Report
Of Auditing Committee
For Kent County, Maryland

Chestertown. Maryland, October 28, 1932.

To The Honorable Board of County Commissioners, Kent County, Maryland.

Gentlemen:

Complying with the Act of the General Assembly of Maryland, January, 1904, we submit herewith the twenty-ninth Annual report of the Auditors of Kent County, Maryland, for the year ending June 15, 1932.

This Audit has been prepared in a manner similar to the 1931 report, in which the charges were rearranged and simplified for better accounting. We recommend the adoption of the headings for use in your office as well as by the Treasurer.

We have examined all records as provided by the Act and found them in excellent shape, indicating the careful manner in which they have been kept.

All bills and vouchers approved for payment have been carefully checked and compared with bank statements. There was received from all sources, including the amount on hand June 15, 1931, the sum of $390,865.25. The Treasurer paid out $381,292.30. The balance on hand June 15, 1932, is $9,897.95.

Below is given a summary of all receipts and disbursements for the year:

SUMMARY

Cash on hand June 16, 1931		$ 31,158.40
RECEIPTS		
Taxes Collected	$267,709.75	
Interest on Taxes	2,889.24	
Interest on Deposits	12.47	
Alms House	2,328.13	
Dog License	1,964.00	
State of Maryland	80,000.00	
Miscellaneous Items from Co. Comm.	4,803.28	359,706.85
Total Receipts		$390,865.25
DISBURSEMENTS		
Alms House	7,992.13	
Assessment	1,531.59	
Bonds and Interest	144,150.00	
County Commissioners	6,729.80	
Education	117,112.23	
Election and Registration	8,100.82	
Extension Service	6,712.33	
Health	10,037.70	
Law and Order	28,126.43	
Miscellaneous	10,529.97	
Roads and Bridges	36,778.07	
Treasurer	3,491.29	381,292.36
Clerical difference		.06
Total Disbursements		$381,292.30
Due from Mayor and Council of Chestertown for Coupons paid		325.00
		380,967.30
Balance on hand June 15, 1932		9,897.95
		$390,865.25

The Exhibits following show in detail the basis and explanation for each source of revenue and the total charges to each major account.

RECOMMENDATIONS:

(1) That all deeds be transferred on the assessment books in the office of the County Commissioners, and stamped to that effect by the Clerk, before same are recorded in the Deed book by the Clerk of the Circuit Court.

(2) That the money received from the Dog License should be paid to the Treasurer and disbursed by him on order of the County Commissioners. The practise now in effect is contrary to law and should no longer be continued.

(3) That the automobile and tax laws pertaining to Kent County should be repealed and the Treasurer authorized to collect taxes on all Personal Property before automobile licenses can be issued. This law is now in effect in numerous counties in the State, with excellent results and unpaid taxes reduced to a minimum.

(4) That all property purchased by the County Commissioners be stricken from the regular assessment books and recorded in a separate book arranged for that purpose.

(5) That a book of record be kept by the County Commissioners of all property declared insolvent and on which the Treasurer is relieved of collecting taxes.

(6) That the Treasurer be instructed to open a separate account in bank to be known as a Bond and Coupon Account, into which there should be deposited, only, the necessary funds for the payment of all bonds retired and coupons paid at the proper date. There would always be in this account a balance sufficient to take care of coupons not yet presented for payment. It would simplify office procedure and safeguard against errors.

(7) That the system of accounting now used in your office and The Treasurer's office be revised and a modern plan, with necessary equipment, be established.

(8) That the Act of Assembly relating to auditing the Accounts of Kent County be repealed and in lieu thereof the committee be instructed to audit all county officers and state officers involving funds of the county.

