

**TOWNSHIP OF TEANECK
NEW JERSEY**

THE PROPOSED
1938 BUDGET

FOR
MUNICIPAL EXPENDITURES ONLY

To the Taxpayer:

The Council of the Township of Teaneck herewith submits to you for your information and consideration, the proposed Budget for 1938.

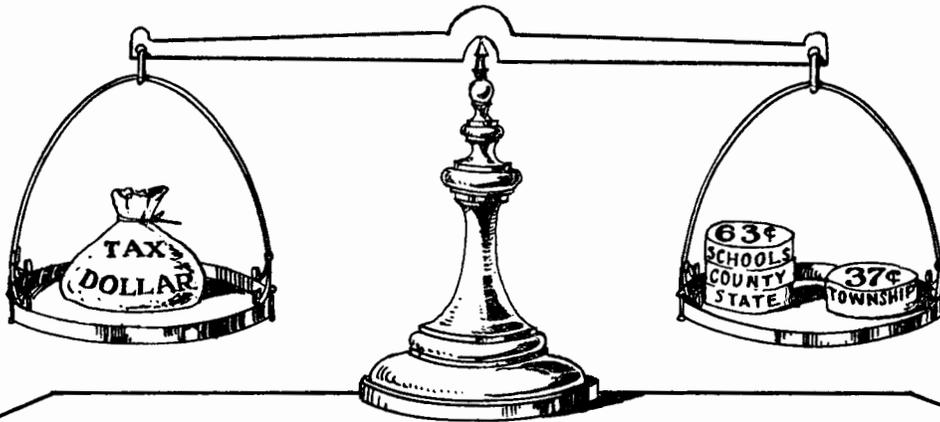
This Budget does not include the taxes levied by the School, County or State, though the amounts required by these agencies are included in, and make up the major portion of your tax bill.

The Council exercises no control over the expenditure of sixty-three cents of your tax dollar, but they do wish you to be thoroughly familiar with the way the THIRTY-SEVEN cents, for which they are responsible, is spent. The portion of the tax dollar required for Township purposes has decreased from forty-four cents in 1931 to thirty-seven cents in 1938.

The explanatory material accompanying this budget is that submitted to us by the Township Manager, and to a considerable extent constitutes a report by him to the Taxpayer of the past year's operations.

Should you desire any further information, we suggest you obtain it at the Town Hall prior to the public hearing. Such public hearing is provided to permit the taxpayers to present their views for the consideration of the Council.

THE "WEIGH" OF THE TAX DOLLAR



ALLOCATION OF TOWNSHIP'S SHARE

PUBLIC SAFETY -----	13.6¢
POLICE • FIRE • STREET LIGHTING • HYDRANTS	
DEBT AND DEFICIENCIES	12.4
PUBLIC WORKS -----	4.6
ENGINEERING • MAINTENANCE OF STREETS SEWERS, DISPOSAL PLANTS, GROUNDS AND BUILDINGS • BUILDING INSPECT- ION • SHADE TREES • PARKS • SNOW REMOVAL	
GENERAL GOVERNMENT -----	3.7
ADMINISTRATIVE SALARIES • TAX ASSESSING COLLECTION AND ENFORCE- MENT • LEGAL • PURCHASING • BONDS AND INSURANCE • ELECTIONS • SUPPLIES AND TELEPHONES	
{ HEALTH • RECREATION • LIBRARIES }	
{ EMERGENCY RELIEF • CHILD WELFARE }	2.7
TOTAL	37.0¢

TOWNSHIP OF TEANECK NEW JERSEY TOWNSHIP BUDGET 1938

GENERAL NOTE

In accordance with custom, there is submitted to you, the Taxpayers of Teaneck, the proposed budget for the current year. Study it with the aid of the explanatory notes. It is a budget which calls for the raising by taxation of a little less money than was raised last year, and that in spite of the fact that the anticipated revenues appropriated are less in the net amount of over \$37,000.

The operating side of the budget has been decreased largely because of the elimination of the item for the foreclosure of tax title liens, since the Township, as hereinafter explained, now has in a Trust Account sufficient funds to assure the completion of this project.

Other individual appropriations, some of them under and some over the corresponding appropriations for last year, have been pared to a minimum that will permit continuation of the type of service now being given to the taxpayers.

The Fire Department and Police Department again account for the principle increases, due largely to the standard increases in salaries for the men in these departments. Outside of these salary increases, the only other salary increases provided for are distributed among thirteen employees in the lower brackets. The total of these nine increases is \$1,650.

The debt service portion of the budget has been lowered, both because of less demand and through drawing slightly more heavily upon our reserves.

The budget set-up shows the anticipations and proposed expenditures for 1938 compared both with the corresponding figures for 1937, and with the actual receipts and expenditures for that year.

The 1937 appropriation items are shown as they were before transfers were made to or from these items. Consequently individual items show as over-expended. Actually these over-expenditures were taken care of by budget transfers before the close of the year.

STATEMENT

	ESTIMATE 1938	ACTUAL 1937	ACTUAL 1938
State School Tax	\$ 76,500.00	\$ 76,514.35	\$ 75,290.63
State Soldiers' Bonus Tax	5,300.00	5,320.95	4,639.34
County Tax	203,000.00	192,070.60	172,075.27
District School Tax	591,809.75	596,470.00	561,133.00
Local Purpose Tax	507,878.33	508,322.19	508,641.20
TOTAL	\$1,384,488.08	\$1,378,698.09	\$1,321,779.44
Tax Rate	5.10	5.05	4.95

NOTE—Increased tax rate as estimated above is due to an increase in the County budget, more than offsetting the decrease in the School and Township budgets, and to a ¼% decrease in the Township Valuations.

RESOURCES

	ANTICIPATED 1938	ANTICIPATED 1937	REALIZED 1937
Surplus Revenue (For Revenue Notes)		\$267,985.12	\$267,985.12
Free Trust Surplus (For Deficiency Items)		37,893.85	37,519.58
MISCELLANEOUS REVENUE ANTICIPATED			
(a) Interest on Deposits	\$ 4,000.00	5,000.00	4,437.47
(b) Interest and Costs on Taxes	25,000.00	33,000.00	25,567.50
(c) Interest on Assessments	19,000.00	34,000.00	19,036.03
(d) Interest on Liens (subsequent to date of sale 1934 and prior sales)	19,000.00	28,000.00	19,664.74
(e) Interest, Fees and Costs on Liens (subsequent to date of sale, 1935 and subsequent)	3,700.00	1,600.00	4,118.85
(f) Licenses and Fees			
1. Dept. of Health	\$ 3,200.00	\$ 4,300.00	\$ 3,274.50
2. Building Inspector	2,700.00	4,800.00	2,785.00
3. Fire Department	2,200.00	2,800.00	2,234.00
4. Dog Licenses	2,900.00	2,600.00	2,948.00
5. Township Clerk	3,000.00	2,700.00	3,036.08
6. Liquor	14,000.00	12,400.00	14,160.02
7. Library	800.00	700.00	817.50
8. Planning and Adjustment Boards	45.00	150.00	45.00
9. Engineering	1,000.00	2,500.00	1,060.50
10. Tax Searches	1,900.00	2,400.00	1,965.50
11. Magistrate	2,700.00	1,000.00	2,845.40
12. Rentals	500.00	350.00	526.87
	34,945.00	36,700.00	35,698.37
(g) Franchise Taxes	42,900.00	50,000.00	42,909.69
(g) Gross Receipts Taxes	12,000.00	9,287.19	24,181.82

	APPROPRIATED 1938	APPROPRIATED 1937	EXPENDED 1937
Revenue Anticipated with Prior Written Consent			
Capital Surplus (Non Cash)	16,078.56
TOTAL ANTICIPATED REVENUE (Surplus Revenue Deducted)	\$176,623.56 16,078.56	\$503,466.16 305,875.97	\$481,119.17 305,504.70
Anticipated Revenue (Exclusive of Surplus)	\$160,545.00	\$197,590.19	\$175,614.47
AMOUNT TO BE RAISED BY TAXATION	507,878.33	508,322.19	
TOTAL BUDGET	684,501.89	\$1,011,788.35	
	APPROPRIATED 1938	APPROPRIATED 1937	EXPENDED 1937
A—GENERAL GOVERNMENT			
A-1—SALARIES—MANAGEMENT			
a—Council	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
b—Township Manager	8,000.00	8,000.00	8,000.00
c—Township Clerk	500.00	500.00	500.00
d—Deputy Township Clerk	2,300.00	2,300.00	2,300.00
	13,300.00	13,300.00	13,300.00
A-2—TREASURER AND COLLECTOR			
a—Treasurer	1.00	1.00	1.00
b—Finance Clerks (2)	3,500.00	2,000.00	2,000.00
c—Tax Collector	3,300.00	3,300.00	3,300.00
d—Assistant Tax Collector	2,000.00	2,000.00	2,000.00
e—Search Officer	2,000.00	2,000.00	2,000.00
f—Clerks (4)	5,800.00	7,100.00	7,041.86
	16,601.00	16,401.00	16,342.86
A-3—PURCHASING			
a—Agent	2,000.00		
b—Half Time Assistant	750.00		
	2,750.00		
A-4—LEGAL			
a—Township Attorney	3,500.00	3,000.00	4,276.45
b—Magistrate	1,000.00	1,000.00	1,000.00
c—Magistrate's Clerk	750.00	750.00	743.24
d—Lien Foreclosure	1,000.00	28,000.00	19,664.74
	6,250.00	32,750.00	25,684.43
A-5—ASSESSOR			
a—Assessor	4,000.00	4,000.00	4,000.00
b—Clerks	3,800.00	3,800.00	3,575.84
c—Supplies	1,000.00	1,500.00	1,611.40
	8,800.00	8,800.00	9,191.24
A-6—AUDITING, SUPPLIES, TELEPHONES, PRINTING, MISCELLANEOUS			
a—Auditor	3,500.00	4,000.00	3,790.94
b—Planning and Adjustment Boards	400.00	400.00	145.00
c—Extra Clerical	500.00	2,300.00	2,266.50
d—Supplies and Printing	5,000.00	4,200.00	5,830.65
e—Legal Advertising	500.00	500.00	284.76
f—Bonds and Insurance	900.00	900.00	862.59
g—Telephones	800.00	750.00	809.60
h—Elections	1,200.00	1,200.00	752.41
i—Tax Sale	750.00	750.00	634.38
	13,550.00	15,000.00	15,376.83
PUBLIC SAFETY			
B-1—POLICE DEPARTMENT			
a—Salaries	80,500.00	77,550.00	77,108.64
b—Traffic Signals	2,000.00	2,000.00	1,930.51
c—Supplies	3,000.00	2,650.00	3,116.10
d—Motor Equipment	13,000.00	9,500.00	12,073.62
e—Dogs	1,800.00	1,800.00	1,667.51
f—Telephone and Radio	3,500.00	3,000.00	3,584.54
g—Doctor	300.00	300.00	220.00
h—Insurance	2,100.00	2,300.00	2,029.26
i—Street Marking and Traffic Signs	1,500.00	1,500.00	1,334.69
j—Pension Fund Commission	3,300.00	3,100.00	2,957.84
	111,000.00	103,700.00	106,022.71
B-2—FIRE DEPARTMENT			
a—Salaries	60,700.00	57,300.00	58,902.28
b—Rental, Volunteer Houses	2,150.00	2,150.00	2,150.00
c—Insurance	2,100.00	2,500.00	2,070.54
d—Light, Heat, Supplies	4,500.00	4,000.00	5,434.98

