UNIVERSITY OF TENNESSEE

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Upon the request of the Committee on Graduate Study the under-signed have examined the thesis entitled

FARM TAXATION AND COUNTY GOVERNMENT IN OVERTON, CLAY, AND PICKETT COUNTIES, TENNESSEE.

presented by James C. Powell

candidate for the degree of Master of Science in Agriculture, and hereby certify that it is worthy of acceptance.

C E Allred

Examiners.

FARM TAXATION AND COUNTY GOVERNMENT IN OVERTON, CLAY, AND PICKETT COUNTIES, TENNESSEE.

****

A THESIS

Written under the Supervision of the Department of Agricultural Economics.

****

By

James Curtis Powell.

**

Submitted in Partial Fulfillment of the Requirements for the Degree of Master of Science in Agriculture.

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The University of Tennessee.

August, 1929.

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Mention should also be made of the fact that county officers in the counties visited showed unusual interest and helpful cooperation in going over the county records.

Public spirited citizens also contributed valuable information.

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INTRODUCTION.

Reasons for This Study.

Taxes on farm property have increased from a rate represented by the index of 100 in 1914 to 253 in 1927. During this same period prices received for farm products increased from an index of 100 in 1914 to 209 in 1919 but dropped to 126 by 1927. This represents a tremendous burden to agriculture and in many regions and types of farming the taxes have practically confiscated farm earnings.

The general property tax is the means of raising the greater share of the state and local revenue. Indeed in many of the poorer counties of Tennessee there is not any other means of raising the revenue. Keeping this in mind one can very readily see that as the valuation of farm lands increase with a corresponding decrease in the comparative ability to pay, the farmers in these poorer agricultural counties have cause for much complaint. Especially since the advantages that are supposed to accrue from the increased expenditures have failed to materialize.

It is the purpose of this study to take Overton County as a representative of the large class of agricultural counties in Tennessee and to find (1) conditions as they actually exist, (2) make an analysis of these findings and determine whether or not the people are overburdened with taxes, and (3) to present clearly a suggested program for improvement.

Method of Gathering Data.

The data used as a basis for this study was gathered by personal visitation to Overton, Clay, and Pickett Counties. County officials as well as many of the influential business men of the local area were interviewed. Official records were examined where available and some of the significant

facts obtained.

It was found on the whole that the county officials were friendly and tried to help in every way.

Location of Area Studied.

These counties are located in the northeastern part of the Highland Rim (see map on following page). They are representative of a large number of Tennessee counties in both their general farm of government and their ability to support governmental functions.

Disadvantages of Area Studied.

Some of the more important disadvantages of this area studied inadequately providing for even the necessary functions are as follows:

(1) Low income of farmers, due largely to low soil fertility, and small size of farms.*

(2) Very few manufacturing plants and public utilities. In fact approximately 80% of the taxes are paid by farmers.

(3) Low wages.

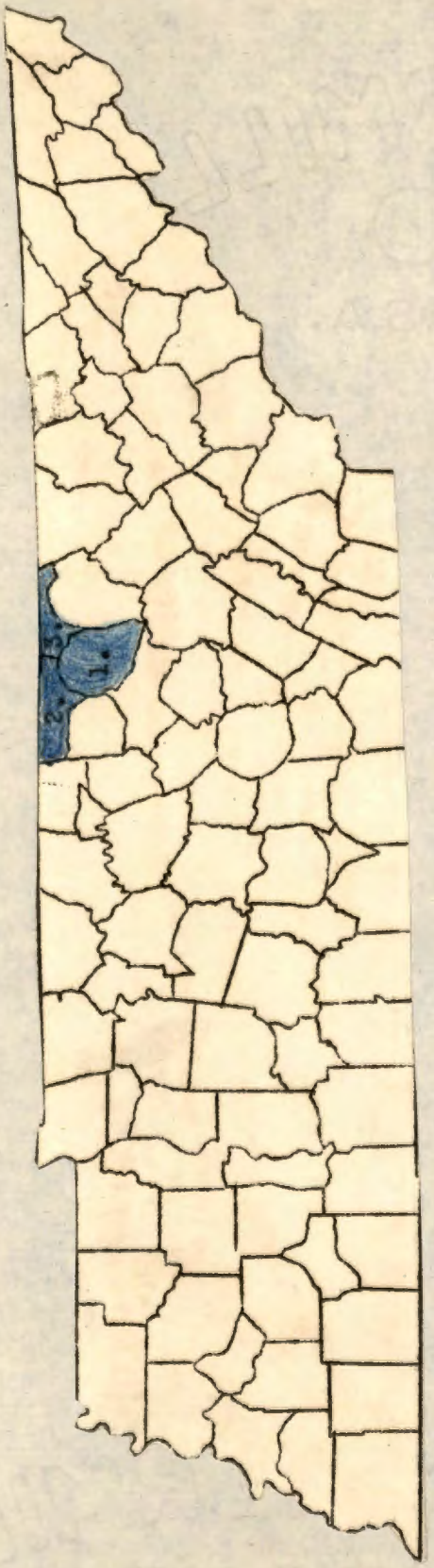
(4) Very little opportunity for any considerable number of people to find imployment in the county. As a consequence one finds:

(a) Many idle people.

(b) Large numbers of people move to the industrial centers of other counties and states.

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* In 1925 in Overton County 50 representative farmers lacked $104 paying all current expenses, including taxes, interest, and depreciation - An Economic Analysis of Farming in Overton County.



Map 4. LOCATION OF OVERTON, CLAY, AND PICKETT COUNTIES.

1. Overton County
2. Clay County
3. Pickett County.

Chapter I.

THE ASSESSMENT OF PROPERTY IN OVERTON COUNTY.

Overton County, as well as many of the other agricultural counties of the state, is now suffering from the narrow base on which its tax program is projected. Manufacturing plants, public utilities, city lots, business license taxes, personal property, etc., all of which provide considerable revenue in many counties of the state, add but little in Overton County.

This leaves the county dependent, in large measure, on agricultural lands as a source for the operation of the general property tax. But these lands are poor, low in their capacity for production, and already heavily burdened with taxes. How then is an increasing demand for county revenues to be met? That is a question worthy of the most serious consideration in Overton and in dozens of similar counties over Tennessee.

Reference will be made to the adjoining counties of Pickett and Clay in this study and use made of the data obtained in a recent survey concerning them.

Method of Assessment in Overton County.

In the Tennessee Constitution, Section 28, we find a paragraph which reads as follows:

"All property, real, personal, or mixed, shall be taxed, but the legislature may exempt such as is held by state, counties, etc. ....."

"All property shall be taxed according to its value, that value to be ascertained in such manner as the legislature shall direct, so that taxes shall be equal and uniform throughout the state. No one species of property

from which a tax may be collected shall be taxed higher than any other species of property of the same value."

Section 29 provides: "The general assembly shall have power to authorize the several counties and incorporated towns in this state to impose taxes for county and corporation purposes respectively in such manner as shall be prescribed by law; and all property shall be taxed according to its value upon the principles established in regard to state taxation." It can be seen from the above that property is meant to be taxed according to its value.

In Overton County the tax assessor is elected for a term of two years and his salary is $1800 per year. He employs, as a usual thing, several deputy assessors to assist him in his work in some of the civic districts of the county. For this service he usually pays $50.00 per deputy per year. This would total $600 for the 12 districts if every district had a deputy. Subtracting this amount from $1800.00, the assessor's salary, we find that he has left $1200.00 to pay him for whatever service he might render in the matter of making assessments.

As a matter of fact, it was found that the assessor and his deputies were in many instances merely copying the tax assessments from the books of the previous year. This and the other practice of employing deputy collectors made a bad combination. The latter was nothing more than a "bluff" on the part of the incumbent. Of course the sum of $50.00 was eventually paid to the deputies, it is presumed, but little real work was done.

The system of employing deputy assessors neutralizes the benefits of the county assessor system. Formerly the plan in Overton County was to have an assessor for each Civil District, their figures being subject to revision by the County Equalization Board. On the theory that a county assessor would give a much more uniform assessment for the entire county than would a different individual for each Civil District the system was changed to the present one. Undoubtedly the county assessor system is much to be preferred if

it is carried out properly, but if deputies are to be used for the various districts, and their figures accepted by the county assessor, as they are, then the system might better be changed back to the district assessor system - for the results would be as good, and the county would be saved the $1200.00 net profit which the assessor is now receiving. The County Equalisation Board could function just as efficiently on the results of the work of district assessors as it can on the work of deputy assessors.

