the year covered by that budget. The audit, however, has not been made until considerably after the close of the year. It is believed that for the Township to continue this is needless, and that the work actually done by the auditors during any one year should be charged against the year's budget in which the work is done rather than against the audit for the year to which it applies. Such simplification is particularly necessary because the 1933 and 1934 audits are being carried along together. Some proper criticism has been expressed of the delay in securing the 1933 audit. As is well known the Township's accounts are audited by the Department of Municipal Accounts, which, during the past year, has been transformed into a general auditing office of the State, and their duties now comprise the audit of municipal accounts, the auditing of all State accounts, motor vehicle accounts and emergency relief accounts. Though giving the Department all of these extra duties, the Legislature has not seen fit to increase their personnel anywhere in proportion. The audit for 1933 is practically completed. All cash is under control to the first of the year, and a good deal of the detail work on the 1934 budget has been completed.

Item A-1-a-6—Poor Master. 1934 expenditures, \$250.00. 1935 appropriation, \$250.00. Under the present conditions the great mass of the emergency relief work is handled directly by State appointed officials. The Poor Master gives general cooperation to these officials and particularly looks after cases involving old age and widow's pensions, orphans and such matters as require contact with the regularly established County Poor and Charity functions.

Item A-1-b—Extra Clerical. 1934 expenditures, \$1,323.01. 1935 appropriation, \$1,500.00. Last year's appropriation was only approximately 65% expended, and therefore the appropriation for this year has been dropped by \$300.00.

Item A-1-c—Supplies and Printing. 1934 expenditures, \$3,552.44. 1935 appropriation, \$3,000.00. It will be noticed that this appropriation was considerably over-expended. The appropriation for this year has been fixed half-way between the actual expenditures of last year and the appropriations with the intention of keeping actual expenditures down to this amount.

Item A-1-d—Legal Advertising. 1934 expenditures, \$665.27. 1935 appropriation, \$500.00. This appropriation again showed an over-run, though not as much as the year before. It was due again to advertising in connection with the funding operations. Since next year any such expenses can be charged against the bond issue, the appropriation is not increased.

Item A-1-e—Bonds and Insurance. 1934 expenditures, \$613.45. 1935 appropriation, \$650.00. This appropriation has been brought down to bring it in line with the actual expenditures of last year.

Item A-1-f—Telephones. 1934 expenditures, \$750.76. 1935 appropriation, \$750.00. No change.

Item A-1-g—Elections. 1934 expenditures, \$1,798.99. 1935 appropriation, \$2,000.00. No change.

Item A-1-h—Miscellaneous. 1934 expenditures, \$315.35. 1935 appropriation, \$500.00. No change.

Item A-1-i—Tax Sale. 1934 expenditures, \$3,288.44. 1935 appropriation, \$3,000.00. This year's appropriation is slightly below last year's expenditures because it is anticipated that the 1935 sale, which will be for 1933 and prior taxes, will be smaller than previous years, due to the fact that practically all of the vacant property in the Township, subject to sale, has been sold in previous years.

Item A-2—Grounds and Buildings. 1934 expenditures, \$5,571.60. 1935 appropriation, \$5,320.00. Although this item as a whole was over-expended last year, no change has been made in the appropriations. Attention is again drawn to the fact that the Municipal Building is really too small, and that all departments, except the Engineering and Assessing Departments, do not have enough working room at present, necessitating the use of the Council Chamber during the day a great part of the time. During the year one of the single cells in the Police Department was converted into a storage room for old records of the Treasurer and Collector's office. Even with this addition there is not sufficient vault and record space in the Township.

### B-1—"POLICE DEPARTMENT"

Items B-1-a—Salaries. 1934 expenditures, \$64,530.00. 1935 appropriation, \$69,000.00. Provision was made in the 1934 budget for the possible addition of three additional patrolmen, who were not, however, added to the Department, thereby resulting in a balance of \$4,4700 in this particular item. Since practically every other item in the Police Department was over-expended, it was only the saving in salaries that permitted the Department as a whole to live within its budget. Provision for the additional men is again made in this Department, but careful discussion should take place before it is finally decided to increase the personnel. There are about eight men in the Department who are receiving below the maximum salary set some years ago by the vote of the people, because of the fact that during the past two years they have not been granted the yearly increase originally provided for, such increase being prohibited by emergency Acts. While it is possible, under present Laws, to grant such increases, it is felt that present conditions are such that if, under the proposed plan, the employees receive all or part of the salary restorations, none should be given an additional salary increase, which is not fundamentally based on extra duties or responsibility.

Item B-1-b—Traffic Lights. 1934 expenditures, \$2,263.86. 1935 appropriation, \$1,500.00. Last year's appropriation included the installation of traffic lights at Cedar Lane and Garrison Avenue, together with the remodeling of the Cedar Lane lights at the intersections of Queen Anne Road, Palisade Avenue and River Road, so that all lights might be synchronized. As a further improvement to the traffic lights, it is tentatively planned to remove at least two of the lights from the center of the streets to the curbs. Usual maintenance of the traffic lights is still being done by the Township Electrician as a part of his regular duties.