	APPROPRIATED 1938	APPROPRIATED 1937	EXPENDED 1937
e—Hose	1,500.00	1,500.00	780.00
f—Apparatus Repairs	1,000.00	1,000.00	1,794.74
g—Fire Houses, Repairs	500.00	500.00	311.76
h—Alarm System (Ext. and Maintenance)	2,500.00	800.00	1,109.66
i—Pension Fund	2,500.00	2,200.00	1,836.16
	77,450.00	71,950.00	74,390.12
B-3—HYDRANTS	34,000.00	36,000.00	33,312.88
B-4—STREET LIGHTING	32,000.00	31,367.46	30,683.09
C—PUBLIC WORKS			
C-1—ENGINEERING DEPARTMENT			
a—Township Engineer	1.00	1.00	1.00
b—Assistant Township Engineer	3,000.00	3,000.00	3,000.00
c—Assistant Engineer and Inspectors	3,000.00	3,000.00	3,585.61
d—Clerk	1,500.00	1,500.00	1,500.00
e—Supplies and Insurance	1,000.00	700.00	1,239.22
f—Building Inspector	4,300.00	5,200.00	4,351.84
	12,801.00	13,401.00	13,677.67
C-2—STREETS AND STREET REPAIRS			
a—Supt. ½ Time	1,500.00	1,500.00	1,500.00
b—Road Foreman	2,200.00	2,200.00	2,200.00
c—Mechanic	950.00	900.00	900.00
d—Clerk	1,050.00	900.00	900.00
e—Truck Drivers and Roller Operator	8,880.00	8,880.00	6,121.40
f—Street Cleaning	3,650.00	3,900.00	4,549.94
g—Equipment and Supplies	4,000.00	4,000.00	7,018.63
h—Road Labor	5,000.00	4,250.00	4,865.72
i—Road Material	5,000.00	8,000.00	3,875.16
j—Insurance	1,800.00	2,000.00	2,318.06
k—Snow Removal	2,000.00	2,500.00	179.23
l—Street Signs	1,000.00	1,000.00	1,278.21
	37,030.00	40,030.00	36,606.35
C-3—SEWERS, DISPOSAL PLANTS			
a—Supt. ½ Time	1,500.00	1,500.00	1,500.00
b—Chief Operator	2,200.00	2,200.00	2,200.00
c—Operators and Mechanic	6,400.00	6,150.00	6,370.95
d—Labor	2,200.00	1,800.00	2,149.70
e—Power and Water	5,000.00	4,500.00	5,334.16
f—Supplies	1,000.00	1,000.00	1,735.45
g—Insurance	200.00	200.00	134.90
h—Dumps	200.00	200.00	105.00
	18,700.00	17,550.00	19,530.16
C-4—GROUNDS, BUILDING, PARKS, RECREATION			
a—Janitor	1,800.00	1,800.00	1,800.00
b—Upkeep Public Buildings	1,200.00	500.00	1,179.27
c—Upkeep Foreclosed Buildings	500.00
d—Electricity	1,200.00	1,200.00	1,108.39
e—Water	300.00	300.00	248.70
f—Fuel Oil	600.00	650.00	519.88
g—Supplies	750.00	750.00	524.03
h—Parks and Recreation	3,800.00	2,000.00	3,623.76
i—Preliminary Park Plans	2,000.00	357.00
j—Patriotic and Community Celebrations	1,000.00	500.00	904.33
	11,150.00	9,700.00	10,265.36
C-5—SHADE TREES			
a—Foreman	2,200.00	2,200.00	2,200.00
b—Labor	4,800.00	4,800.00	2,974.00
c—Equipment and Supplies	1,500.00	1,500.00	1,534.73
	8,500.00	8,500.00	6,708.73
D—HEALTH, RELIEF			
D-1—DEPARTMENT OF HEALTH			
a—Director	1.00	1.00	1.00
b—Health Officer	1,800.00	1,800.00	1,800.00
c—Clerical	1,100.00	1,000.00	1,000.00
d—Supplies and Gas	500.00	500.00	465.01
e—Child Clinic	2,100.00	2,100.00	2,086.73
f—Mosquito Commission	350.00	350.00	350.00
	5,851.00	5,751.00	5,702.74

COMMENTS ON THE BUDGET

RESOURCES

SURPLUS APPROPRIATIONS:

CURRENT SURPLUS—Last year's budget showed an appropriation from current surplus revenue of \$267,985.12 for the payment of tax revenue notes of an equal amount, which tax revenue notes in turn had been floated merely to clear up an interfund borrowing of long standing. This year no surplus current revenue is used, although the Townships has a considerable surplus revenue, even after setting up reserves practically in full for all outstanding assets, except 1937 uncollected taxes. \$129,991.04 of this surplus revenue is free cash. This free cash is not being used to reduce taxes for two reasons—first, it provides a working capital for the Township, sufficient to carry it over between tax payment dates, and, secondly, because it and all additions thereto, should be carefully guarded for use when the exhaustion of the assessment trust account occurs.

TRUST SURPLUS—Last year \$37,893.85 of free trust surplus was used as an offset against deficiency adjustments and reserves. A small cash surplus still remains in the Trust Account.

CAPITAL SURPLUS—Use is being made this year of \$16,078.56 of free capital surplus as an offset for certain deficiency appropriations which are justly chargeable against such surplus, and which are being carried through the budget in order to definitely eliminate them. This \$16,078.56 surplus is part of the cash surplus created by budget appropriations to the Capital Account in 1934.

Attention is again directed to the fact that the Township, because of the reserves which it has set up for delinquent taxes, has been able to take almost \$1,000,000. worth of taxable property off the tax rolls, and has not found it necessary to appropriate through the budget for taxes that were written off when these properties were removed from the rolls, and that new wealth coming into the Township has been sufficient to offset this writing off of property. Very few New Jersey municipalities have found themselves in this fortunate position.

MISCELLANEOUS REVENUE ANTICIPATED:

Miscellaneous revenues collected last year fell short of the anticipations in the amount of \$22,346.99. This loss in revenue has a double edge effect, first in that the loss must be made good by being re-appropriated, and, secondly, in that the 1938 appropriations can in no case be larger than the actual receipts for 1937, and that no new source of revenue can be appropriated, except with the consent of the State Auditor.

The items of interest and costs on various classes of outstanding obligations particularly show a large falling off. These items will, from now on, be consistently low, since all of the delinquencies which were productive have been largely collected, particularly because of the pressure put on these delinquencies by the foreclosure of tax liens.

Brief explanations of the costs and reasons for the various anticipation of revenues follows:

A — INTEREST ON DEPOSITS

This amount results from interest paid by banks on Township deposits. With the rate of interest dropping constantly, it has been difficult to secure any returns on large balances held by the Township. Some of the funds (as much as the banks will take) on which interest is being paid, are in the form of certificates of deposit, at interest rates varying from one to one and a half per cent. An amount of \$250,000. is on deposit in one of the banks to the credit of the Refunding Trust Fund, has been placed in escrow in New York with securities of the bank pledged against it. 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; Palisade Trust and Guaranty Co., Englewood, and Bergen County National Bank, Hackensack.

B — INTEREST AND COSTS ON TAXES

This item includes the collection of all interest and costs on delinquent taxes, except that subsequent to the date on which a property was sold at a tax sale. Such subsequent interest is segregated under items "D" and "E".

C — INTEREST ON ASSESSMENTS

This item represents all collections of interest on outstanding assessments which have not been included in the sale of property for taxes. The policy that a property delinquent for assessments only, is not included in tax sales, is continued.

