

# GROSSE POINTE CIVIC NEWS

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OF GROSSE POINTE TOWNSHIP

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## VOTERS MUST REGISTER TO VOTE FOR PRESIDENT

To be eligible to vote in the presidential election in November, every voter in Grosse Pointe Township must register again, whether he is already registered or not, according to announcement of the township clerk who posted notices in July advising residents that until further notice they may register with their village clerk on any day during office hours. (Re-registration is also necessary to be eligible to vote at the primary election on September 4th.)

## TOWNSHIP ORGANIZATION (Article No. 3)

Of the activities remaining vested in the township government in Grosse Pointe Township, only the administration of the poor fund is not duplicated by the five villages.

In the assessment and collection of taxes, each village is organized to collect its own tax and special assessments, thus requiring an assessor and a tax collector, generally the treasurer. However, the state, through the County Board of Review of Assessments, does not recognize the valuations placed upon property by the village assessors, but acts only on the township valuations fixed by the supervisor. Perhaps, the original idea was to reduce the number of units which would be subject to review, in order to obtain some degree of uniformity of the valuations.

How the village assessments differ from the township figures is shown in the following table of 1927-28 assessments:

	Real and Personal Assess- ments by Villages	Real Estate Assess- ments by Township
Grosse Pointe Park..	\$33,436,365	\$35,134,165
Grosse Pointe Village	24,218,623	17,251,030
Grosse Pointe Farms	20,467,830	21,436,575
Grosse Pointe Shores	3,834,980	9,531,600
Lochmoor Village ...	7,454,261	7,365,700

(Assessing procedure and officers' duties will be discussed in a later article.)

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## ANNUAL REVIEW OF VILLAGE BUDGETS

LOCAL taxes in the United States are approximately half of the total tax bill, a recent survey of the finance department of the United States Chamber of Commerce reveals. Public financing, as every business man knows, is playing an important role in our national prosperity. Capable management of public finances, it is generally agreed, should have as its objective the elimination of waste and the effecting of sensible economies through modern businesslike methods. To keep citizens informed as to administration of public funds, the Citizens' Association periodically examines the methods of local governments.

### GROSSE POINTE PARK

A commendable desire to wipe out the residue of overdrafts accumulated over the last eight years and to clean its financial slate of other items has resulted this year in what is believed to be a decidedly backward step by Grosse Pointe Park, under a seemingly innocent provision in the charter adopted last February.

For two years the Park has been operating under a budget system that is a tremendous improvement over past methods. The fiscal year being co-ordinated with the revenue-collecting year, the Park has been in a position to avoid the temporary borrowing evil with which so many municipalities are struggling, simply because the fiscal year of their budget begins on one date and taxes are not payable until six months later.

By making the fiscal year coincide with the term of elected officers, presumably so that the newly-elected administrations would not be held responsible for debts incurred by past administrations, the start of the fiscal year was changed from July to March. So now the Park's budget year starts approximately four months before taxes are pay-

able, and a month or so before it is even possible for the budget to be studied and duly adopted.

This device of setting back the fiscal year has enabled officials to "clean the slate" without increasing the tax rate and thereby incidentally to create the illusion of retrenchment and economy. Last year's budget of \$383,000 for the fiscal twelve months from July, 1928, to July, 1929, had a net balance on April 1st of \$58,505.23. This balance instead of being credited to the present year's budget to reduce taxes for 1928-9 (the regular way of using a surplus) was appropriated to the wiping out of \$23,894.85 in overdrafts (the residue of a total of \$71,684.55 in overdrafts accumulated in the eight years before the budget system was installed) \$22,600.49 balance due on the municipal garage, and \$12,906.25 for the Village's experiment with the vibrolithic paving process.

Whether these debts were paid now in one lump or gradually out of taxes over a period of two or more years would, of course, make no real difference as far as taxpayers' total bills were concerned. Payment now has the advantage of providing a "clean slate" immediately for the officials. On this "clean slate" the commission has spread the 1928-9 tax roll totaling \$412,530.91, apportioned to four funds as follows:

General Fund .....	\$325,097.43
(Administration, police and fire, electrical, water, public works and health funds are each higher than a year ago, due largely to Village growth, salary increases, and creation of separate police and fire departments.)	
Interest Fund .....	57,562.11
Sinking Fund .....	13,234.92
Contingent Fund .....	16,636.45

Total.....\$412,530.91

The above sums do not represent actual budget requirements and ap-

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## Grosse Pointe Civic News

Grosse Pointe, Mich.