Item B-1-c—Supplies. 1934 expenditures, \$2,094.47. 1935 appropriation, \$1,650.00. This item covers miscellaneous items from ammunition to stationery. In fact, the cost of ammunition was one of the major charges thereto, amounting roughly to \$450.00. Against this item were also charged material costs for the extension of the range. The appropriation has been slightly increased over that of last year, but is still considerably below the actual expenditures.

Item B-1-d—Motor Equipment, Repairs, etc. 1934 expenditures, \$7,160.50. 1935 appropriation, \$6,500.00. This item has been consistently over-expended during the last few years. Last year's over-run was due to the fact that in the change of cars coupes were bought instead of roadsters, and only three of the old cars were turned in. That is, the Police Department during most of the year operated five patrol cars instead of the usual four. A new light truck was also bought second hand for the use of the Dog Warden. In addition to this, the radio maintenance was charged in part against this account. Finally, gas consumption has increased, largely due to the almost constant running of the engines to compensate for the drain on the batteries caused by the radio receivers. The gas item roughly amounts to 50% of this appropriation, even though during the year we bought gas as low as 3.9c per gallon.

Item B-1-e—Dog Pound. 1934 expenditures, \$1,478.21. 1935 appropriation, \$1,200.00. The only charges against this appropriation are sundry items for food and care of the dogs, aside from the wages of the Dog Warden, which amount to approximately \$1,200 a year. In 1934 the Dog Warden collected \$2,136.00. Part of the Dog Warden's time is also spent in traffic marking and general utility work in the Police Department.

Item B-1-f—Telephones and Radio. 1934 expenditures, \$2,984.22. 1935 appropriation, \$2,500.00. Last year the appropriation was set at \$3,500 which included \$1,000 for radio operating. During the year a hook-up was made with the County Broadcasting System, and consequently the only cost involved this year is the maintenance of the receiving sets in the cars. At present typical monthly expenditures are slightly over \$200.00.

Item B-1-g—Doctor. 1934 expenditures, \$343.00. 1935 appropriation, \$300.00. This expenditure is not for services to the members of the Police Department, except as an occasional check-up, but is primarily for such doctor's services as may be needed for those arrested, particularly in the examination of drunken drivers.

Item B-1-h—Insurance. 1934 expenditures, \$1,552.23. 1935 appropriation, \$2,000.00. The amount expended in 1934 does not include the last quarterly payment of compensation insurance, which, when added, will practically bring this amount to the total amount allotted for 1935. This item covers public liability on the police autos and compensation.

Item B-1-i—Miscellaneous. 1934 expenditures, \$255.15. 1935 appropriation, \$250.00. No change in appropriated amount.

Item B-1-j—Street Marking and Signs. 1934 expenditures, \$1,191.46. 1935 appropriation, \$750.00. The street marking appropriation for 1934 was over-expended by more than 50%, due to public demands for a great number of signs and street markings. We have now in place in the Township all the signs that could be reasonably expected or needed except for minor additions. The appropriation has been fixed as halfway between last year's appropriation and expenditures.

Item B-1-k—Pension Fund. 1934 expenditures, \$2,806.96. 1935 appropriation, \$2,800.00. The law at present requires that an additional amount equal to 4% of the salaries paid to police and firemen be appropriated for the pension fund. The men at present pay an additional 2%. The Township is also responsible for any deficiencies that may occur in this fund. It seems to be conceded that all police and firemen's pension funds in the State of New Jersey are actuarially unsound. It was expected that the last Legislature would pass legislation requiring additional money from the policemen as well as the firemen. It did not do so, but the question is an important one and will undoubtedly be settled this year.

### B-2—"FIRE DEPARTMENT"

General Comments. General comments on the Fire Department last year were to the effect that this is the only department which has been given additional increased appropriations by the Council during the last few years. Appropriations to this department had been comparatively small, the thought was expressed that the increases were well worthwhile because of the resultant general strengthening of the department in man power, equipment and training. It was also stated that the Department should, from year to year, be brought up to a still higher standard, and that several rather costly expenditures would be necessary before the Township could pass out of its present "E" classification. The appropriations for this Department as a whole show an increase of \$11,450 over 1934, practically all of which is in the salary item, the specific reasons for which are discussed thereunder. In general, attention is drawn to the fact that in 1930 the appropriation for the Fire Department, exclusive of salaries, was \$15,200, while the appropriation in this year's budget, also exclusive of salaries, is \$11,150, or \$4,050 less than it was in 1930. This decrease is partly accounted for by the fact that all repair work on apparatus and a good share of the repairs in the buildings are made by the men themselves, eliminating the costs of outside mechanics. Also, the revenue receipts of the Department have more than quadrupled those of previous years, amounting to \$1,099 in 1934. A good deal of this came from the revenue derived from the inspection of oil burners, on which alone some 443 individual inspections were made. Also during the year the Schedule Rating Office revised their requirements as to what would be necessary for the Township to pass from a Class "E" to a Class "D" rating. In brief, their revised requirements are a force of twenty paid men, plus eight call men on duty, and the erection of a centrally located fire house on the west side of the Township. They stated that this, in addition to the improvements in the Department which had already been made, would be enough to give us the increased classification, and that they would not insist on the installation of the fire alarm system.