D — INTEREST ON LIENS OF 1934 AND PRIOR SALES (SUBSEQUENT TO DATE OF SALE)

This item is composed solely of interest which has accrued on tax title and assessment liens, subsequent to the date of sale, on such liens as were sold in 1934 and prior. This distinction is made because it is this interest and costs which has been transferred to and set aside in the Trust Fund out of which the costs of the foreclosure contract have been paid. The Township has now in hand, through prior collections under this item, an amount sufficient to defray all the costs of such contract.

E — INTEREST, FEES AND COSTS ON LIENS OF 1935 AND SUBSEQUENT SALES (SUBSEQUENT TO DATE OF SALE)

This item is set up separately since it segregates the amounts received on tax sale certificates subsequent to those which were included in the tax lien foreclosure contract. The differential is made primarily to avoid any possibility of these collections being confused with those on the 1934 sales and prior.

On any tax liens which the Township acquires, searches are now made and the legal fees and costs therefor are charged by the Collector for the benefit of the Township. The making of this search permits contact with mortgagees and other persons interested in a redemption of the property.

F — LICENSES AND FEES

The amounts received by the Township for licenses and fees, as a whole, showed a far less proportional loss than in the case of interest. Individual items, particularly in the Health, Building Inspector and Engineering Bureaus showed considerable decrease, reflecting directly the decrease in building activity below that of 1936.

The following table shows the different fees and licenses which are in existence:

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—No fee
 Transcripts of Death Certificates—\$1.00 each
 Burial Permits—25c each

FIRE DEPARTMENT

Storage of Inflammable Materials—\$5.00
 Sale of Fireworks—\$1.00
 Installation of Oil Burners—\$5.00
 Refrigeration Plants—\$5.00
 Public Garages—\$5.00
 Dry Cleaning and Pressing Establishments—\$5.00
 Bake Shops—\$5.00
 Kitchen Oil Ranges—\$1.00

POLICE DEPARTMENT

Dog Licenses—\$2.00
 Redemptions—\$3.00

ELECTRICIAN

Electric Signs—\$2.00

BUILDING INSPECTOR

Building Permits—Cost varies
 Occupancy Permits—\$1.50
 Excavation Permit—\$2.00

TOWNSHIP CLERK

Pedlar's Licenses—Cost varies
 Ash and Garbage Licenses—\$25.00
 Gas Pumps—\$10.00
 Taxi Driver's License—\$1.00
 Taxi Owner's License—\$2.50
 Fishing Licenses—Residents—\$2.10
 Hunting Licenses—Residents—\$2.10
 Fishing and Hunting, Residents—\$3.10
 Tennis Courts—\$10.00 each court
 Dance Halls, Skating Rinks, 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.
 Automatic Amusement Devices—\$10.00
 Retail Liquor Consumption Licenses—\$500.00
 Retail Liquor Distribution Licenses—\$200.00
 Solicitors—\$10.00 each

G — FRANCHISE, GROSS RECEIPTS AND RAILROAD TAXES

Franchise and gross receipts taxes are taxes paid by certain public utility corporations for the privilege of using the streets, and of doing business in a municipality. Certain of these companies also pay personal taxes, although no company pays all three. In general, both taxes are levied by the State upon the gross receipts of the company. The franchise tax is a flat 5% tax on such receipts, while the gross receipts tax, while approximately the same in amount, varies somewhat, being dependent upon the average rate of taxation in the State. Such taxes are allocated by the State to the different municipalities in which a company operates, in accordance with the relative valuations of the company's property in each municipality, as fixed by the individual assessors. In the distribution of the franchise tax, only the value of the property in the public highways is used. In the distribution of the gross receipts tax, the value of the property in the streets and highways, plus other properties, are taken into consideration.

During recent years the distribution of franchise and gross receipts taxes have been a subject of discussion and litigation, both between municipalities themselves and between municipalities and the State Tax Commissioner's office. The companies themselves are not affected. The amount that they pay is fixed and definite, the controversy has been as to the allocation of this fixed amount. Last year, several of the municipalities inordinately increased the valuation of public service utility property in their communities, thereby increasing their share of the distribution to the detriment of other municipalities, including Teaneck.

Instead of the anticipated \$50,000. franchise taxes, we received but \$43,000. This in turn had two effects, first, we have to appropriate for the loss in this year's budget, and, secondly, we cannot anticipate more than \$43,000. in 1938, although there are distinct prospects that we will receive more, for the Legislature, recognizing the inequity of the present procedure, now is in the process of revamping the law governing the distribution of these taxes so that the distribution will be made by the State Commissioner of Taxes in accordance with a common yardstick, instead of upon the individual opinion of some hundreds of assessors.

The taxation of railroad property is also governed by complex laws dividing it into four classes. On some of this property direct taxes are imposed and collected by the State and eventually diverted by them to school purposes, some of it finding its way back to the local districts.

Teaneck, as a municipality, taxes only second class railroad property, that is property owned by a railroad and used for railroad purposes, but not included in the main right-of-way.

The amounts paid by various public utility companies to Teaneck are shown:

	FRANCHISE	PERSONAL & CORPORATION	GROSS RECEIPTS	2nd CLASS RAILROAD
Public Service Electric and Gas Co.	\$25,869.80		\$12,183.38	
Bogota Water Co.	282.72	\$ 621.40		
Hackensack Water Co.	13,357.67	50,185.13		
N. J. Bell Telephone Co.	3,478.40	9,494.00		
Postal Telegraph Co. of N. J.	2.46	57.17		
Public Service Coordinated Transport			161.95	
New York Central R. R.				4,302.75
Western Union Telegraph Co.		546.16		

EXPENDITURES

GENERAL COMMENTS—Any municipal budget naturally falls into two parts, operating expenses and the fixed charges. Considering the growth of Teaneck in the last eight years, it might well be supposed that both of these divisions would show a substantial increase, yet the table appended shows that from 1930 to 1938 only the operating expenses have increased, and these only 10%, in the face of a 37% increase in population. During this time existing services have been expanded, the quality raised, new services established, and the load of unemployment relief carried.

The debt and deficiency items have shown a decrease of 40%. This decrease in debt and deficiencies may be credited to the decrease in interest requirements, through the collection of outstanding obligations, restraint in the incurring of any new debt, and the refunding of outstanding debt at a considerably less interest rate.

The per capita cost of the municipal government has decreased from \$48.50 in 1930 (Population 16,500, Budget \$800,000.) to \$29.50 in 1937 (Population 23,000, Budget \$684,000.).

	1930	1937	1938	CHANGE	
				From 1930	From 1937
Debts and Deficiencies	\$387,806.63	\$238,621.92	\$230,668.89	—40.52%	— 3.32%
Operation	412,231.95	469,920.00	453,833.00	+ 10.09%	— 3.42%
TOTAL EXPENDITURES	\$800,038.58	\$708,541.92	\$684,501.89	—14.44%	— 3.39%
Revenue Anticipated	208,000.00	200,219.73	176,623.56	—15.08%	—11.79%
AMOUNT TO BE RAISED BY TAXATION	\$592,038.58	\$508,322.19	\$507,878.33	—14.22%	— .09%

CASH BASIS

The question has been raised from time to time as to whether Teaneck has, during the last seven years, lived on a cash basis. The answer is: Teaneck has lived on a cash basis during these seven years which covered the most critical period that municipalities have experienced. The State Auditor, who also audits Teaneck's accounts, was requested to make a special investigation, and his reports shows that from January 1, 1931 (first year under Council Manager Government) to January 1, 1938, the Township of Teaneck did not spend more for its current operations and debt service than it actually collected in cash from taxes, interest and licenses. During the same interval it also paid off approximately \$2,000,000. of its bonded debt. During these years while the Township's valuation increased 25%, it reduced its debt 40%, so that now the Township has \$1.00 of debt for each \$9.50 of assessed valuation, whereas at the end of 1930 it had \$1.00 of debt for each \$4.20 of assessed valuation. This means, for example, that a man who owns a house and lot assessed at \$4,000. now has a municipal debt against it of \$421., whereas in 1930 that debt was \$952.

A — GENERAL GOVERNMENT

Under this head is grouped the general administration of the Township, the assessment and collection of taxes, the legal work, the keeping of accounts, the purchasing, auditing of the accounts, and such miscellaneous clerical labor, printing, supplies, telephones, etc., as are necessary to the above functions. The expenditures of the various divisions closely parallel those of last year. The following items are subject to special comment.

TREASURER & COLLECTOR—There is no increase in personnel in this division. Four clerk's salaries are increased in the total amount of \$500. The new budget and bond acts have increased the work in the finance department.

The punch card system of making and computing the tax bill is now in full operation. The tax bill as submitted last year, with all its details and comparisons, was computed entirely by machine, using the Assessor's records as the basic figures. A few slight changes are anticipated in this year's bill in order to make it more understandable.

About two million dollars pass through the hands of this office each year, and a hundred thousand individual transactions are handled. The number of tax bills is approximately 16,000. The auditors have yet to find a discrepancy more serious than a bookkeeping entry in this office.

PURCHASING DEPT.—This is a new bureau which was set up last year to handle the purchasing of supplies for all departments of the township, except such as are bought on open contract and bids. Through this bureau, the obtaining of the best price, the securing of discounts, the checking of goods as received against the orders, and the bill payments are made more definite. No additional personnel has been employed. One of the employees was designated as purchasing agent and given the half time assistance of the clerk in the unemployment relief office.

LEGAL—This appropriation provides for the Township Attorney and the Magistrate and his clerk. For the last four years the cost of the lien foreclosures have also been charged against it.