The assessor is required by law to assess taxes during the six months immediately following January 10. This causes him to work during the winter season, when the roads are wet and muddy. Especially is this true of all of the roads except about 74 miles of hard surfaced roads and a few of the other roads of a sandy nature. The principal outcome of the matter is that neither the assessor nor the deputy assessors travel about very much in making the assessments. Consequently the very thing happens that was mentioned above, the assessor copies the tax assessments from the previous books.

A continual thing of copying the tax from the old books will of course eventually lead to serious difficulties. This is exactly what has happened in this county. Some of the more outstanding difficulties may be presented: First, land that has been sold is frequently assessed to a party of the first part for a year or two after the sale has been made. The assessor, it appears, failed even to keep informed on the land sales. Second, where land values are changing due to the construction of highways through different sections of the county, or similar changes, unequal assessments naturally occur. Third, the assessor needs to be continually on the job also to avoid the failure to assess some small strips of land that occur when some land is sold from larger tracts for either timber or for farming purposes. Fourth, another difficulty frequently met with in assessing taxes, is where land has been sold and yet not paid for. The land is in many cases assessed

to both parties. This causes much confusion.

Mr. J. B. Dale, deputy trustee of Overton County, says, "Many men go to the tax duplicate before paying their taxes to see if they have been assessed. If not assessed, they say nothing about it and the tax on that particular property remains unpaid." Sometimes the assessment on a piece of land is copied and recopied for ten years consecutively after the owner had sold it. Each year the County Court releases it, but the next year it is recopied again. Mr. Dale says, "There are 100 poll taxes assessed against persons (in 1927) who have not been in the district in five years." Of course since the assessor is not on the job he fails to keep up with these changes. Many men that are too old, and have been for five or six years, are still assessed for poll tax. There were 182 "pick-ups" by the trustee of men not assessed at all in 1926. These pick-ups were accidents, as these men thought they were assessed. The assessor had failed to consult with the trustee to get releases and to find errors in his work. In one instance Mr. Ras Cullom was assessed with six poll taxes. Of course what happened was that the assessor had copied from books that had previously been copied. Mr. Cullom had been listed by various names and initials. This was due to the fact that the assessor had ridden along the road and made inquiries as to his name, getting a different name or initial from each inquiry.

The assessor, in many cases, relies upon information about a person that is furnished by various people along the roads; and consequently he gathers considerable data that are unreliable.

It was found that in this county there were not as many acres listed as there should be and in the light of the above information it is not difficult to find the reason. In 1914 only 86% of the acres in the county were listed for taxation; while in 1926 only 78% of all the acres were listed. Of course if only 78% of all acres were listed, and land is assessed at about 50% of its selling value, as is the case in this county, we get only about

39% of the real valuation of land.

Naturally some of this shortage in acres, as will be shown later, is due to the fact that some farms actually have more acres than are listed in the deed. The lines are often crooked and it is therefore hard to determine the exact number of acres in many of the farms. Then again, some of the shortage is due to the assessor failing to find some of the farms. Each year some land is found that is not assessed; nor has it been assessed for several years. Again, some of the shortage is caused by the failure of the farmer to make truthful statements as to the number of acres in his farm. For instance one might give the number as 75 when the deed calls for say, 85, etc. Many cases were found where men had purchased certain tracts of land, and when it had been assessed, all the acres could not be found. Nor was there any trace of where this land had been sold.

Referring to Clay County we find that the method of assessing tax is very similar to that in Overton and Pickett Counties. The assessor copies the old tax roll. He stated to the writer that he tried to see all the property, but was prevented from doing so on account of the bad road conditions during the winter months.

Unequal Assessments.

In Overton County considerable variation was found in the assessments, not only over the county as a whole, when property of like value was being considered, but also for property within the same districts where the same deputy assessors had worked and who were supposedly familiar with the true values of the property in each of their respective districts. This further indicates the truth of our former assertion, that the old books were being copied by the assessors and that little work of real value was being done.