Several months ago Council went a long ways towards conforming with these requirements by authorizing the employment of seven additional temporary men, or a total of ten. These are provided for in the salary item. The budget does not provide for any costs for the acquisition of the new fire house, which when it is done, would come out of a bond issue created for that purpose.

Item B-2-a—Salaries. 1934 expenditures, \$32,379.17. 1935 appropriation, \$42,250.00. The over-run in salaries last year was due to the employment of seven extra temporary men during the latter part of the year as authorized by Council, in the recommendation of the Township Manager, plus the fact that during the vacation period enough extra temporary men were employed to keep the personnel constant. The salary item this year is made up as follows:

1 Deputy Fire Commissioner .....	\$3,420
9 Paid Men .....	20,250.00
0 Temporary or 3rd Grade Firemen .....	15,000
8 Call Men @ \$1.00 per night or .....	2,800
For adjustment in officers' salaries .....	780
	\$42,250

The force above outlined is the minimum necessary if the Township is to maintain paid forces at three fire houses. It barely allows a driver for each piece of apparatus on each shift, when days off, the two general officers and men on desk duty are accounted for. It does give a total immediate response to house fires in the day time of eight or ten men, and about fourteen at night, with a small force still in reserve at the fire houses. In spite of the increased costs, the people of the Township seem to demand this type of service. When considering the proposed appropriation for the Department, the present immediate response of man power should be compared to 1930 when, day or night, three men were all that were available to respond immediately to a fire, and when the only ladder truck in the Department was held at headquarters for five minutes to pick up any volunteers who might respond.

The \$780.00 allotted for adjustment in officers' salaries will permit a modest increase in the salaries of four men who have, for the past several years, been given extra responsibilities and duties which they have ably discharged as a class, and which has placed them under some additional personal expense. Up to the present they, including the Assistant Chief, have been receiving the same salary as they did as firemen.

Item B-2-b—Rentals—Volunteer Houses. 1934 expenditures, \$2,150. 1935 appropriation, \$2,150.00. In addition to paying the rental to the Trustees of Morningside Terrace Fire House and the Kenwood Place Fire House, where paid men are stationed, the Township also pays all light and coal bills, and during the past few years has shared in the remodelling costs made necessary through the necessity of providing living quarters for the paid men.

Item B-2-c—Insurance. 1934 expenditure, \$1,213.35. 1935 appropriation, \$1,500. Here, as in other unexpended insurance items, a quarterly payment is missing. Consequently the appropriation is held at the original figure.

Item B-2-d—General Supplies. 1934 expenditures, \$3,808.47. 1935 appropriation, \$3,000.00. Fuel for three fire houses, as well as the lighting thereof, is charged to this item. Other items are laundry and gasoline. This item also, although increased over that of last year, is below the actual expenditures.

Item B-2-e—New Hose. 1934 expenditures, \$380.00. 1935 appropriation, \$500.00. This item has been reduced to \$500.00, which will purchase at least the necessary 500 feet of additional 2½ inch hose.

Item B-2-f—Repairs to and rebuilding of apparatus. 1934 expenditures, \$882.80. 1935 appropriation, \$1,500.00. This item has been increased to double that of last year. It is planned to charge against this item all work done on the building or rebuilding of apparatus this year. This includes the remodeling of the City Service Truck into a combined ladder truck, hose wagon, pumper and booster, most of which work is done now. It also pro-

vides for the conversion of an old Reo into a high pressure wagon and possibly the acquisition of another piece of pumping apparatus should another opportunity offer equal to the opportunities under which several other pieces have been recently acquired.

Item B-2-g—Repairs to Fire Houses. 1934 expenditures, \$1,523.97. 1935 appropriation, \$250.00. This appropriation was very greatly exceeded last year, primarily because of the remodeling of the Morningside Terrace Fire House, and because of the addition to the Headquarters. No comparable work is planned for the coming year, and the \$250 ought to be sufficient to take care of any minor repairs which may be necessary.

Item B-2-h—New Pumper. 1934 expenditures, \$703.72. 1935 appropriation—nothing. While no new pumper was bought last year, an aerial truck was purchased which, together with its repairs and redecorations, cost approximately \$500. The balance of the appropriation was largely for extra equipment for this truck. A corresponding appropriation this year has been eliminated, some allowance having been made under repairs and re-building to apparatus for the possible acquisition of new apparatus.