The Township Attorney's general legal work is charged against this appropriation, though when his services are needed in connection with bond issues, the legal expenses are charged against such bond issues. Last year he received \$4,276.45 for general Township legal business, and \$1,606.50 for work in connection with bond issues, or a total of \$5,882.95.

The 1937 legal work of the Township was much more extensive than in any recent year, ranging from a suit in the Court of Errors and Appeals to the multitudinous legal details in connection with land condemnation and sales.

The Magistrate's Court last year cost \$1,743.24 and returned in fines and costs \$2,654.30. Fines of motor vehicle cases are not retained by the Township, but are transmitted to the County for County road work. A total of \$10,085. was sent to the County.

TAX TITLE LIEN FORECLOSURE—The lien foreclosure appropriation shows a \$27,000. decrease over that of last year. The \$1,000. appropriation this year is not intended to be used in connection with the existing contract, but is included, so that if the Council should, during the year, enter a new arrangement for the foreclosure of liens accruing from the 1935 and subsequent sales, an appropriation for the beginning of the work would be available.

Last year's budget noted that the appropriation therein made for the existing contract would probably be the last that was necessary. This has proven to be the case, for on January 1, 1938, the Special Trust Account to which collections of this appropriation have been transferred, and out of which the Township's agent is paid, contained a balance of \$19,020.37. In addition to this, \$3,000. remaining "unexpended" from last year's appropriation was set aside as a reserve to be transferred to this account as further collections of interest are made. Since on January 1st there were only 490 certificates, out of the original 2344, still to be completed, this amount held in trust is sufficient to make payment in full on the contract when it is completed. Meanwhile the money remains in the Township's hands, and the amount thereof is sufficient to absolutely guarantee the Township either against failure of the agent to complete his work or to correct any work which may be discovered to have been imperfect. Work on the 490 certificates still to be foreclosed has proceeded, except in the case of those which are in litigation, under agreement for redemption, or installment payment, to a point where court proceedings have been instituted and are in various stages of completion. Moreover, the majority of such certificates are grouped in the hands of comparatively few owners.

Tests have been made as to the character and validity of the work done on the foreclosure proceedings by having titles examined by a title insurance company. The results of such tests show a generally satisfactory class of work. They cover approximately 500 certificates out of the 1837 which have been foreclosed to date. Of this number it has been found necessary to require the agent to start re-foreclosure proceedings on two decrees, covering 27 certificates. Such re-foreclosure is, of course, being done at the expense of the agent. The cost of such searches as have been made will be added to the sale price of the property.

The original contract also contained a clause to the effect that the Township agreed to sell the land acquired within six months after acquiring title, and then in case any such land was sold at a profit, that the first \$100. of the profit was to go to the agent. This clause was for the dual purpose of interesting the agent in the disposal of the property, and as an incentive to him to do his work so carefully that clear titles could be given.

Because of the condition of the real estate market, such sales were not made within the six months period by common consent of the agent and the Township. The particular paragraph of the contract requiring this has

been revamped so that the Township is not obliged to sell any land within any particular time, and so that the agent has no claim for any additional money on lands to be retained for public purposes.

ASSESSOR—The work of the Assessor's office is now well stabilized. The punch card system of records has been completed and is operating most satisfactorily. Teaneck was the first in the Country to adopt this particular system of record keeping for assessing and tax billing purposes. Some of the large municipalities in the State and elsewhere are now investigating it with greatest interest. Assessments of every property are figured from the plan submitted for that building, plus a field inspection. Sufficient data exists in the Assessor's office to permit comparison with any property in Town, and the Assessor is always willing to re-investigate the property of any individual owner or to compare his property with any other property in which he might be interested.

AUDITOR—Teaneck's auditing is done by the State Auditor's department. Because the auditors work on two years' accounts indiscriminately, the attempt to distribute the cost to each individual year's audit has been abandoned, and the total for the year only is kept. Last year the total of \$3,790.94 was next to the smallest amount which the Township has paid for its audit since 1930. In this audit work, local accountants and clerks are employed, supervised by members of the State Auditor's staff.

PLANNING & ADJUSTMENT BOARDS—This item provides for the clerical services for these Boards, plus such minor costs for maps or supplies as may be necessary.

EXTRA CLERICAL—This item now provides only for such extra clerical help as might be needed in connection with the advisory boards of the Township.

SUPPLIES & PRINTING—This item provides for all miscellaneous supplies and printing in the township, typewriters, calculating machines, and the maintenance thereof, printing and distribution of the budget, and special reports and booklets, miscellaneous material required in connection with white collar W.P.A. projects, and the printing and mailing of tax bills.

LEGAL ADVERTISING—This item carries only the costs of advertising the general ordinances of the Township. The cost of advertising special assessment ordinances, or bond ordinances, are charged against the project itself.

ELECTIONS—This item has been increased this year because of the Municipal Election on May 10th.

TAX SALE—The items charged against this appropriation are the printing, advertising and mailing costs in connection with the yearly tax sale. These tax sales have decreased so that a much smaller appropriation is needed than was necessary a few years ago. 1936 taxes were sold in February, 1938. Taxes should be sold the year after they become delinquent.

B-1 — POLICE DEPARTMENT

To the original function of the Police Department of preventing crime and arresting offenders, there has been added during recent years an ever increasing load in the regulating of traffic, in the teaching of safety, and in the prevention of accidents. This traffic, safety and accident prevention work now demands the greater share of cost and effort in any modern Police Department.

PERSONNEL & SALARIES—The Teaneck Police Department consists of a total of 33 men, or a ratio of one policeman for each 700 of population, about the average for communities in this section of the State. At present the department set-up is as follows:

1 Chief	\$3,800.
2 Lieutenants	2,800. each
4 Sergeants	2,700. each
20 1st Grade Patrolmen.....	2,500. each
3 3rd Grade Patrolmen.....	1,700. each
3 3rd Grade Patrolmen.....	1,600. each
<hr/>	
33	
1 Dog Warden	1,600.
1 Handy Man	1,200.

The appropriation this year provides for the normal increases in the salaries of the third grade patrolmen, but does not provide for the appointment of any additional men.

TRAFFIC SIGNALS—The \$2,000. appropriation provides for the maintenance of traffic lights at nine intersections. Two-thirds of the cost is for power consumed, the remainder is labor, cleaning of lights, replacing bulbs and worn out parts. No new signals are contemplated. Traffic signals are not the panacea for accidents. Often the erection of additional signals, aside from impeding traffic, results in additional accidents of a different character.

SUPPLIES—Keeping the Police Department fully equipped, trained and ready for service at all times, demands a constantly increasing list of supplies, among which are ammunition, first aid, photographic and fingerprinting materials, lanterns, fire extinguishers, fuses, spot lights, car heaters, rubber boots and coats, safety material, prisoners' meals, etc. The men buy their own uniforms.

MOTOR EQUIPMENT—The motor equipment of the Township consists of four coupes and two coaches, all doing general patrol duty. Both coaches are built so as to permit them to serve as ambulances in case of an emergency. They carry stretchers and first aid equipment. The average yearly mileage covered by a police car in Teaneck is 50,000. New cars are purchased every year under public bidding and are maintained by the successful bidder. Gasoline is also purchased wholesale through public bidding. Besides these patrol cars, the Dog Warden's truck is also maintained out of this appropriation, and the Detective-Sergeant and the Patrolman in charge of school traffic and general safety work, are each allowed \$15. a month for the use of their cars.

DOGS—Dog catching in the Township is handled by a Dog Warden, assisted by the handy man of the Police Department. The appropriation provides for the proportionate wages of these men, plus a small amount for dog food and care of the pound. About 1400 dogs were licensed last year at \$2.00 each.

TELEPHONE & RADIO—This item covers not only the regular telephone service (the Police Department now uses five trunk lines) but also that of the remaining call boxes scattered throughout the Town, and

the necessary maintenance and inspection work on the radios with which each car is equipped. Police headquarters are connected by a direct wire with the County radio transmitter in Hackensack from where the calls are broadcast.

DOCTOR—This item is not for services to the members of the Police Department, but is for such doctor's services as may be needed for those arrested, particularly in the examination of drunken drivers.

INSURANCE—This item covers public liability, fire and compensation insurance, divided as follows:

Compensation	\$1,800.
(Rate \$2.16 per \$100. of payroll)	
Public Liability	292.
Fire Insurance	8.
	<hr/>
	\$2,100.

TRAFFIC MARKING & SIGNS—This work is done by the handy man of the Police Department, with the assistance of the Dog Warden. The number of signs and street marking is constantly increasing because of the public demand. The appropriation takes care of paints, traffic signs and wages.

PENSION FUND—The present State Law requires that an amount equal to 4% of the policemen and firemen's salaries be each year appropriated for the Pension Fund. The men themselves contribute another 4%. However, the combined appropriation of 8% each year is far below the actuarial requirements of the fund, and Teaneck's fund, in common with all other municipal police and firemen's pension funds, shows a large actuarial deficit. In the future the contribution made by both men and the municipality must be raised considerably or the taxpayers of the future will have to pay the entire bill if the pensions are to be paid.

B-2 — FIRE DEPARTMENT

Teaneck, during recent years, has built its fire department up to the point where the Schedule Rating office, which sets the premiums for fire insurance, raised the classification of the Town from Class "E" to "C", and where a further increase into the ranks of the select Class "B" towns may be looked for in the near future.

The nucleus of the fire alarm system, erected by the department itself, was put into service last summer. The system at present connects headquarters with the two sub-stations, and, in accordance with the desires of the Schedule Rating Office, provides boxes primarily in the business districts. Last year the Department turned in a record low fire loss of 40c per capita, which compares with the National average of a little less than \$2. per capita.