P. O. Address, 51 Warren Ave., W., Detroit

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Printed once a month as the official publication of the Citizens Association of Grosse Pointe Township, under the authority of the following board of directors:

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### RECREATION PROBLEMS

Recognition of the need of concerted action in solving the recreation problems of the Grosse Pointe villages was given in July by the Board of Education, which took the initiative in a movement to bring representatives of all the village governments together to consider ways and means of proceeding. An invitation has been sent to each village council to send a delegate to a meeting-of-the-whole of the Board of Education.

Provision for enjoyment of the lake by residents has already been made by the Shores, Farms and Village through development of parks, piers and swimming and boating facilities on the lake shore. And talk has begun in the Park of a movement to bring about acquisition of lake frontage there for public use. Building of an extension and addition to pier and harbor facilities in the Farms was contemplated this year but omitted when the budget was pared down \$50,000.

Experience of the Village with its lake shore park has this year been very favorable. Locker accommodations for 300 swimmers were installed this spring. Admission is by permit issued to residents at the village offices. The efficient control of the park's use has brought many comments on the practically complete absence of annoyance to adjoining property owners.

A lake shore property in the Park which, it has been suggested, might make a suitable park and settle for all time the threat of establishment of a home for the aged, is at 16424 Jefferson Avenue. It has 200 feet frontage on Jefferson and extends 1,600 feet to the lake. It was purchased a year ago by trustees of the proposed Luella Hannan Memorial Home. Because of widespread objection to the home and subsequent passage of a zoning ordinance,

it was unofficially announced that the trustees probably would not attempt to build the proposed home.

The step taken at the annual meeting of the Board of Education on June 11th to establish a recreation system and provide \$2,500 for its support was held to be illegal in an opinion given the Board by its attorney on July 23rd, due to an amendment to the proposal limiting the use of supervised playgrounds to children of school age. A petition for passage by the Board of a model resolution on the use of school properties by the public was received on July 23rd and referred to the attorney for study.

#### Supervised Play

Supervised playground work is being conducted at the George Defer and Robert Trombley School playgrounds. Supervisors are in charge every day in the week from 9:30 A. M. to 8:00 P. M. to direct the games and play of the children.

More than 700 boys and girls participated in the track and field meet held at the Defer School grounds on June 14th. Teams were entered by the Cadieux, Defer, Kerby, Trombley, Grosse Pointe Junior High and Vernier Public Schools, Jennings Country Day School, and St. Paul, St. Clair and St. Ambrose Schools.

Grosse Pointe Junior High won the senior cups in both the boys' and girls' divisions, while the Defer School carried off similar prizes in the junior divisions. Best appearance cup was won by St. Ambrose. Two hundred and forty ribbons were awarded individual winners.

The Neighborhood Club playgrounds, baseball diamonds and tennis courts adjacent to the clubhouse, at Waterloo and St. Clair Avenues, are also supervised and are available for use by all residents of Grosse Pointe Township to the limits of their capacity.

#### New Sports House

Construction is progressing in the park at Grosse Pointe Shores on a one-story, \$20,000 sports house, 28 x 65 feet, in which accommodations are to be provided for 80 bathers, 40 men and 40 women. Provisions may also be made for the use of the house in winter by skaters. Geo. W. Graves is the architect. The walls will be of stucco, the roof tile. A fountain, tile foot-bath and a fireplace are other features of the building. It is to be completed this year. A. A. Ghesquiere is the contractor.

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propriations, which are as follows:

General Fund .....	\$340,666.25
Gen. Administration..	\$64,981.25
Police Department....	\$6,870.00
Fire Department.....	46,900.00
Electrical .....	40,660.00
Water .....	18,450.00
Public Works.....	59,475.00
Health .....	23,500.00
Interest Fund .....	68,013.21
Sinking Fund .....	30,587.08
Contingent Fund .....	16,636.45
Total.....	\$455,902.99

The net sum to be raised from taxes is less than actual requirements because of credits and offsets to the General Fund from various sources and credits to the Interest and Sinking Funds, principally from back tax rolls.