Item B-2-i—Telephones and Sirens. 1934 expenditures, \$1,022.18. 1935 appropriation, \$1,000. There has been no change in the last year's appropriation. If and when the Township begins the erection of its own fire alarm system, a very considerable amount can be saved in this appropriation. Remember, in case of fire, call "Teaneck Fire Department Emergency." Your call will be transmitted over one of two telephone lines reserved absolutely for incoming fire calls.

Item B-2-j—Pension Fund. 1934 expenditures, \$879.80. 1935 appropriation, \$1,000.00. This item corresponds to that explained under the Police Department.

#### B-3-a—"HYDRANTS"

Item B-3-a—Hydrants. 1934 expenditures, \$31,414.55. 1935 appropriation, \$31,500. The charge made by the Hackensack Water Company to the Township of Teaneck for hydrant service is according to rules fixed by the Public Utility Commission, consisting of a fixed maintenance charge per hydrant, plus a charge of one cent per inch foot of mains laid in the Township; for example, for each foot of 10 inch main laid in the Township the cost is ten cents, for each foot of 16 inch main the cost is 16c. The average cost per hydrant supplied by the Hackensack Water Company under this method of charging is \$31.00 per hydrant, and is \$61.00 for hydrants furnished by the Bogota Water Company.

#### B-3-b—"STREET LIGHTING"

Item B-3-b—Street Lighting and Cost of Rate Case. 1934 expenditures, \$31,394.68. 1935 appropriation, \$31,000. This appropriation last year was slightly exceeded, for the reason that it took some time after the first of the year before the contemplated final reduction in the candle power in street lamps was made. At present our monthly bills average \$2,540. The appropriation as it now stands therefore provides only for lighting service, and must be revised upward to include such costs of the rate case as the Council may be willing to appropriate for that purpose.

#### C-1—"PUBLIC WORKS"

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

Item C-1-a-2—Assistant Township Engineer. 1934 expenditures, \$2,700. 1935 appropriation, \$2,700. This is the only full time employee in the Engineering Department. His time is taken up with the apportionment of taxes, assessments, revisions of tax and other maps, issuing of permits, surveys for streets, engineer features connected with the E.R.A. and other projects and plans which may arise from time to time. Last year the Department prepared the plans for the Sussex Road paving and also did the inspection work because of the lack of State Inspectors.

Items C-1-a-3—Clerical Help. 1934 expenditures, \$675.00. 1935 appropriation, \$750.00. This item takes care of 50% of the salary of one clerk, the other 50% being paid by the Health Department.

Item C-1-a-4—Extra Help. 1934 expenditures, \$959.60. 1935 appropriation, \$1,000.00. This item provides for extra engineering, drafting and such manual help as may be needed from time to time. The inspector's fees paid by the Township on the Sussex Road paving were also charged to this item.

Item C-1-a-5—Supplies. 1934 expenditures, \$241.51. 1935 appropriation, \$250.

Item C-1-a-6—Building Inspector and Township Electrician. 1934 expenditures, \$1,800. 1935 appropriation, \$1,800. This will be the third year on which the combined positions are on a salary instead of a fee basis. The total receipts from the Building permits this year were \$1,598 almost paying for the salary paid for the combined offices.

#### C-2—"STREETS AND STREET REPAIRS"

Item C-2-a—Superintendent of Public Works, ½ time. 1934 expenditures, \$1,125. 1935 appropriation, \$1,125. In comparison of salaries paid in other municipalities for like positions of responsibility and for the work actually done, the salary of the Superintendent in the Township of Teaneck is probably as much out of line as any salary being paid by the Township and an adjustment thereon should be made at the earliest possible opportunity.

Item C-2-b—Road Foreman. 1934 expenditure, \$1,980. 1935 appropriation, \$1,980.

Item C-2-c—Mechanic. 1934 expenditure, \$1,350. 1935 appropriation, \$1,350. This provides for the year round service of a mechanic and handy man. Practically all of the repair work in the Department of Street and repairs in connection with the disposal plants, is handled by this mechanic.

Item C-2-d—Clerk. 1934 expenditures, \$600. 1935 appropriation, \$600. Here is another case where a well merited adjustment should be made at the earliest opportunity.

Item C-2-e—Truck Drivers. 1934 expenditures, \$3,240. 1935 appropriation, \$3,240. This provides for year round services of three truck drivers. These drivers are not paid any extra compensation for overtime work, which at certain periods of the year, and in case of emergency, is considerable.

Item C-2-f—Street Cleaning—Salaries and Supplies—1934 expenditures, \$3,583.26. 1935 appropriation, \$3,625.00. This appropriation provides for the salary of the operator of the sweeper, plus the necessary supplies for new brooms and necessary repairs on machine. Whenever it is impossible to sweep the streets of the Township because of weather conditions, the sweeper operator either drives another truck or is engaged in repair work. The operator makes all repairs and adjustments on his own machine as well as building the new brooms. The sweeper, which completed its fourth year of hard work, required considerable overhauling and repairs dur-

ing the past year. This is the cause of the appropriation being over-run. The change from solid to pneumatic tires alone cost approximately \$250 which, however, was cheaper than the cost of new solid tires.