Respectfully submitted,
M. deK. SMITH, JR., Chairman
ISABEL R. NEWNAM
REGINA R. KIRBY

EXHIBIT A

STATEMENT OF THE LEVY FOR 1930-31

Alms House	$ 3.000.00
Assessments	000.00
Bonds	61,022.52
Circuit Court	2,292.61
Clerk of Court	000.00
County Commissioners	1,650.00
Election and Registration	000.00
Extension Service	3,300.00
Health	6,400.00
Inquisitions	000.00
Insurance	000.00
Jail	000.00
Miscellaneous	7,917.41
Orphans Court	1,400.00
Pensions	600.00
Roads and Bridges	30,340.57
Salaries	9,900.00
Schools—County	108,005.91
Schools—State	000.00
Treasurer	000.00
Wharves and Landings	000.00
Certificates 1930-31	65,040.27
Total	$300,869.29

EXHIBIT B

SUMMARY OF ASSESSMENTS FOR 1931-32

	Assessments	Rate	Taxes
Real and Personal	$15,168,260.00	1.67	$253,309.94
Extra Real and Personal	174,360.00	1.67	2,911.81
Bank Shares	319,852.63	1.00	3,198.53
Corporations	315,971.19	1.67	5,276.72
Corporations (Special)	33,494.26	1.00	334.94
Corporations (Domestic)	61,471.56	1.67	1,026.57
Motor Vehicles	742,615.00	1.67	12,401.67
Non-Stock Corporations (Full Rate)	2,300.00	1.67	38.41
Non-Stock Corporations (Sec. Rate)	175,353.00	.30	526.06
Securities	1,481,242.00	.30	4,443.73
Extra Securities	489,722.00	.30	1,469.17
Trust Companies	20,627.44	1.00	206.27
Total	$18,985,269.08		$285,143.82
Since Audit June 15, 1931.			
Extra Corporations	11,701.23	1.67	195.41
Extra Corporations (Special)	97,585.10	1.00	975.85
Extra Motor Vehicles	45,270.00	1.67	757.68
Extra Trust Companies	15,361.84	1.00	153.62
Total	170,018.17		2,082.56
Grant Total	$19,155.287.25		$287,226.38

EXHIBIT C

STATEMENT SHOWING AMOUNTS PAID BY ORDERS ISSUED 1931,32

Alms House	$ 2,993.90
Attorney to County Commissioners	300.00
Auditors Report	150.00
County Commissioners Salary	1,500.00
Clerk to the County Commissioners	1,500.00
County Treasurer's Salary	1,500.00
County Commissioner's Office Expense	451.47
Contract Printing	1,000.00
Deputy Treasurer's Salary	1,000.00
Easton Hospital	500.00
Extension Service	3,300.00
Health Office and Jail Physician	499.00
Hospitals	3,192.85
Incorporated Towns, Roads and Bridges	3,900.00
Janitor's Salary	400.00
Machinery for County	2,000.00
Miscellaneous	535.35
Orphan's Court	1,374.33
Pensions	510.00
Roads and Bridges	28,340.57
Road Engineer's Salary	1,500.00
States Attorney's Salary	1,200.00
Supervisor of Assessment's Salary	1,000.00
Schools	108,005.91
State Department of Health	2,200.00
Total	$168,853.60

EXHIBIT D

STATEMENT SHOWING AMOUNTS PAID BY CERTIFICATES ISSUED 1930-31

Witness Circuit Court Oct. 1930	$ 176.33	Local Assessments	1,101.05
Witness Circuit Court April, 1931	311.40	Reformation and State Schools	1,413.94
Circuit Court	3,080.77	Hospitals	4,275.29
Circuit Court Clerks Office	531.06	Alms House	5,101.50
Court House and Jail	3,052.62	Schools	3,287.09
Court House	213.76	Inquisitions	497.97
Board of Prisoners	4,256.77	Machinery for County	525.00
Sheriff's Fees	883.97	Tuberculosis Eradication	3,445.32
Transporting Prisoners	1,277.73	Charities	26.79
Work on Jail	53.84	Incorporated Towns—Bank Shares	1,608.71
Supplies for Jail	1,440.96	Roads and Bridges	2,043.13
Kent and Queen Anne Joint Account	291.10	Registrations and Elections	3,584.96
Magistrates and Constables	2,618.86	Orphans Court	459.60
Miscellaneous	1,095.57	Wharves and Landings	731.79
Treasurer's Office Expense	1,444.07		
Taxes paid in error	12.88	Total	$ 48,843.83

EXHIBIT E.