PERSONNEL & SALARIES—The total personnel of the Fire Department at present numbers 32, as follows:

1 Deputy Fire Commissioner.....	\$3,800.
1 Assistant Chief	3,000.
1 Captain	2,800.
2 Lieutenants	2,700. each
3 1st Grade Firemen.....	2,500. each
1 Mechanic	1,900.
21 3rd Grade Firemen.....	1,600. each
1 Temporary Fireman	1,500.
1 Electrician	1,600.

RENTAL, VOLUNTEER HOUSES—In addition to paying the rental to the Trustees of the 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.

INSURANCE—This item covers the following:

Compensation	\$1,737.
(Rate \$2.41 per \$100. of payroll)	
Public Liability	360.
Fire Insurance	3.
	<hr/>
Total.....	\$2,100.

GENERAL SUPPLIES—This item is based on past experience, as follows:

Electric light, gas and water.....	\$ 900.
Fuel	875.
Gasoline	315.
Laundry	210.
*Miscellaneous	2,200.
	<hr/>
	\$4,500.

*Miscellaneous supplies include such items as machinery, tools, chains, gas masks, extinguisher refills, rubber coats and boots, helmets, auto supplies, batteries, brooms, brushes, bedding, laundry, towels, and so on down to the smaller but important items of soap, sponges, chamois, polish, and rags used in the customary "clean-up" of apparatus and equipment after a fire.

NEW HOSE—The appropriation of \$1,500. will buy approximately 2,000 feet of hose for the department. The hose bought during recent years is equal in quality to that bought by New York City. It costs about 60% of the usual cost of standard fire hose bought by the smaller municipalities.

APPARATUS AND REPAIRS—The principal additions to the apparatus last year were the purchase of a 75' aerial ladder and trailer, a six cylinder White chassis to replace the four cylinder Mack chassis on the aerial truck, a 1,000 ft. hose body which is intended to be used in the re-building of 17 year old engine No. 2, a 750 gallon pump for the same purpose, and various smaller tools and equipment. The total cost of this additional equipment (none new) was under \$1,200., the remainder of the expenditure being for tires, re-conditioning of and adding to various other equipment.

ALARM SYSTEM—The first step in the Teaneck fire alarm system was taken last year with the installation of 27 boxes connected by 22 miles of wire, together with the necessary central office equipment. The material

was bought from various manufacturers, and installed by the department at a total cost of \$6,780. A conservative cost of this equipment if installed by an alarm company, would have been \$15,000. Of the \$6,780., \$5,650. was charged against the bond issue, and the rest against current appropriations.

The appropriation this year contemplates the extension of the system into Glenwood Park and the connection of the volunteer house No. 4 with headquarters, as well as minor extensions in the West Englewood and Garrison sections. The final completion of the system must await the construction and building of a central fire headquarters.

FIRE HOUSE REPAIRS—This item covers numerous miscellaneous repairs which become necessary from time to time, both in the Fire Headquarters and in the rented premises of the volunteer companies.

PENSION FUND—The necessity for this appropriation has been explained under "police", where also the insufficiency of the pension fund from an actuarial standpoint was pointed out.

B-3 — HYDRANTS

This item includes the charge made by the Hackensack Water Company and the Bogota Water Company for hydrant service in accordance with rules fixed by the Public Utility Commission. It consists 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 annual charge is ten cents. There are now 434 hydrants in the Township, 413 furnished by the Hackensack Water Company and 21 by the Bogota Water Company. The average yearly cost per hydrant supplied by the Hackensack Water Company is \$78. and \$63. for hydrants furnished by the Bogota Water Company. An increase in the appropriation is necessary because of the additional mains and hydrants in new developments.

The appropriation breaks down as follows:

\$27,479.	— Hackensack distribution charge.
1,118.	— Bogota distribution charge.
4,556.	— Hackensack hydrant charge.
210.	— Bogota hydrant charge.
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\$33,763.	
237.	— Additional mains and hydrants.
<hr/>	
\$34,000.	

B-4 — STREET LIGHTING

The street lighting bill of the Township of Teaneck is \$31,380.50 for lights now placed. The additional appropriation is allowed for the erection of additional lights made necessary by the constant opening of new streets. The following table shows the numbers, size and costs of lamps in use at present:

912 —	1000 lumen lamps @	\$23.35.....	\$21,295.20
198 —	2500 lumen lamps @	41.95.....	8,306.10
11 —	4000 lumen lamps @	54.80.....	602.80
17 —	6000 lumen lamps @	64.35.....	1,093.95
1 —	10000 lumen lamp @	82.45.....	82.45
			<hr/>
			\$31,380.50

Since the restrictions of the new budget and bond acts make the building of a municipal lighting plant more impossible than ever, a new contract with its consequent discount should be sought from the Public Service Electric & Gas Company.

C — PUBLIC WORKS

In this department are grouped six bureaus—(1) Engineering, (2) Building Inspection, (3) Streets and Street Repairs, (4) Disposal Plants and Sewers, (5) Grounds, Buildings and Parks, and (6) Shade Trees. Last year this department, in addition to its usual duties, inaugurated and carried through a \$120,000. paving program. The work was done entirely by the Township, and the results were thoroughly successful, resulting in a high quality of work at costs below the usual contract prices for like work.

ENGINEERING

The engineering bureau is in direct charge of the Township Manager, who also acts as Township Engineer at \$1.00 a year. The active work in the bureau is taken care of by the Assistant Engineer.

ASSISTANT TOWNSHIP ENGINEER—Normally the Assistant Township Engineer's time is taken up with the apportionment of taxes and assessments, work in connection with the Planning Board, revisions of tax and other maps, issuing of permits, inspections, surveys for streets, engineering features connected with the W.P.A. and other projects and plans which may arise from time to time. Last year the department turned in fees in the amount of \$1,105.50. In 1937 the bureau made all estimates and surveys and engineering for the street paving program, and is now engaged in the necessary engineering work in preparing plans and costs for the assessment commissioners, and in the preliminary work for the 1938 improvement program.

ENGINEERING ASSISTANTS & INSPECTORS—This item provides for the payment of part of the salaries of such assistant engineers and inspectors as may be necessary from time to time. Much of the work of these assistant engineers and inspectors is connected with various improvements, and such time is charged directly against the individual improvements. The work for which provision is made in the budget is spent on inspection of work done by individual developers in the paving of streets and the laying of curbs and sewers. For this a charge is made to the developer; the balance left for the taxpayers is then but a small portion of the whole.

CLERICAL ASSISTANT—The Clerk in this bureau does the necessary clerical work both for the Engineering and Building Bureaus.

SUPPLIES—This item covers the purchase of general engineering supplies for the bureau, the maintenance of the department truck, and the compensation insurance for the employees.

BUILDING INSPECTION

This bureau, directly under the supervision of the Manager, consists of the Building Inspector and the Plan Examiner, who is a registered architect of considerable experience. The salary of the Building Inspector is set at \$2,300., an increase of \$100. over that which he now receives. This department has made great strides during the recent years in the enforcement of the building code, in the quality of the inspection, type and character of the plans required to be submitted, in the filing of plans and keeping of statistics. While Teaneck has not yet adopted a new building code, the existing code has been strengthened by amendments and supplements and by the inspector's interpretations, to the stage where building plans and construction must practically conform to anything which could be required under the most modern of codes.

STREETS AND STREET REPAIRS

This bureau takes care of the maintenance and repair of both improved and unimproved streets, street sweeping and cleaning, snow removal, supervision of garbage and ash removal, maintains parks and public building and performs a great variety of odd jobs.

During recent years the equipment of the Bureau of Streets and Street repairs has, through replacements and additions, been brought to a point where it has the necessary equipment of all kinds to make it thoroughly modern and efficient, and the comparative equal of any street department in the State.

Last year the garage was increased one-third per cent in size, partly through money raised by a bond issue and partly by budget appropriation, the work being done by the department itself. Office space, plumbing and heating has been thoroughly renewed or revamped.

SUPERINTENDENT—The Superintendent's salary remains at \$3,000. as fixed in last year's budget, an amount still below that paid to superintendents in nearby smaller municipalities.

ROAD FOREMAN—This item shows no change over what it has been for some years.

MECHANIC—The mechanic's salary has been increased \$100. to \$1,900. a year, as has that of the mechanic in the Fire Department. He handles all the repairs in both the street and sewer departments, consequently his salary is split between the two. Through the department having a mechanic, outside bills for repairs are cut to a minimum.

CLERK—This employee, who has been the lowest paid employee in the Township for the last eight years, will this year be brought to \$1,050.

TRUCK & MACHINE DRIVERS—This item provides for wages for six men who are the drivers, machine operators and extra sweeper men of the department. The appropriation of the same amount last year was under-expended, as part of the time these drivers worked on paving and parks, and their time was charged against these improvements.

STREET CLEANING—The appropriation provides for the wages of one operator and the necessary supplies and repairs to the sweeper. In 1937 the Township purchased a new sweeper, and during the latter part of the summer both the old and the new sweeper were operating, until the old sweeper completely broke down. With the increasing mileage of paved streets in the Township, it will soon become necessary for the Township to operate two sweepers if the streets are to be kept in the same cleanly condition that they have been. It is the intention to purchase a second hand sweeper to supplement our new sweeper for the present, if such a second hand machine in good condition can be found.

EQUIPMENT & SUPPLIES—Last year savings in the department appropriations, transferred to this appropriation, made possible the purchase of some additional equipment, principally a new truck, a second hand coupe for the Superintendent, and mowers. Improvements to the garage, above the bond issue, and of the grounds surrounding the garage were also charged against this appropriation.