Item C-2-g—Equipment and Supplies. 1934 expenditures, \$3,385.72. 1935 appropriation, \$3,000. The largest single item charged to this account is gasoline, which amounts to about \$1,400 a year. While the older equipment was kept in good repair, the only new equipment purchased was minor tools.

Item C-2-h—Road Labor. 1934 expenditures, \$6,592.27. 1935 appropriation, \$8,000. This appropriation, which was increased considerably in 1933 over 1932, was not entirely spent. Because of the refusal of the Emergency Relief Administration to approve projects which in any way could be considered routine projects chargeable to the budget appropriations, there was not much help available from this source toward keeping this appropriation down. The \$8,000 appropriation provides only for the employment of an average of eight steady men, a very small number to carry on the road work in a municipality the size of Teaneck.

Item C-2-i—Road Material. 1934 expenditures, \$7,463.70. 1935 appropriation, \$7,000. The appropriation is not increased over last year, in spite of the \$400 over-run. Seven Thousand Dollars for road material, which includes stone, cinders, asphalt, tar, calcium chloride, etc., is a very small appropriation when the work must be spread over the amount of streets which there are in Teaneck. This particular appropriation is one where the best possible advantage must be taken of the limited funds available.

Item C-2-j—Insurance. 1934 expenditures, \$1,220.37. 1935 appropriation, \$1,500. In this item, as previously noted in other items, a quarterly payment is still due. Aside from the compensation insurance, this item includes liability insurance on trucks as well as fire insurance on garage and equipment.

Item C-2-k—Snow Removal. 1934 expenditures, \$1,795.69. 1935 appropriation, \$1,000. Last year this item naturally was considerably over-expended, although the standard appropriation of \$1,000 a year is again maintained. The over-expenditures last year will eventually be more than returned to the Township because private owners whose sidewalks were shovelled have been billed for the work done. These owners should be impressed with the fact that they can probably do the work much cheaper themselves than it can be done by the Department, and that they will confer a benefit both upon themselves and the Department, if they will see that their walks are promptly cleaned after each snow fall.

Item C-2-l—Street Signs. 1934 expenditures, \$336.01. 1935 appropriation, \$500. Most of the expenditures last year under this item were necessitated by replacing signs because of the change in street names, more of which are contemplated during the coming year.

### C-3—"DISPOSAL PLANT AND SEWERS"

Item C-3-a—Superintendent of Public Works, ½ time. 1934 expenditures, \$1,125. 1935 appropriation, \$1,125 (See foregoing explanation under "Superintendent of Public Works.")

Chief Operator. 1934 expenditures, \$1,980. 1935 appropriation, \$1,980. The duties of this chief operator besides the actual charge of one of the plants, are general supervision over all of the other operators and plants. He is also required to do the necessary repair work with the assistance of the mechanic.

Operators. 1934 expenditures, \$4,600.30. 1935 appropriation, \$4,750. This appropriation provides for the full time service of two men and the half time service of another. Experience has shown that the force cannot be reduced below this point with satisfactory operation of the plants, such as would guarantee them against becoming a nuisance. In fact, from time to time additional labor is required.

Item C-3-b—Extra Labor. 1934 expenditures, \$1,486.83. 1935 appropriation, \$1,500. This is an appropriation which for several years has been under-expended, therefore a reduction of \$500 has been made. The work consists largely of removing the sludge from the drying beds.

Item C-3-c—Power, Water. 1934 expenditures, \$4,776.08. 1935 appropriation, \$4,625.00. This appropriation is less than the actual expenditures last year. However, because of the installation of a more efficient pump at the West Englewood Pumping Station it is hoped that the appropriation will not be exceeded.

Item C-3-d—Supplies. 1934 expenditures, \$944.07. 1935 appropriation, \$750.00. This item was exceeded last year due to the necessity of replacing one of the original motors and pumps in the West Englewood Pumping Station. The new pump supplied is of a considerably greater capacity and of a more efficient design.

Item C-3-e—Insurance. 1934 expenditures, \$164.69. 1935 appropriation, \$200.

Item C-4—Dumps. 1934 expenditures, \$20. 1935 appropriation, \$500. This appropriation has been cut to half of what has been the standard appropriation for this item for years, the reason being that the dump has been moved to the easterly end of Cedar Lane along the Overpeck Creek where all refuse can be disposed of without the creation of a nuisance.

### D—"HEALTH, CHARITIES AND RECREATIONS"

Item D-1—Child Welfare. 1934 expenditures, \$2,083.87. 1935 appropriation, \$2,000.00. The major part of the appropriation is consumed by the salary of a nurse. The balance is made up by doctor's fees and upkeep of the stations.