This is the first year a Contingent Fund has been set up by the Park. Rightly administered a Contingent Fund is of value in financial administration to avoid temporary loans in coping with expenditures that could not be foreseen when the budget was made up. A contingent fund may, however, encourage department heads to seek money for highly desirable improvements not justified by income. Then it is apt to become a grab-bag. So, some budget managers advise against contingent funds, figuring that more care will be exercised when department heads know that extra expenditures not authorized by the budget must be met by temporary bank loans carrying high interest rates.

In this connection it develops that Grosse Pointe Park has been in the habit of borrowing money from its own special assessment funds to meet General Fund deficits, instead of making temporary loans at the bank. This not only is questionable practice but probably illegal.

Borrowing from the Special Assessment drawer for the benefit of the General Fund may not legally be done because all moneys in the Special Assessment Funds are really sinking fund moneys. The bond law of the State of Michigan provides that all sinking funds must be segregated from all other funds of the municipality to be available only to pay or purchase the bonds of the municipality, it being permissible until that time to invest the moneys in United States and other enumerated securities. It is the practice of some cities to use special assessment funds to purchase their own special assessment bonds whenever possible, thus saving the interest

that would otherwise have to be paid when the bonds fall due.

Next March, when the funds for 1928-9 are exhausted and a new fiscal year begins, government expenses totaling many thousands of dollars will have to be met for four months by bank loans against taxes to be collected in July, unless the Park continues its questionable policy of using special assessment funds. Even if the use of these funds for general fund purposes were legal, it seems hardly practicable to expect that enough of this money will always be on hand. At best the procedure of going outside budget appropriations is a makeshift policy that ought to be eliminated as quickly as possible by development of a "cash surplus" habit—that is, the habit of ending the year's business with a cash surplus rather than a deficit.

One more observation seems to be in order in connection with this year's budget of the Park. It is good financial practice to meet current expenditures out of current revenue. The Park has been planning for the last several months to raise money this year for the construction of a closed sewer in Black Marsh Ditch. In anticipation of the necessity of providing interest and sinking fund payments on the proposed bonds, this year's budget might well have contained appropriations for those payments; then, if the bond issues were not approved, the money raised would be credited to next year's budget to reduce taxes for 1929-30. As it is, the bonds were approved at the special election July 9th. There being no provision for interest and sinking fund payments this year, that expense must be paid out of next year's taxes.

**GROSSE POINTE VILLAGE**

The admirable effort a year ago by Grosse Pointe Village to keep its tax rate down, as well as its expenditures, proved to be too great a strain on the Village needs during the year, so that the budget recently adopted for 1928-29 provides for a large increase in taxes and a jump in the tax rate from \$10.20 per thousand to \$14.40 per thousand.

Dissatisfaction with the working of the budget has resulted in the addition of considerable detail to the 1928 budget and an attempt has been made this year to estimate the

needs of the various departments more closely.

Some of the items which lead to the necessity of borrowing \$70,000 during the year were caused by the addition of 127 families to the village population, the purchase of additional supplies and inauguration of regular target practice by the police department, a court case, Cadieux Road paving and Kercheval widening bills, additional lockers at the park and expense at the disposal plant as well as street lighting, sewer and water charges, and street repairs and police signal expense not foreseen at the start of the year. Total appropriations by departments for this year and last year are as follows:

	1927-8	1928-9
Administration .....	\$ 17,595.00	\$ 53,086.50
Police .....	43,835.00	48,140.00
Fire (regular) .....	41,320.00	40,800.00
Public Works .....	12,700.00	4,740.00
Highway .....	66,570.00	51,912.00
Signal .....	5,970.00	10,200.00
Disposal .....	12,470.00	15,225.00
Yard, Shop, etc. ....	4,750.00	6,340.00
Zoning .....	1,200.00	
Recreation .....	3,000.00	3,000.00
Water Cost .....	18,000.00	39,390.00
Notes Payable .....		70,000.00
Due to other funds .....		792.11
Park .....		9,115.00
Debt Charges .....	73,050.00	
Bond interest .....		46,946.93
Bond Retirement S. F. deposits .....		35,554.38
Village portion Kercheval Pl. paving .....		2,500.00
Fire Hall, excess over bond issue .....		2,500.00
Trees .....		2,500.00
Miscellaneous Engineering Payments—principal of land contracts .....		500.00
Sidewalk and intersection contracts .....		3,915.50
		2,500.00
Total expenditures .....	\$300,460.00	\$450,657.97
Capital Improvements .....	32,273.00	
Less estimated revenue other than taxes .....		53,502.69
Total budget .....	\$332,733.00	
To be raised by general tax .....		\$397,155.28