ROAD LABOR—This appropriation is set as a medium between the appropriation and actual expenditures last year. The paving of about two miles of streets last summer has obviated their maintenance, but new streets are being constantly opened up.

ROAD MATERIAL—The appropriation has been set considerably below the appropriation of last year, but above the actual expenditures, mainly for the reason that some of our bituminous streets will again need an application of oil after the lapse of several years.

INSURANCE—This item is divided as follows:

Compensation	\$1,213.
(Rate \$4.72 per \$100. of payroll)	
Public Liability	451.
Fire	136.
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	\$1,800.

SNOW REMOVAL—This item for 1938 is set at the arbitrary figure of \$2,000. For such hand shovelling as is necessary during snow removal, unemployed labor from the relief rolls has been used as much as possible, and charged against the relief appropriation.

STREET SIGNS—This item is more or less standard from year to year. New streets are constantly being opened up and old signs are deteriorating and are being replaced.

DISPOSAL PLANTS AND SEWERS

This bureau, under the direction of the Supt. of Public Works, takes care of the operation of four disposal plants, two situated along the Overpeck Creek and two situated along the Hackensack River. It also looks after the cleaning of sanitary and storm sewers, and is often called upon to work nights, Sundays and holidays.

SUPERINTENDENT—This item includes half of the salary of the Superintendent of Public Works.

CHIEF OPERATOR—The duties of the 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 & MECHANIC—This item provides for the full time services of two men, the half time service of another operator, and half the salary of the mechanic, plus a small allowance for extra help needed during the vacation period.

LABOR—Against this item is charged the labor necessary in cleaning the sludge beds and in flushing and maintaining sewers.

SUPPLIES—Numerous supplies, such as pumps, hose, sand and tools are necessary in the operation of the sewer and sewerage disposal plants. Last year the appropriation item was exceeded because of the purchase of new sewer cleaning machinery.

INSURANCE—This item only covers compensation insurance on the men. (Rate \$2.16 per \$100. of payroll.)

DUMPS—The experiment, inaugurated last year, of renting out the care of the dump through public bids, was successful. Fires, and the resulting complaints, were kept at a minimum. The care of the dumps is again under contract for 1938. The appropriation is merely insurance against possible abandonment of the work under the contract, and for any extra inspection the Township may be required to furnish.

GROUND, BUILDINGS, PARKS AND RECREATION

The work of this bureau is amply described by its title. At present it is not headed by a foreman, but is administered directly by the Supt. of Public Works. The appropriation as a whole has been and will increase because of the added emphasis in Teaneck on parks and recreation.

UPKEEP OF PUBLIC BUILDINGS—This provides primarily for the upkeep of the Town Hall, together with the immediately surrounding grounds and the insurance thereof.

UPKEEP OF FORECLOSED BUILDINGS—This is a new item due to the fact that several buildings have been taken over by the Township in the foreclosure proceedings, which buildings need maintenance. Of these buildings, only one is a first class residence, the others are very "modest". Several small buildings taken over were in such a state of disrepair that they have been torn down, and the grounds cleaned up.

ELECTRICITY, WATER & FUEL OIL—These appropriations cover only the electricity, water and fuel oil used in the Town Hall.

SUPPLIES—This item covers minor, and janitorial supplies and improvements about the Town Hall.

PARKS AND RECREATION—This appropriation has almost been doubled above that of last year, though it is only slightly greater than the amount actually spent. The increase is necessary because last year the Township opened up several new playgrounds and parks which must be maintained. The present year should see the addition of one or two playgrounds and the improvement of other park areas.

PATRIOTIC OBSERVANCE—This appropriation takes care of the 4th of July activities and other miscellaneous patriotic observances and community celebrations.

SHADE TREES

In this bureau, also under the direct supervision of the Supt. of Public Works, is placed the care of all existing shade trees along the streets or in the parks of the Township, the removal of injured or dangerous trees, the planting of new trees and the horticulture in the expanding Teaneck parks.

FOREMAN—This item provides for the salary of the foreman, who is a competent tree man with much experience behind him. While the Township can only do work on trees in the Township parks and on the public streets, the services of this foreman are available to any property owner for advice and consultation concerning trees on private property.

LABOR—This item provides for the services of a year 'round truck driver, plus two or three additional laborers as may be necessary.

DEPARTMENT OF HEALTH

The Department of Health, under the Manager's general supervision, is administered directly by the Director of Health, Dr. B. S. Bookstaver, licensed physician, who is serving at the salary of \$1.00 a year. Its functions cover anything which has to do with the health of the community as a whole, among which are placarding of all homes where there is communicable disease, issuing of birth, marriage, death and burial certificates, inspection of food handlers, inspection of all stores and vehicles selling or transporting food, the licensing of plumbers, the inspection of all plumbing, supervision of child hygiene clinics, and the investigation and remedying of all nuisances affecting the public health. To be a proper matter for investigation by the Department, such nuisance must be public in character, and not those which affect only an individual or a limited number of persons. Very close contact is maintained with the health work in the schools as Dr. Bookstaver is also Chief Medical Director of Schools, and with the State Health Department. These contacts and cooperation are to a large degree responsible for the excellent health records of the Township. Last year there was not a death (in the Township) of a child due to contagious diseases.

HEALTH OFFICER—The Health Officer is a statutory official whose duties are provided for in the Health Laws of the State. He also acts as Plumbing Inspector and Registrar of Vital Statistics.

CLERICAL, SUPPLIES, PRINTING, GAS—The Department uses one full time clerk. The budget makes provision for an increase in salary from \$1,000. to \$1,100.

CHILD HYGIENE CLINIC—This work is under the direct charge of a registered nurse. The balance of the appropriation is used for doctors who are in attendance at the two weekly clinics for babies and prenatal work, and for miscellaneous supplies needed therein.

MOSQUITO COMMISSION—Three hundred and fifty dollars is the amount which Teaneck has appropriated for many years for the use of the Bergen County Mosquito Commission, which takes care of the mosquito control work in the Township. It only partially covers the amount of work done by this commission in Teaneck.

RELIEF

This department is charged with the care of the indigent of the Township. It also maintains contact and cooperation with Federal and State relief agencies, such as the Board of Old Age Pension, Board of Children's Guardians, Domestic Relations Court, Children's Court and the various W.P.A. agencies. Through these contacts and in helping to secure private employment it reduces the direct relief load of the Township to a minimum. The nominal person in charge is the Poor Master, who has served the Township for a good many years, and whose present salary is \$250. a year. At present he confines his time very largely to domestic relations cases and the placing of indigents in homes. The active work is done by the Deputy Poor Master, for whose salary the budget makes provision in the amount of \$1,800., an increase of \$200.

The amount which the municipality will have to pay for poor relief during 1938 has not yet been determined by the Legislature. The proposed budget allows an amount equal to that actually expended last year. The appropriation is broken up as follows:

DIRECT RELIEF—In this item is charged all direct relief whether it is food, milk, rent, heat, light or medical aid. The amount of such relief averages \$30. per family per month, the average family having 3.3 persons. The number of individuals on relief has varied during 1937 from 99 to 195.

SCHOOL GUARDS—This item provides for maintaining about 15 men at various crossings in the Township used by the children in going to and coming from school and also, as guards for coasting and sleighing. These men are selected from a group who would otherwise be entitled to direct relief, and, therefore, the cost is an item properly chargeable against the relief expenditures.

W.P.A. CONTRIBUTIONS—The W.P.A. has and is maintaining a sewing project in the Township, for which the Township provides quarters, heat, light and findings, and makes a contribution to the Federal Government of \$12. per month for each woman employed. The project supplies work for about twelve women and costs the Township less as a whole than the direct relief of these families would.

A W.P.A. Household Aid Project is also in existence, for which the Township also furnishes rent, light, telephone service, and miscellaneous supplies.

SALARIES, RENT AND SUPPLIES—This item provides the salary of \$250. per year for the Poor Master, \$1,800. for the Deputy Poor Master, and a half time clerk at \$750.

E — LIBRARY

The Library is under the direct supervision and control of the Board of Trustees of the Library, the members of which are appointed by the Mayor. Their budget, as included in the Township budget, is that submitted by the Treasurer of the Library for the Board of Trustees.

F — DEBT SERVICE

GENERAL COMMENT—The following tables are intended to give the taxpayer as simple, fair and non-technical a picture as it is possible to do, of the Township's financial position as of the beginning of the year. So many factors enter into a determination of this status that no statement could be given which would show this status, with all its ramifications in detail, and still be intelligible to anybody but the trained municipal accountant. As of January 1, 1938, the Township's total indebtedness, as shown in the following table, amounted to \$3,269,500., with \$442,000. cash in hand applicable to the payment thereof. The remainder will have to be paid by Teaneck property owners between now and 1965, either as assessments or as taxes, or through the sale of land.