Item D-2—Board of Health. 1934 expenditures, \$2,385.56. 1935 appropriation, \$2,500. A \$2,500 appropriation for a board of health of a town of the population and size of Teaneck is an exceedingly small appropriation. The efficiency of the Teaneck Board of Health, however, is not to be measured by its small cost, for the Teaneck Board of Health is well taking care of the work, due in a large part to the volunteer work of its doctor president. The principal item of expenditure is \$1,500 for the Health Officer's salary.

Item D-3—Poor Relief. 1934 expenditures, \$20,675.46. 1935 appropriation, \$25,000. Last year's total expenditures by the Township for poor relief amounted to \$20,675.46. This included the original \$18,000 budget appropriation, plus a transfer of \$2,675.46 from surplus in other accounts. In addition to this, the Township issued emergency relief bonds in the amount of \$10,000, so that the total Township's share of the cost was \$30,675.46 out of a total expenditure in the Township of about \$120,000. The amount assessed against the Township this year by the Emergency Relief Administration is \$32,500. It is intended to meet this assessment by an appropriation of \$25,000 in the budget, plus \$7,500 to be obtained from the issuance of new relief notes. This division between budget moneys and borrowed moneys is made for the reason that next year, as provided under another item of the budget, \$7,500 of existing notes will be paid off. The result then will be that at the end of the year we will have no additional bonded debt outstanding because of "emergency" relief. When the problem of relief first arose, it was generally considered an emergency situation, the cost of which might properly be spread over a period of years. Now, however, the word "emergency" might well be left out of consideration and the relief which seems to have become a more or less settled condition should properly be cared for out of current expenditures.

Item D-4—Parks and Recreation. 1934 expenditures, \$770.66. 1935 appropriation, \$1,500. This appropriation, while still very small in itself when compared to the size and population of the Township of Teaneck, is double the expenditures of last year, but with the addition of the Teaneck Station Plaza and the newly developed tree nurseries, the increased appropriation can be used to good advantage.

#### E—"MISCELLANEOUS"

Item E-1—Contingent Account. 1934 expenditures, \$2,793.26. 1935 appropriation, \$1,500. The Contingent Account has been brought back to \$1,500 or more nearly in line with appropriations for years before 1934. Non-reoccurring items charged against this in 1934 make this reduction possible, although a contingent item of \$1,500 in a budget of \$800,000 is relatively insignificant.

Item E-2—Mosquito Commission. 1934 expenditures, \$350. 1935 appropriation, \$350. The work in connection with this is actually done by the Bergen County Mosquito Commission, and the amount of \$350 represents less than 50% of the cost of labor and materials used in the Township by the Mosquito Commission.

Item E-3—Library. 1934 expenditures, \$11,400.09. 1935 appropriation, \$12,600. The library's budget request is in detail as follows:

Books .....	\$3,300	} \$2,500 Main 300 Schools 500 Lowell School	
Periodicals .....	225		
Binding .....	250		
Staff .....	5,430	Postage and express .....	50
Extra (Lowell School) .....	100	Miscellaneous .....	250
Main Extra (See Contingent Fund) .....		Telephone .....	100
Janitress and Extra Help .....	1,000	Insurance .....	165
Heat .....	200	Contingent Fund (for salary of Junior Assistant when State Leisure Time Funds end .....	1,000
Repairs .....	100		
Supplies .....	355		
Furniture .....	25		
Conventions .....	50		
			\$12,600

Item E-4—Patriotic Observance. 1934 expenditures, \$638.76. 1935 appropriation, \$500.

Item E-5—Planning Board. 1934 expenditures, \$240.00. 1935 appropriation, \$200. This appropriation is to take care of clerical and stenographic services which may be needed during the year.

#### F—"DEBT SERVICE"

##### GENERAL COMMENT:

The whole problem of debt service this year shows considerable variations from the debt service item of last year and of years previous. The change has been brought about by the refunding operations, particularly by the fact that the Township has made provisions to refund its bonds under Chapter 233, Laws of 1934. The particular difference this has made will appear more fully in the discussion of some of the individual items under this division.

Item F-1—Redemption, Unemployment Bonds. 1934 expenditures, \$6,000. 1935 appropriation, \$7,500. The total amount of unemployment bonds now outstanding is \$40,500, which includes \$10,000 of bonds issued last year. Of this \$7,500 mature this year, and as has been explained under the relief account it is contemplated that an additional \$7,500 will be issued, thereby not changing the total amount outstanding at the end of the year. The bonds outstanding very largely represent the cost of the high school stadium, tennis courts and athletic field.

Item F-2—Redemption of Capital Bonds. 1934 expenditures, \$40,000. 1935 appropriation, \$46,000. Under this item is included the redemption of all bonds in the Township of Teaneck not included in the funding plans except a few tax revenue notes and the unemployment bonds mentioned above. These bonds represent payments on improvements made by the Township as a whole, such as building of Municipal Building, Fire Headquarters, acquisition of additional land for Municipal Building, and that part of the Township's share of the street and sewer improvements which were funded into a serial bond issue during 1933.