Grosse Pointe Village budget also includes an estimate of receipts or funds with which to finance village work; \$397,155.28 of the total will come from taxes due in July, and the balance is made up of the following items:

REVENUE	
Cash on hand, Feb. 29, 1928 .....	\$ 8,501.15
Due from County Treasurer .....	5,186.54
Sundry accounts receivable .....	65.00
Interest .....	4,000.00
Permits and licenses .....	1,500.00
Court fines .....	1,000.00
Water revenue .....	24,000.00
Miscellaneous .....	2,000.00
Special assessment .....	12,000.00
General prop. tax—prior rolls .....	15,000.00
Dog licenses .....	250.00
	\$73,502.69
Less: Est. uncollected taxes in 1928-9 roll .....	20,000.00
	\$53,502.69

**GROSSE POINTE FARMS**

An increase of \$78,536.97 in the Grosse Pointe Farms budget for 1928-9 compared with last year, is due largely to the necessity of providing additional interest and sinking fund appropriations because of the \$425,000 sewer bond issue which doubled the village's debt during last year, a few salary increases, and Kercheval and Chalfonte street opening plans.

It is interesting to note that one of Grosse Pointe Farms' street opening plans, now nearing fruition, provides for acquisition of a 90-foot right-of-way on and adjoining Black Marsh Ditch for a distance of 1 3/4 miles, the object being ultimately to place a covered sewer in the Ditch, fill it up, and build a road above the sewer that will be called Chalfonte Avenue, the name of a street in Grosse Pointe Village with which it will coincide.

An item of \$10,000 is provided in the budget for partial cost of paving Fisher Road along the high school. Though this road is in the Farms, officials of that village believe that because of the interest of the whole township in this improvement, the township should stand a large share of the cost, if not all.

As was pointed out in Civic News two years ago, the Farms budget is not developed in sufficient detail to answer all requirements of modern procedure. It merely divides the amount to be raised by the various funds into major items to be financed, without crediting or subdividing these amounts according to any standard classification. As expenditures grow and the need of supervising them becomes apparent, no doubt an adequate budget system will be adopted. Below is a comparison of this year's expenditure plans and last year's:

GENERAL FUND		
	1927-8	1928-9
Park expense .....	\$ 3,000.00	\$ 3,000.00
Street lighting .....	18,000.00	27,000.00
Miscellaneous expense .....	6,000.00	6,000.00
Salaries .....	13,500.00	15,000.00
Engineering department .....	11,000.00	13,000.00
Beaupre property, principal and interest .....	6,882.80	
Fire and police department .....	73,000.00	73,000.00
Opening Kercheval Avenue .....	30,000.00	20,000.00
Pier improvement .....	3,000.00	
Pier expense .....	5,000.00	6,000.00
Patrol wagon .....	2,900.00	
Williams and Hillcrest paving .....	5,000.00	
Beaupre road paving .....	13,500.00	
Oak Street paving .....	9,500.00	
Lake Shore Drive widening .....	3,500.00	
McKinley Place widening with integral, curb and gutter and repairing .....	6,000.00	
Cloverly Road, repairing curb .....	500.00	