STATEMENT SHOWING AMOUNT OF TAXES COLLECTED BY CLARENCE NEWSOME, TREAS. 1929-30

Kind	COLLECTED		UNCOLLECTED		INSOLVENT		Total
	Original Assessment	Extra	Original Assessment	Extra	Original Assessment	Extra	
Real and Personal	1,917.14		328.85	25.46	234.97	2.38	2,508.80
Corporations			401.56				401.56
Motors			2,927.65				2,927.65
Securities			6.85				6.85
Total	1,917.14		3,664.91	25.46	234.97	2.38	5,844.86
Interest on Collected Taxes							185.66

STATEMENT SHOWING AMOUNT OF TAXES COLLECTED BY CLARENCE NEWSOME, TREAS. 1930-31

Kind	COLLECTED		UNCOLLECTED		INSOLVENT		Total
	Original Assessment	Extra	Original Assessment	Extra	Original Assessment	Extra	
Real and Personal	7,610.54	127.25	3,818.94	144.63	441.32	43.68	12.186.36
Corporations			131.74				131.74
Motor Vehicles	145.79		1,963.49				2,109.28
Securities			10.98	3.24			14.22
Total	7,756.33	127.25	5,925.15	147.87	441.32	43.68	14,441.60
Interest on Collected Taxes							517.98

STATEMENT SHOWING AMOUNT OF TAXES COLLECTED BY H. STOCKTON STARTT, TREAS. 1931-32

Kind	COLLECTED		UNCOLLECTED		INSOLVENT		Total
	Original Assessment	Extra	Original Assessment	Extra	Original Assessment	Extra	
Real and Personal	227,067.79	2,566.54	25,805.88	326.90	436.27	18.37	256,221.75
Bank Shares	3,198.53						3,198.53
Corporations	4,881.02	195.41	395.70				5,472.13
Corporations (Special)	334.94	975.85					1,310.79
Corporations (Domestic)	1,026.57						1,026.57
Motor Vehicles	10.184.23	748.32	2,061.71	9.36	155.73		13,159.35
Non-Stock Corp., Full Rate	5.01		33.40				38.41
Non-Stock Corp., Sec. Rate	526.06						526.06
Securities	4,369.68	1,469.17	40.63		33.42		5,912.90
Trust Co.	206.27	153.62					359.89
Total	251,800.10	6,108.91	28,337.32	336.26	625.42	18.37	287,226.38
Interest on Collected Taxes							2,185.60

SUMMARY

	Taxes	Interest
1929-30	$ 1,917.14	$ 185.66
1930-31	7,883.58	517.98
1931-32	257,909.01	2,185.60
Total	$267,709.73	$2,889.24

EXHIBIT F

STATEMENT OF ALMS HOUSE AND FARM SHOWING EXPENDITURES AND RECEIPTS FROM JUNE 16, 1931 TO JUNE 15, 1932

Farm Receipts

Sale of milk for the year	$1,027.96	
Lambs 10 @ $5.00	50.00	
Calves 2 @ $9.50	19.00	
Wheat 1235.20 bu. @ $.43	522.13	
Tomatoes	226.18	
Tomatoes 176 baskets @ $.18	31.68	
Calves 2 @ $10.00	20.00	
Rebate on Gasoline	29.44	
Calves 2 @ $9.00	18.00	
Cows 4 @ $10.00	40.00	
Calves 3 @ $10.00	30.00	
Calves 1	12.00	
Calves 1	10.00	
Wool 268 lb. @ $.08	21.44	
Corn 901.19 bu. @ $.30	270.40	
Corn 366 bu. @ $.30	109.80	
Wheat 195 bu. @ $.43	83.85	
Total		$2,521.82