The principal reasons for such discriminations in the assessment of

property are to be found first in the facts that the tax assessor is elected by the people and consequently in many cases tries to favor those who have influence in the county elections; second, he does not go to the trouble of inspecting the property and in this manner fails to check up on the real value; third, the best qualified men are not running for this office, and as a result in most cases men who are professional job hunters are elected. As a general rule the same man does not succeed himself, and while in office he capitalizes his time looking after his personal business. We found upon investigation that the assessor devoted only a small fractional part of his time, while in office, to the work of assessment.

It is not strange, then, that unequal assessments occur in this county. On the other hand we are led to wonder sometimes that the county is able to procure enough revenue for the ordinary expenditures of the county government without pyramiding the rate; or that the people themselves do not rise in open rebellion at such laxity and inertia on the part of the assessor in what is supposed to be the discharge of his official duties.

The following tables give a very clear idea of the work of the assessor in Overton County, as the cases given were actual sales in this county. The assessment and selling price are both given as well as the districts and the date of sale.

Table #1. Some Comparisons of Selling Price and Assessment of Farm Property in Overton County.

No.	Date	Civil District	Assessment	Selling Price	% Assessment is of Selling Price.	Acreage
1.	1922	1	$ 200.00	$ 1,500.00	13.3	30
2.	1926	1	1,200.00	200.00	600.0	80
3.	1926	1	500.00	1,000.00	50.0	10
4.	1920	2	300.00	1,450.00	20.6	51
5.	1919	2	1,200.00	2,000.00	60.0	135
6.	1926	2	400.00	1,000.00	40.0	140
7.	1926	3	200.00	1,000.00	20.0	48
8.	1926	3	250.00	1,000.00	25.0	30

(continued)

Table #1. (continued) Some Comparisons of Selling Price and Assessment of Farm Property in Overton County.

No.	Date	Civil District	Assessment	Selling Price	% Assessment is of Selling Price.	Acreage
9.	1925	7	$ 500.00	$1,600.00	31.2	120
10.	1926	7	3,200.00	1,800.00	177.7	220
11.	1924	7	400.00	1,000.00	40.0	60
12.	1927	8	3,875.00	1,400.00	27.6	1400
13.	1926	8	500.00	500.00	100.0	157
14.	1925	12	200.00	1,200.00	16.6	40
15.	1925	12	200.00	550.00	36.3	35

Table #2. Assessed Valuation of Land Compared with Owners Valuation in Overton County: 1926

Number	Acres	Owner's Valuation	Assessed Valuation	% that Assessed Value is of Owner's Valuation
1.	70	$ 3,000.00	$ 900.00	30.0
2.	45	2,500.00	700.00	28.0
3.	157	2,500.00	2,800.00	112.0
4.	140	2,000.00	1,350.00	67.5
5.	50	1,860.00	600.00	32.3
6.	105	7,500.00	3,000.00	40.0
7.	66	2,500.00	800.00	32.0
8.	40	1,900.00	400.00	21.1
9.	157	1,000.00	2,800.00	280.0
10.	100	2,500.00	1,200.00	48.0
11.	48	1,000.00	200.00	20.0
12.	180	1,800.00	1,000.00	55.6
13.	140	5,000.00	1,740.00	34.8
14.	268	4,000.00	2,000.00	50.0
15.	115	2,000.00	600.00	30.0
16.	100	6,000.00	1,500.00	25.0
17.	477	10,500.00	2,400.00	22.9
18.	266	11,000.00	2,800.00	25.5
19.	200	7,500.00	6,000.00	80.0
20.	135	4,000.00	1,600.00	40.0
21.	140	8,000.00	2,400.00	30.0

In Table #1 two farms out of fifteen were assessed at more than the selling price - one being assessed at six times its selling price. On the other hand four of these farms were assessed at less than one-fourth of their selling price; and nine at less than one-half the selling price.

Table #2 shows these variations in assessments based on the owner's

valuation of the property assessed. Out of 21 farms 2 were assessed at more than the owners' valuation. Fourteen were assessed at less than one-half the owners' valuation. These farms varied in percentage of assessed value is of owners' valuation from 20 to 280.

Comparing the work of the assessor with his deputies we found that there was a greater range of variation in assessments within a district of one of the deputies than between two districts that had different deputies.