STATEMENT OF BONDS

Purpose	Outstanding Jan. 1, 1937	Paid in 1937	Issued in 1937	Outstanding Dec. 31, 1937
Poor Bonds	\$ 26,000.00	\$ 7,000.00	None	\$ 19,000.00
Capital Bonds	689,750.00	48,750.00	\$ 23,000.00	
			32,000.00	696,000.00
Temporary Assessment Bonds 1930 and prior	219,250.00	138,250.00	None	81,000.00
Refunding Bonds	2,329,000.00	158,000.00	105,000.00	2,276,000.00
Temporary Assessment Bonds (1936 Paving)	41,500.00	24,000.00	None	17,500.00
Temporary Assessment Bonds (1937 Paving)	None	None	120,000.00	120,000.00
Temporary Capital Bonds (Park)	None	None	60,000.00	60,000.00
	<u>\$3,305,500.00</u>	<u>\$376,000.00</u>	<u>\$340,000.00</u>	<u>\$3,269,500.00</u>
Cash in hand to pay Temporary Assessment Bonds and Fund- ing Bonds	527,770.32			442,319.71
	<u>\$2,777,729.68</u>			<u>\$2,827,819.71</u>

A comparison of the present net bonded debt of the Township to that on January 1, 1931, follows:

January 1, 1931.....	\$4,971,000.00
January 1, 1938.....	2,828,000.00
	<u>2,143,000.00</u>
Paid Off	\$2,143,000.00

The remaining debt will not be paid off quite at this rate, first because most of the liquid assets in the way of assessments collectible have been collected, and secondly because a greater amount of public improvements will probably be necessary during the next eight years than have been undertaken during the past eight. Here, however, the question of how much money can be spent for public improvements under the new Bond Act enters. This is discussed subsequently.

BALANCE SHEET

A simplified "balance" sheet for the Township of Teaneck which purports to show the amount of obligations which the Township has and the reserves with which to meet them, is presented. Although it is called a "balance" sheet, it is not intended that the two sides should balance, for included in the debit side are serial bonds, some of which do not become due until 1965. Such bonds, of course, will be met by taxation from year to year. The statement is remarkable, however, in that it shows that if the Township could at present realize on all of its assets then it could practically wipe out its total debt, without requiring future taxpayers to meet the maturities of bonds. It is rather rare for any municipality to show such a financial condition. The "assets" do not include the improvements, buildings and equipment owned by the Township, such as the Town Hall, Library, Fire House, Sewers, Paving, Sewage Disposal Plants, etc. On the balance sheet of a private corporation these also would be shown as "assets."

ASSETS:

Taxes Outstanding	\$ 392,985.06
Tax Title Liens Outstanding	418,153.38
Interest and Costs on Tax Title Liens	192,048.58
Assessment Lien Interest	1,094.02
Assessments Outstanding	303,386.96
Assessment Liens Outstanding	426,186.00
Assessments in Abeyance	69,429.34
Pending Assessments	130,000.00
2nd Class R. R. Tax	7,385.70
Assessed valuation of land acquired by foreclosure	909,135.00
Cash in bank	751,161.05
	\$3,601,465.09

LIABILITIES:

Bonds Outstanding (Due in 1938-1965)	\$3,269,500.00
Water and Gas Payments due on properties	43,971.87
Due School Board for 1-1-38 to 7-1-38	236,470.00
Deposits Refundable and Excess Receipts	823.00
Prepaid 1938 Taxes	8,552.07
Bills Outstanding	1,464.15
	\$3,560,781.09

RETIREMENT OF DEBT

REDEMPTION OF UNEMPLOYMENT BONDS—The total amount of unemployment bonds outstanding as of the first of the year is \$19,000. out of an original \$46,500. \$36,500. of the total was not incurred directly for poor relief, but to build the high school stadium and athletic field. No relief bonds have been issued since 1934, the cost since then being carried entirely in the budget appropriation, putting relief on a "pay as you go" basis. The debt appropriations have, in addition, been sufficient to reduce by \$27,500. the relief debt incurred in 1934 and prior.

The publication of this budget has been somewhat delayed in the hope that the State Legislature would definitely determine the amount of relief to be borne by municipalities this year. The Legislature, however, has arrived at no decision.

REDEMPTION OF CAPITAL BONDS—In this item is grouped the redemption of bonds issued from 1926 on for non-assessable projects, that is, for improvements made by the Township as a whole or for bonds which have been issued to cover the Township's share of improvements which were not assessed against the property owners.

REDEMPTION OF FUNDING BONDS—In 1934 the Township found it necessary to issue refunding bonds in the total amount of \$2,910,000. to replace the temporary assessment bonds that had been issued for various improvements and assessed upon the benefitted property. Included in this amount were tax revenue notes of \$294,000. which had been issued to replace money which had been, prior to 1930, loaned by the Trust to Current account and spent. The Township did not find it necessary, as many a municipality did, to issue funding bonds to replace money which had been borrowed since 1930 in anticipation of taxes and spent to run the Town, nor was it necessary to refund the permanent bond issues for capital improvements. The last of the temporary bonds which primarily made this refunding necessary will be paid off this year. The various steps in the retirement of this temporary debt were as follows:

1. Prior to 1934—during this period Teaneck's bonds, as were all municipal bonds, were selling at a discount on the market. The Township was fortunate in having in its trust funds a considerable amount of money applicable to the redemption of these bonds. Consequently the Township bought Teaneck temporary bonds on the open market at various discounts, resulting in a saving of approximately \$40,000.
2. 1934—This was the year in which the Township had coming due approximately \$1,600,000. in temporary bonds. Some were bought at a discount before maturity. The owners of the remainder were contacted, and in all cases agreed to accept for their holdings bonds of the refunding issue.
3. 1935-1936—During these years the municipal bond market changed considerably. Interest rates on municipal bonds dropped and the holders of Teaneck temporary high interest bonds were reluctant to give them up before maturity in exchange for low interest refunding bonds, especially since the credit of Teaneck had so improved. To meet this situation, the Legislature permitted the sale and exchange of bonds at a discount, so that refunding programs might be carried out, and the holder of the temporary bonds, not yet due, not lose by exchanging his bonds for the refunding bonds, since the discount provision gave him an equal interest return during the period which his old bonds still had to run. At this time various bond houses assisted the Township in collecting and exchanging forthcoming maturities.

The whole refunding process cost the Township \$8,855.54, of which approximately \$6,000 was the bond attorney's bill, the remaining \$2,800. being the cost incurred for clerk hire, printing of bonds and various incidentals. Before it was decided that the Township would do its own refunding, bond houses had proposed doing it with the funding bonds carrying a 5½% interest rate, and at from one to one and one-half per cent. premium. Therefore by handling it themselves, the Township officials accomplished a saving of approximately \$35,000. in commissions, plus a much larger amount in interest savings since the funding bonds were finally all disposed of at rates of from 5% to 3¼%. Through this refunding, the Township of Teaneck has reduced its immediate interest bill approximately \$35,000. a year.

FUNDING AGREEMENT—When the funding bond ordinance was set up, it contained an agreement specifically guaranteeing to the holders of new bonds:

1. That all assessment collections would be placed in a Special Trust Fund to be used only for the payment of these bonds, or for the interest thereon.

2. That whenever any appropriation is made in the budget for debt service on these refunding bonds, such appropriation would be overlaid in an amount sufficient to guarantee the collection of the actual amount required, even though that year's taxes were not collected 100%.

The appropriations in the 1938 budget indicate how this works out. There is now segregated in this Trust Fund \$503,801. for the payment of bonds and the interest thereon, which could be used to meet entirely this year's requirements, amounting to \$142,000. in maturities and \$100,205. in interest. To meet the debt service on these funding bonds entirely through the use of the Trust Fund money, while entirely legal, might not be in the interests of the taxpayer, in that while it would produce an immediate reduction in taxes (providing the amount of money set free wasn't used for some other purpose) it would more quickly use up the Trust Fund, with the result that the tax rate in a very few years, except for a certain contingency, would have to be sharply increased when the Trust Fund money is exhausted.

This year there has been taken out of the Trust Fund a total of \$202,205., \$142,000. of which is allocated to the payment of maturities and \$60,205. of which is allocated to the payment of interest. This leaves a balance of \$40,000. to be appropriated by the Township, but since only 74% of the 1937 taxes were collected, this \$40,000. must be overlaid, the total appropriation required is \$55,000.

The contingency which will postpone the day of the necessary increase in taxes to pay the refunding bonds, when the Trust Fund is exhausted, is the sale of lands foreclosed by the Township. These lands, when they were foreclosed, had assessed against them, in almost every case, a large amount for sewers and streets, or both. The owner of the property was unable to pay them, consequently the taxpayers as a whole must stand the burden, except that as land is sold the proceeds of the sale can be and are being set aside for the eventual payment of the funding bonds.

At the end of 1938 there will be outstanding \$2,153,000. of funding bonds. Against this there will be approximately \$500,000. in the Trust Fund, plus \$300,000. of outstanding and collectable assessments, or a total of \$800,000. This leaves approximately \$1,350,000. of funding bonds to be met either through taxation between now and 1952, or by the money derived from the sale of properties.

When the foreclosures are all completed, the Township will probably have land of the assessed valuation of \$1,500,000. (6% of the total ratables). Perhaps half of this land will be devoted to public purposes. It is out of the sale of the balance that the money for the payment of the funding bonds must come, if it is not to be carried in future budgets. The foreclosure of properties thereby placing them in the Township's hands, does not serve to increase the tax rate, but rather would actually lower the tax rate if full credit for such properties could be gotten from the County Board of Taxation. It does decrease the valuation on which taxes are levied, but since taxes which are levied on property subsequently foreclosed have not been paid, the paying taxpayers have had to make up the difference through the cushion appropriations.

INTEREST PAYMENTS—In this division of the budget is grouped the interest payments due on the various classes of bonds which the Township still has outstanding.

G — DEFICIENCY ADJUSTMENT RESERVES

In a large measure the items in this division are technical accounting items and paper deficiencies which the audits disclose. Such deficiencies often arise from accounting operations and are appropriated for as soon as the amounts are known. Practically none of them require an expenditure of actual cash, and the appropriation results in an increase in the cash surplus of the Township. They could, in their entirety, be counterbalanced by surplus revenue appropriations. However, to do so would not leave the necessary cushions to take care of the inevitable losses in tax collections.