Farm Expenses

Fertilizer and Seed	$ 379.98	
Gas and oil	366.32	
Insurance	103.73	
Labor, Implements, Repairs, etc.,	1,432.84	
Mill Feed	243.68	
Tenants share of milk	256.88	
Stock	675.00	
Wheat furnished farm (141 bu. @ $.43)	60.63	
Corn furnished farm (316 bu. @ $.30)	94.80	
Total		$3,613.86
Net loss on Farm Operations (In Red)		$1,092.04

Alms House Expenses

Clothing	$154.37	
Coal and freight	712.63	
Coffins	9.00	
Drugs, etc.	40.12	
Groceries, meat, etc.	920.26	
Labor	386.15	
Lumber and repairs	421.52	
Oil, Gas., Paints	67.19	
Salary to Trustees	120.00	
Salary to Sec. and Treas.	200.00	
Salary to Superintendent	400.00	
Salary to Matron	300.00	
Salary to Physician	150.00	
Seed and Fertilizer	64.50	
Stoves, Hardware, etc.	2.60	
Telephone	38.10	
Corn furnished Home (50 bu. @ $.30)	15.00	
Wheat furnished Home (54 bu. @ $.43)	23.22	
Total		$4,024.66
Received from County Commissioners, Cost of burying Mabel Hynson	12.00	
Total		$4,012.66
Total Expense for the year of the Institution		$5,104.70
Orders in Levy 1931-32	$2,993.90	
Certificates to be provided for in Levy of 1932-33	4,774.17	
Total		$7,768.07
Unpaid Bills in 1930-31 provided in Levy 1931 1932		339.66
		$7,428.41
Warrants Issued 1931-32 not presented for payment		16.46
		$7,444.87

EXHIBIT G

DOG LICENSE FUND

Cash Balance on hand June 16, 1931	$ 24.62	
Cash from sale of license from June 15, 1931 to June 15, 1932	1,964.00	
		$1,988.62
Total Disbursements, loss of Stock, Poultry, etc.	$1,758.74	
Checks outstanding June 15 1932	13.75	
	$1,744.99	
Balance on hand June 15, 1932	243.63	
		$1,988.62