Item F-2-a—Redemption of Funding Bonds. Maturities, 1935, \$180,000. From Trust, \$170,000—@ 60% 1934 collections, \$16,700. In the course of the year the Township of Teaneck, under the provisions of Chapter 233, Laws of 1934, funded into one general issue all of its outstanding assessment bonds amounting to \$2,576,000 and \$294,000 of Tax Revenue Notes. There were also authorized \$28,000 of new bonds to defray the possible costs of the refunding, making the total amount of the new bond issue \$2,898,000. The bonds issued were serial bonds for a maximum term of twenty-one years. The yearly maturities varied from \$180,000 to \$140,000 a year. As required under the provisions of the Act authorizing this funding, all assessment moneys on hand at the time the bonds were authorized were placed in a Trust Fund, to which Trust Fund has and will be added all payments on assessments made by the property owners. This fund at the end of the year amounted to approximately \$400,000. The law permits withdrawals from this fund for the purpose of paying either the principal or the interest on the outstanding obligations. The practical problem arising from the use of this fund is, how much to take out of this fund each year so that a fairly constant tax rate may be maintained when the yearly accruals, the increase in valuations and the percentage of tax collections are taken into consideration. In addition, the value of having such a fairly constant tax rate must be balanced against the possible loss in interest from keeping inordinate amounts in the Fund. Tables showing probable budget requirements, and taking into consideration all of the above factors, were made out for approximately the next ten years, and it was determined \$170,000 would be a fair amount to draw from the fund for this year's maturities. This was \$10,000 less than the actual requirements. The Law further contemplates that the actual budget appropriation must be increased in proportion to the percentage of uncollected taxes during the past year, so that if the percentage of collections during the year for which the appropriation is made were no better than the percentage of collections for the previous year, there would still be money enough realized to meet the demands in full. Since last year Teaneck collected 60% of its 1934 taxes, it meant that the \$10,000 balance remaining to be met through the budget had to be increased by 66-2/3%. Consequently if 1935 taxes are again 60% collected, the \$16,700 appropriation will actually yield \$10,000. A further requirement is that a certain percentage of each tax dollar as it is received must be placed in the Special Trust Fund for this bond issue. The actual requirement is the same as the percentage that the particular appropriation is to the total amount of money to be collected by taxes.

Even deducting this \$170,000 from the Trust Fund, it leaves \$230,000 still in this account. However, this \$230,000 will be put into service by calling in before maturity outstanding Revenue Notes of the Township due within the next few years. These are the notes which are included in the funding program. In the schedule of redemption of bonds, provision has been made for their retirement on their due dates, hence aside from some technical requirements there is nothing to prevent the Township, since the necessary funds are now in hand, from

calling them in before maturity. While this will fairly well deplete the account, it will again be built up by the continuing assessment payments.

Item F-3—General Bond Interest. 1934 expenditures, \$187,648.27. 1935 appropriation, \$150,000. In this item is placed the interest requirements on all the Township bonds except the Funding bonds and except Tax Revenue Bonds now outstanding and not included in that part of the refunding program that is now practically completed.

Item F-3-a—Funding Bond Interest—1935 Requirements, \$51,000 @ 60% 1934 collections, \$86,000. It was mentioned under Item F-2-a—Redemption of Funding Bonds, that money in the Trust Account could also be used for the payment of interest on the funding bonds as well as for the maturities. However, no advantage has been taken of this and the appropriation hereunder is sufficient to take care of all interest on the funding bonds presently outstanding. While the total amount of the funding issue was \$2,870,000, up to the present provision has only been actually made and there are only at present outstanding \$1,022,000 of these bonds. It is the interest on these bonds that this appropriation provides for. The provisions pertaining to the cash overlay for the redemption of bonds under Chapter 233 is also necessary in the interest items. Net required interest on the bonds of this issue presently outstanding is \$51,000, but since only 60% of 1934 taxes were collected the legal required appropriation to meet this \$51,000 of interest is \$86,000.

Item F-4—Tax Revenue Note Interest. 1934 expenditures, \$16,035.78. 1935 appropriation, \$3,500. Through the inclusion in the funding of the Township debt, of \$294,000 of our outstanding Tax Revenue Notes, but \$58,000 of this type of obligation were left. These \$58,000 of notes were not included in the funding because they had been issued after the Enabling Act was passed by the Legislature. It is to pay the interest on these still outstanding Tax Revenue Notes that this appropriation is made. The funding process practically has eliminated the old question of interfund borrowing. While through the issuance of Tax Revenue Notes to those who held maturing assessment bonds this interfund borrowing will be cut down from its maximum of \$550,000 to \$192,000, yet even this balance will be wiped out through the funding operations.

Item F-5—Tax Anticipation Note Interest. 1934 expenditures, \$2,406.67. 1935 appropriation, \$2,000. The appropriation of \$2,000 is a modest safeguard for any amounts which might have to be borrowed during the coming year.