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Opening Chalfonte Avenue	21,000.00	24,000.00
Overdraft	15,000.00	
McMillan Avenue Sewer		14,000.00
Moran Road paving		43,000.00
Provençal Road sewer and water main		24,000.00
Fisher Road, paving along high school property		10,000.00
<b>TOTAL GENERAL FUND REQUIREMENTS</b>	<b>\$246,282.80</b>	<b>\$278,000.00</b>
<b>HIGHWAY FUND</b>		
	1927-8	1928-9
Salaries and labor	\$ 18,000.00	\$ 20,000.00
Material for roads	3,000.00	3,000.00
Repairs to roads and miscellaneous	3,500.00	3,000.00
Garbage collection	4,500.00	4,800.00
General sewer construction and repairs	5,000.00	2,400.00
Snow plowing	1,000.00	1,800.00
<b>TOTAL HIGHWAY FUND REQUIREMENTS</b>	<b>\$ 35,000.00</b>	<b>\$ 35,000.00</b>
<b>FUND REQUIREMENTS</b>		
	1927-8	1928-9
Interest and sinking fund	\$ 25,585.28	\$ 22,905.00
Highway fund	35,000.00	35,000.00
General fund	246,282.80	278,000.00
<b>TOTAL REQUIREMENTS</b>	<b>\$306,868.08</b>	<b>\$385,905.00</b>
<b>ASSESSED VALUATION</b>		
	1927-8	1928-9
Real estate valuation	\$11,630,000.00	\$12,963,000.00
Personal property valuation	8,847,630.00	9,118,580.00
<b>TOTAL VALUATION</b>	<b>\$20,477,630.00</b>	<b>\$22,081,780.00</b>
Tax rate	\$15.00 per M	\$17.50 per M

**GROSSE POINTE SHORES**

Grosse Pointe Shores' tax rate for 1928 has been set at \$12 per thousand. The total assessed valuation for 1928 is \$5,698,560; 1928 tax levy, \$68,382.72. In 1927, the tax rate was \$15 per thousand; assessed valuation, \$3,834,980; tax levy, \$57,524.70.

The increase in tax levy this year is occasioned principally by the addition of two men to the police force, several small salary increases, and increase in the sinking fund requirements on account of park and harbor bond issues.

Ninety-five per cent of the right-of-way to widen Lake Shore Road to 120 feet between Weir Lane and the Wayne County line has been obtained by the Village of Grosse Pointe Shores, it was announced on July 1st and negotiations are continuing to obtain the rest. The D. U. R. tracks are being torn up and removed along this stretch, an operation which will be followed by installation of gas mains the entire length of Lake Shore Road in the Shores.

Plans of the Wayne Board of County Road Commissioners for paving Lake Shore Road between Weir Lane and the county line were announced in June by Edward A. Hines, commissioner, who said the work would begin at once. The widened highway is to have two 27-foot concrete roads with a park space between. Seventy feet from the present shore line, between Weir Lane and Vernier Road, a wall is to be built out in the water, and the lake between the wall and shore line filled up. Part of the road will be built on this filled-in piece.

Lochmoor's plan of expenditures for 1928-9, adopted last February, was reviewed in a previous issue of Civic News. Like the Farms budget, it does not go into detail or follow a modern budget classification. As time passes and the village's financial responsibilities grow heavier, officials will no doubt work out a more detailed budget. The sooner such a system is installed, of course, the more quickly its bene-

fits will be felt by both officials and taxpayers.

**TABLE OF VILLAGE TAX DATA**

	ASSESSED VALUATION		TAX RATE	
	1927-8	1928-9	1927-8	1928-9
Grosse Pointe Park	\$33,436,365	\$35,972,382	\$11.48	\$11.47
Grosse Pointe Village	24,218,623	27,690,037	10.20	14.40
Grosse Pointe Farms	20,477,830	22,081,780	15.00	17.50
Grosse Pointe Shores	3,834,980	5,698,560	15.00	12.00
Lochmoor	7,454,261	8,110,392	6.50	7.90

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Another function of the township duplicated by the villages is the conduct of elections. The township holds all elections not of sole interest to the villages or the school district, such as township, state and national elections. Since election officials are paid on a fee basis, with no especial overhead, there would be little or no economy in allocating conduct of elections entirely to one or the other authority.

The only activity of the township not duplicated by the villages is the administration of the poor fund by the supervisor, an official who must stand for election annually. The practice of progressive cities nowadays is to place welfare work under a trained administrator.

*(The next article in this series will discuss consolidation experience.)*

At the special election on July 9th, Grosse Pointe Park approved an issue of \$795,000 bonds to finance construction of a high-level, 14-foot closed sewer in Black Marsh Ditch through the Park from Cadieux Road south to the Detroit limits. The vote was 530 to 46. An \$80,000 bond issue to build and equip a fire hall was carried at the same election, 495 to 79.

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Men are never so likely to settle a question rightly as when they discuss it freely.

—Macaulay.

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