EXHIBIT H

CASH ITEMS HANDED OVER TO THE TREASURER FROM COUNTY COMMISSIONERS YEAR 1931-32

Cash from Harry Kirby, rent on county property	$ 5.00
Check from Walter Morris, Treasurer for telephone calls	1.10
Check from J. D. McVean, one-half tel. calls	1.50
Check from Treas. of Maryland, Franchise Tax for June	2.50
Check from B. T. Hudson for board of patient at Springfield St. Hospital	125.00
Check from Wm. B. Usilton, P. J. Fines	31.75
Cash from Harry Kirby, rent on County property	5.00
Check from G. Edw. Gillespie, board of patient at Cambridge	31.25
Check from Charles R. Kerr, P. J. Fines	37.00
Check from J. D. McVean, one-half tel. toll	1.50
Check from Wm. A. Wheatley, J. P. fines	30.00
Check from Treas. of Maryland, Franchise tax for July	18.00
Cash from Mrs. Wm. B. Jones, for Telephone call to Washington	.85
Check from J. D. McVean, one-half telephone toll and calls	2.25
Check from Treas. of Maryland, Franchise tax for August	32.75
Check from John T. Vickers, Sheriff, clerk cost	1.00
Check from J. D. McVean, one-half telephone toll and calls	2.60
Check from Treas. of Maryland, Franchise Tax for September	39.25
Check from Robert A. Shallcooss, Clerk for record books	334.13
Check from Wm. B. Usilton, P. J. Fees	117.90
Check from G. Edw. Gillespie, board of Patient at Cambridge	31.25
Check from J. D. McVean, one-half tel. toll	1.50
Check from Charles R. Kerr, J. F. Fines collected	54.35
Check from Wm. A. Wheatley, P. J. Fines	14.15
Check from George E. Hicks, J. P. Fines	29.70
Check from John T. Vickers, Sheriff costs in Appeal case	157.60
Check from County Commissioners of Talbot County Court Exp.	218.50
Check from Treas. of Maryland, St. Dept. of Forestry	39.37
Check from Treas. of Maryland, St. Dept. of Forestry	7.22
Check from J. D. McVean, one-half tel. toll	1.50
Cash from Dr. E. A. Scott, Atty. Acting for County Commissioners	25.00
Check from J. D. McVean, one-half tel. toll	1.50
Check from Treas. of Maryland, Franchise tax for Dec.	2.50
Check from G. Edw. Gillespie, board of patient at Cambridge	31.25
Check from Jesse Medders, Executor of Est. of Mrs. Julia Medders, board at Eastern Shore St. Hospital	27.13
Check fom Treas. of Maryland, service rendered fighting forest fires	6.90
Check from Wm. B. Usilton, P. J. Fines	29.90
Check from Mayor and Council, of Chestertown, refund on Corp. tax	.46
Check from J. D. McVean, one-half telephone toll and calls	5.49
Check from Charles R. Kerr, J. P. Fines	43.95
Check from Wm. A. Wheatley, J. P. fines	6.00
Check from State Department of Forestry	3.95
Check from J. D. McVean, one-half telephone toll and calls	3.33
Cash from Wm. A. Wheatley, J. P. fines	17.00
Check from J. D. McVean, one-half telephone toll and calls	3.40
Check from Wm. A. Wheatley, J. P. fines	28.00
Check from Board of Supervisors of Election for Kent County	10.00
Check from Board of Supervisors of Election for Kent County	40.00
Check from Board of Supervisors of Election for Kent County	22.22
Check from Wm. B. Usilton, P. J. fines	26.00
Check from Board of Supervisors of Election for Kent County	10.00
Cash from J. T. Dixon, Deputy Clerk extra Telephone call	.85
Check from G. Edw. Gillespie, board of patient at Cambridge	31.25
Check from Charles R. Kerr, J. P. fines	3.95
Check from J. D. McVean extra telephone calls and toll	2.55
Check from Robert A. Shallcross, Clerk for costs	9.65
Check from J. D. McVean, one-half telephone toll	1.50
Check from Clarence Newsome, Treas., July 15, 1931	1,606.50
Check from Clarence Newsome Treas., July 15, 1931	1,427.58
Total	$4,803.28

EXHIBIT J.

STATEMENT OF DISBURSEMENTS BY COUNTY TREASURER PAID 1931-32

Account	Orders 1931-32	Certificates 1930-31	Total
Alms House	$ 2,993.90	$ 4,998,23	$ 7,992.13
Assessment	1,000.00	531.59	1,531.59
County Commissioners	5,719.06	1,010.74	6,729.80
Education	108,005.91	9,106.32	117,112.23
Election and Registration	2.26	8,098.56	8,100.82
Extension Service	3,300.00	3,412.33	6,712.33
Health	6,746.36	3,291.34	10,037.70
Law and Order	5,465.53	22,660.90	28,126.43
Miscellaneous	4,152.95	6,377.02	10,529.97
Roads and Bridges	32,081.54	4,696.53	36,778.07
Treasurer	2,500.00	991.29	3,491.29
Total	$171,967.51	$65,174.85	$237,142.36

TAX PROBLEM OF MARYLAND FARMER

(BY MILES H. FAIRBANK, SECRETARY-TREASURER MARYLAND FARM BUREAU FEDERATION)

PART III

In 1931 the twenty-three counties of Maryland appropriated $2,567,161 for the maintenance of county roads and bridges. This amounted to an average of 20 per cent. of the total budget of the counties. The road appropriation for 1932-33 has been reduced considerably in most counties, but it will probably be done at future expense, since work neglected must be paid for later.

The plan suggested by the Maryland Farm Bureau and other farm organizations is simply to take care of this expenditure from the gas tax and license fund. Let us see how this will work: In 1931 the total receipts from the gasoline tax, after all deductions, were $7,431,002. Of this amount 80 per cent. or $5,868,362 was available for expenditure on state roads.