TAXES CANCELLED & REDUCED—In 1937 taxes cancelled and reduced in the total amount of \$11,398.75 have been carried through the accounts by the auditors and charged against the reserves set up therefor.

DEFERRED CHARGES AGAINST FUTURE TAXES, NOT BONDED—This item made prior to 1930 covers a series of improvements on which evidently more money was spent than the actual bonds put out against them. It is offset by a surplus revenue appropriation.

DEFICIT MISCELLANEOUS REVENUES ANTICIPATED—The first of these items appropriates an amount to compensate for the non-collection of the revenues anticipated in the 1937 budget. The second item compensates for the franchise taxes anticipated, but not received this year, as explained under "franchise taxes".

RESTORATION OF CAPITAL SURPLUS—The necessity of this item arises from the fact that the reduction in the amount of funding bond issue in 1935 of \$19,000. was too great a reduction, and that \$9,000. additional cash was needed to take up outstanding bonds. This money was taken from free cash surplus, and the present appropriation restores the money thereto.

BELLE AVENUE OPENING—This represents the actual cost of the opening of Belle Avenue north of the State Highway across private land. The amount was so small that it was never bonded, and is put into this budget to wipe it off.

DEFICIT DEDICATED APPROPRIATIONS ASSESSMENT DEBT—This item is explained in the notes concerning the dedicated revenue section of the budget below.

CANCELLED GROSS RECEIPTS TAXES—The necessity for this item also runs back to the legal entanglement concerning gross receipts and franchise taxes, as a result of which the amount of gross receipts taxes owing to the Township was reduced.

ASSESSMENTS LEVIED AGAINST TOWNSHIP PROPERTY—This item takes care of assessments levied against Township owned property in paving improvements of 1936.

DEFICIT UNEXPENDED BALANCE ACCOUNT—The accountants carry an account known as an "unexpended balance account", to which are credited unexpended balances of appropriations, and from which are deducted over-expenditures and other charges. The appropriation is necessary to wipe out the current deficit in this account.

IMPROPER BUDGET TRANSFER—In making the 1936 transfers an amount of \$2,000. was transferred from the interest account to the operating account. This need not have been done since there were sufficient balances in other operating accounts which could have been transferred. However, since it was done and the Budget Act does not permit it, this amount must be restored by a budget appropriation.

REFUNDS, OVER-COLLECTION OF INTEREST—This wipes out a debt owing to a property owner for the over-collection of interest.

EXPENDITURES WITHOUT RESERVES—This item wipes out an account incurred by the payment of a bill in 1936 for which no specific reserve had been set up.

H — DOWN PAYMENT, DEBT SERVICE

The new Budget Act makes it mandatory to provide a "down payment" equal to one year's maturities in a budget before any bond issue can be authorized. The \$10,000. down payment set up in this budget is to provide the necessary money to permit improvement ordinances to be passed in 1938 for the paving of streets, the construction of the Belle Avenue sewer, West Englewood sewerage work, and a modest amount for any other needs which may arise.

The new Bond Act permitted municipalities which were over the net debt limit, according to the new method of calculation established by that Bond Act, to authorize new bonds in the amount of 60% of the debt they paid off after the date the Act went into effect, but never in excess of more than 2% of the assessed valuation. The maximum amount which Teaneck can still borrow under this provision of the Act, is \$120,000.

I — DEDICATED REVENUES

This section of the budget, required by the Budget Act, is new. Primarily its purpose is to keep the dedicated revenues in bounds and to make certain that any deficiencies in such dedicated revenues are immediately picked up by the taxpayers at large, thereby preventing the accumulation of large amounts of delinquencies. Only that section of the Act pertaining to assessment debt, applies to Teaneck. On this assessment debt, the Budget Act requires two things—first, that the money to pay permanent assessment bonds coming due during the current year must either be in hand at the first of the year or the difference between the amount in hand and the amount of bonds due must be appropriated in the general budget. Secondly it provides that when improvements are funded temporarily there can never be any more notes or bonds outstanding against this improvement than there are outstanding assessments which are not delinquent. This requirement will prevent the re-occurrence of any such conditions as existed, and exists, as a result of the 1930 and prior improvements where tremendous amounts of money were accumulated, and payment thereof by the property owners in general postponed. This section at present takes care of the assessments levied on 1936 street paving, and results in the fact that a net amount of \$5,677.14 must be appropriated in the general budget.

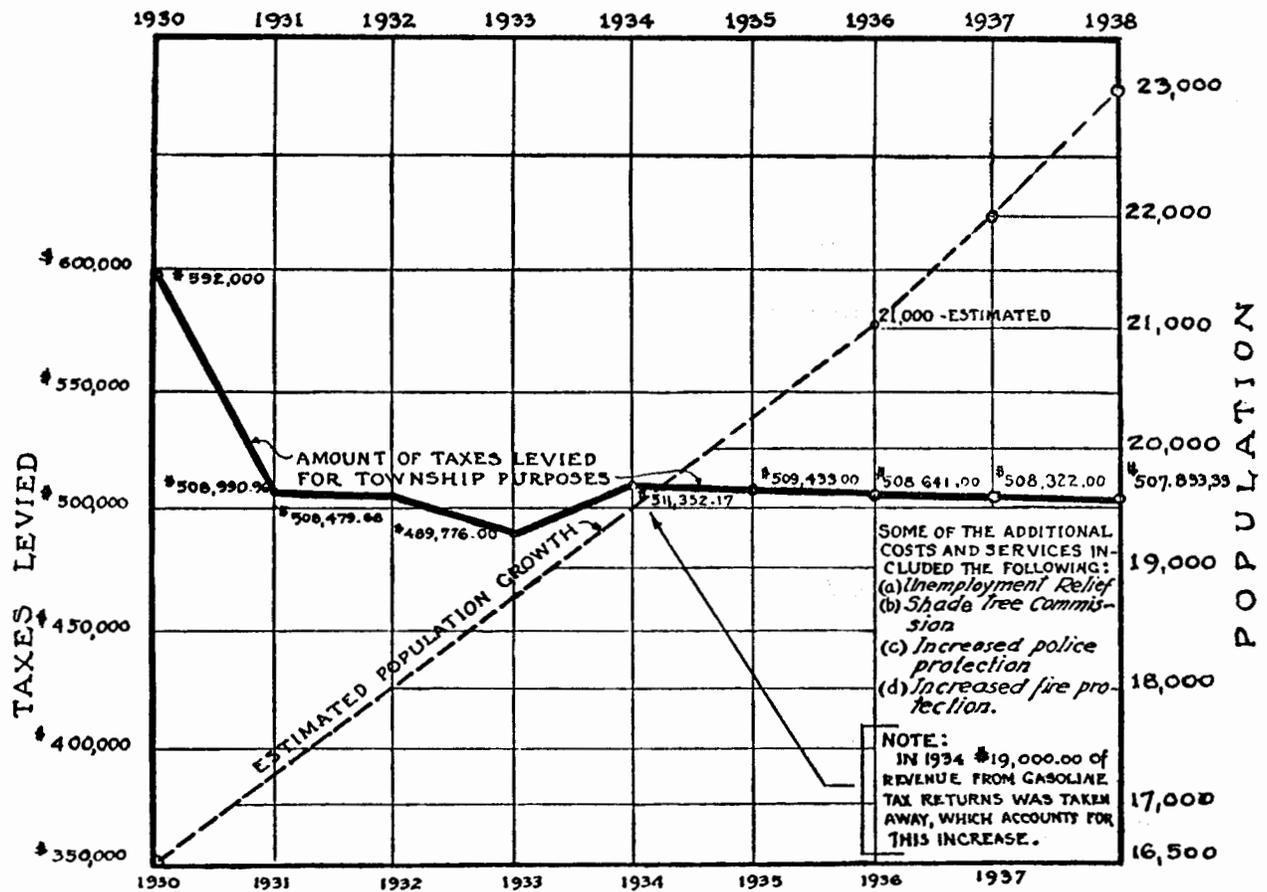


CHART SHOWING POPULATION VS. TAXES

DESPITE RAPIDLY INCREASING POPULATION AND ADDITIONAL SERVICE RENDERED, THE TAX MONEY REQUIRED FOR TOWNSHIP OPERATION AND DEBT REMAINED PRACTICALLY STATIONARY FROM 1931 TO 1938

TOWNSHIP COUNCIL

Milton G. Votee, Mayor

Robert P. Lewis
Louis G. Morten

Samuel S. Paquin
Karl D. Van Wagner

Paul A. Volcker, Township Manager
New Jersey State Auditor, Auditor

REGISTRATION FOR MUNICIPAL ELECTION FOR COUNCILMEN TO BE HELD MAY 10, 1938

Only persons who are permanently registered are eligible to vote at this election.

To be able to register permanently, a person must be a resident of the State of New Jersey for one year, as of May 10th, and have resided in the County of Bergen for five months.

The last day for registration for this election is Tuesday, April 12th. Registrations can be made at either the Township Clerk's office at Town Hall or County Board of Elections, Administration Building, Hackensack.

The Township Clerk's Office is open daily from 9:00 to 12:00 and 1:00 to 5:00; Saturdays from 9:00 to 12:00. The office will also be open for registration on the following evenings from 7:00 to 9:00 P.M.:

WEDNESDAY, APRIL 6th
THURSDAY, APRIL 7th
FRIDAY, APRIL 8th
MONDAY, APRIL 11th
TUESDAY, APRIL 12th