### G—"DEFICIENCY ADJUSTMENTS AND RESERVES"

#### GENERAL NOTE:

In a large measure the items under this classification are technical and accounting items. Also in this group are placed practically all the deficiencies which the audits bring out. These deficiencies often arise from accounting operations and are kept up-to-date. Only those items which show an appropriation this year are discussed.

Item G-2—Liens Foreclosed (Taxes)—\$59.48. In general, whenever the Township forecloses any tax or assessment liens, the amount of delinquent taxes or assessments which these liens represent must be derived from taxes placed in the budget of the succeeding year. The small appropriation in this year's budget cleans up a tax lien on property for which the title was taken during the past year. Such outstanding liens might be charged against the reserve set up for tax title liens, but because of the new refunding it will not be necessary in the future to make appropriations for assessment liens on properties which have been foreclosed. Since all of the outstanding bonds are covered by new bonds it will be made by direct appropriation when and as due.

Item G-4—Reserve for Taxes more than three years old, \$10,000. The same appropriation is made here as was made last year. The amount allotted is comparatively small.

Item G-6—Discounts on Taxes and Notes, \$1,988.31. The appropriation this year is to take care of the one per cent. premium paid on refunding bonds issued prior to the adoption of Chapter 233. In the future any such payments, if any, are charged directly to the bond issue.

Item G-7—1932 Bills Paid without Reserve, \$1,380.26. This appropriation is essentially of the same nature as the item last year for 1931 bills paid without reserve. The present expenditure was made in settling an insurance premium for 1932 for compensation on unemployed workers which was for some time a subject of dispute.

Item G-8—Taxes Cancelled and Reduced, 1933, \$22,140.60. It is a fact that a tax duplicate never actually yields the amount which it is supposed to yield. There are both over-runs and under-runs. Over-runs very often result from omissions in the original total of the duplicate and because in computing the individual taxes, the tax rate is only carried out to two decimal places. Under-runs occur because of duplication in the tax roll, or because from time to time taxes are cancelled for one of many reasons, or are reduced by the County Board. The total difference between the over-run and the under-run is carried in an account called the Unexpended Balance Account. This account last year showed a deficit of \$22,140.60 caused by taxes cancelled and reduced in 1933. All such deficits in unexpended balance accounts must be met by an appropriation.

Item G-11—Deficit Miscellaneous Revenues Anticipated, 1934 General, \$4,532.35. This item is due to the fact that during 1934 the items under which miscellaneous revenue is anticipated failed as a whole to produce the anticipated amount by \$4,532.35. This was very largely due to the slump in collections on interest of assessments. It is the first time in four years that the revenue has been below the anticipations. 1935 anticipations have been dropped considerably to meet this condition. Also miscellaneous revenue, not anticipated, which was collected, was not used as a credit against this item.

Item G-12—Interest on Tax and Assessment Liens, \$41,589.29. This is the contra-item which balances the surplus revenue appropriation and between the two wipes out last year's appropriation for the cost attendant upon the foreclosing of tax title liens.

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

There are no appropriations under this heading for 1935, and this item will drop out of the budget entirely. The reason for this again is Chapter 233. Bonds are being issued under this Chapter to replace every one of the outstanding bonds. These new bonds will rely for their payment on direct appropriations out of the Current Account. Hence, while the auditors may in their own accounts continue to carry current and trust obligations, yet they do not again appear in the budget.

### I—"SALARY CUT RESTORATIONS"

This is a contingent appropriation to be used only if and when conditions heretofore explained are known to prevail at the end of the year. If at that time it becomes permissible and possible to restore the salary cuts, the amounts thereof will be charged directly against this appropriation.

# TOWNSHIP COUNCIL

MILTON G. VOTEE

Mayor

ROBERT P. LEWIS

Councilman

SAMUEL S. PAQUIN

Councilman

LOUIS G. MORTEN

Councilman

KARL D. VAN WAGNER

Councilman

## TOWNSHIP MANAGER

PAUL A. VOLCKER

### AUDITORS

N. J. State Department of Municipal Accounts

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#### THE CONTINGENT SALARY INCREASE

The Voters will have an opportunity at the School Board Election on February 13th, 1935, to express their approval or disapproval of the contingent salary cut restoration for the School Teachers and Employees. Whatever their verdict may be, the Township Council will probably use it as a guide in determining their action on the salary of Township Officials and Employees.

Whether the plan is approved or not, it will not affect the combined total of taxes to be raised by the Council and the School Board. That is, its adoption or rejection will not affect the 1935 tax rate. Briefly the plan contemplates that if at the end of 1935:

The Township has paid all of its obligations in full and has in its current account a greater amount of cash than it had on January 1st of this year

Then:—

such extra cash, as far as it may go, or as far as it may be needed, shall be used for a restoration of the 10% salary cut imposed on both Township and School employees and officials in 1933.

If the plan is not adopted and the conditions above stated should obtain at the end of 1935, such extra cash could then be used, towards a tax reduction in future budgets, to pay all or part of a new capital expenditure, or could remain in the Current account as an extra backlog against future decreases in collection.

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