The revenue from motor license, after deducting the administrative cost of the office of the Commissioner of Motor Vehicles in 1931 amounted to $3,606,000; of which 80 per cent. or $2,484,058 was available for the state roads system. This totaled $8,352,420 which can be accepted as an approximate amount to be derived from these sources annually.

In expending this money, the State Roads Commission is guided by existing law as to the division of the funds created. The tax is .04c per gallon (there is an additional .01c Federal tax.) One and one-half cent must now be spent on new roads and this is known as the lateral road fund. This is allotted to the several counties in proportion to their road mileage to the total of the state. Two cents is spent on maintenance of the present system, wherever the need exists. On-half cent is used for the elimination of grade crossings, and must be matched by the railroads. The revenue from the Commissioner of Motor Vehicle is used for maintenance, reconstruction, and road betterment wherever the demands justify.

What the Farm Bureau has proposed is this: That a new division of the tax be made so that less money will be spent on lateral roads and on road betterment for the next several years, and the funds, so diverted, be used to maintain the county roads. This does not mean that road building in the counties must cease. It simply means that the State must build lower cost roads in the districts that do not have traffic demands to warrant the high-priced roads now being constructed.

In addition, there is a fund over $1,-$52,000, Federal Post Road appropriation, that is still to be spent on new roads.

There is also the construction of new bridges fro mthe $2,000,000 bond issue of which $1,000,000 will still be available in 1933.

It will be seen, therefore, that after the $2,500,000 needd to maintain the county roads is provided for, there is stily sufficient funds for road building and bridges.

Diverting funds for local road maintenance does not effect the items of the bridge bond issue or Federal Post Roads, nor doe it jeopardize the maintenace of our present system, since ample funds ae left for this purpose if the program of straightening curves, and oad beautification is curtailed for the next several years; and, most important, it will lift in appreciable load from the backs of our harrassed farmers.

There is some question regarding Baltimore City getting a larger share of the gas tax and license fund.

Under the present law, Baltimore gets 20 per cent. of the total, and this is spent on city streets and for road purposes.

Since the city contributes more than half of this, they claim that they are entitled to more than 20 per cent. At first glance, this appears correct, but futher analysis reveals that of the total money spent in the counties, 65 per cent. is spent on roads within a radius of 25 miles of Baltimore City.

Baltimore will benefit materially by any tax adjustment that gives the farmers cash for other purposes. The best customer the city has is a prosperous agriculture in this State. If the Farm Bureau road program is enacted into law this January, one important step will have been taken to bring about that prosperity.

EXHIBIT K.

BONDED INDEBTEDNESS OF KENT COUNTY, MARYLAND

Name of Bonds	Date Issued	Original Issue	Outstanding 6-15-22	No. of $1000 Bonds paid yearly													
				6-15-33	6-15-34	6-15-35	6-15-36	6-15-37	6-15-38	6-15-39	6-15-40	6-15-41	6-15-42	6-15-43	6-15-44	6-15-45	
Kent County Public School 5%	1-1-15	48,000	9,000	3	3	3											
Galena, Fairlee and Chestertown Public Schools 5%	8-1-16	18,000	3,000	1	1	1											
Lateral Roads 5%	7-1-23	21,000	4,000	4													
Lateral Roads 5%	7-1-24	17,000	7,000	3	4												
Lateral Roads 5%	7-1-25	17,000	9,000	2	3	4											
Lateral Roads 5%	7-1-26	17,000	11,000	2	2	3	4										
Rock Hall Public School 5%	7-1-27	15,000	9,000	2	2	2	3										
Kent County Public Road 4½%	7-1-29	900,000	740,000	80	80	80	80	80	80	80	80	80	20				
Public Slag or Stone Road 4½%	7-1-29	100,000	100,000				10	10	10	10	10	10	10	10	10	10	
School Bonds				6	6	6	3										
Road Bonds				91	89	87	94	90	90	90	90	90	30	10	10	10	
Total			892,000	97	95	93	97	90	90	90	90	90	30	10	10	10	

Principal of Kent County Public Road Bonds is paid by State of Maryland from Gasoline Tax.

(continued on page three)

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