Table #3. Average Value of Personal Property Assessment

	Dist.	Cattle per Head	Horses per Head	Hogs per Head	Sheep per Head	Household goods.	Wagon.	Auto
All deputies	-	$18.50	$58.00	$4.50	$3.00	$213	$23	$241
County assessor	-	18.00	53.00	5.00	4.00	105	23	150
One deputy	9th	23.00	45.00	5.00	0	338	23	167
	10th	14.00	71.00	4.00	3.00	88	23	150
County assessor	3rd	19.00	51.00	7.00	4.00	103	25	150
	8th	17.00	55.00	3.00	4.00	127	30	165

Table #3 shows the variation in the assessment of personal property in some of the Civil Districts as made by different assessors, for the same period. Wide differences are noted in the average assessed value of cattle, horses, and household goods in the 9th and 10th Civil Districts, which were arrived at by the same assessor. For instance cattle were assessed at $23 per head in the 9th District and only $14 per head in the 10th District. This is a difference of $9 per head which can hardly be accounted for by a difference in the quality of the cattle. As a matter of fact, the 10th District is a better agricultural area than the 9th District, and it can likely be assumed that the quality of the cattle there is equal to that in the 9th District.

This same deputy assessor assessed horses at $71 per head in the 10th District and at $45 per head in the 9th District. He also assessed household goods at $338 per family in the 9th District and only $88 in the 10th.

The average valuations placed on personal property by the county assessor himself in 3rd and 8th Civil Districts do not vary as widely as in the cases mentioned above, except in the valuation of hogs. However the average assessments of the two assessors vary widely in some instances. For instance household goods per family were assessed at $338 in the 9th District by the deputy assessor, as mentioned above, while in the 3rd District the assessment for this item was placed at only $103 by the county assessor. Horses were assessed at $51 per head by the county assessor in the 3rd District and at $71 by the deputy assessor in the 10th District. It appears that these variations are largely due to the difference in the estimate that the different assessors place on the various items of personal property rather than to an actual difference in the quality of the property.

The assessor stated that he tried to assess the property at about 60% of its real value. As a matter of fact we found that the land is not listed at more than 50% of its value when compared to actual selling price. The high tax rate in this county causes men to estimate the value of their personal property at a very low figure for assessment purposes.

The state equalizing board does not attempt to equalize personal property taxes by counties but accepts the returns of the various county assessors. Thus the more efficiently the personal property is assessed in any county the higher the percentage of state tax that the county is required to pay. In this way a county is really penalized in proportion to its efficiency in enforcing the law.

In Overton County several instances were found where men had given their wives $1000.00 or more in cash and personalty. In this manner they escape some tax on personal property, as the law allows the man and wife each an exemption of $1000.

There is no geographical relationship between the counties at all in the following table. But it was found on figuring the percentage that personal assessment is of total assessment for all of the counties that the

highest 34 counties were either in East or Middle Tennessee. Shelby with 8.5% was the highest West Tennessee county, but it ranked 35th in the state. It appears that in general West Tennessee is low. This is due to some extent to the large negro population.

Table #4. Relative Assessment of Personalty in Overton and Other Counties.

County	Population 1920	Real Estate Assessment 1926	Personal Property Assessment 1926	% that Personal Assessment is of Total Assessment.	Personal Property per Capita.
Overton	17,617	$2,990,207	$514,520	13.9	$23.53
Greene	32,824	16,248,415	675,868	3.5	20.50
Union	11,615	3,314,625	56,060	1.6	4.80
Robertson	25,621	12,950,618	597,163	3.7	23.30
Fayette	31,499	9,244,785	318,800	2.7	10.12

Examples of Unfair Assessment Against Property Owners

In Fentress County in 1926 the Davidson, Hicks and Greene Lumber Company owned a tract of cut over land which was assessed at $2900.00 for the 450 acres. As the tax rate was $2.75 per hundred, this caused the company to pay a tax of about $80.00 per year. They later sold this land to a local man by the name of Norrod for $600.00, or only about 1/5 of the amount of the assessment to the former owners. After the purchase of the land by Norrod the assessment was reduced from $2900.00 to $1000.00. This is an example of how outside investors are unfairly discriminated against by this county. This is a very poor policy as it is desirable to bring outside capital into our counties rather than to drive it out. Fentress County officials also seem to have the habit of discriminating against individual outside investors in this same way.

An example of discrimination against local men in the assessment of farm property in Overton County occurred in the case of Mr. F. C. Allred. In this case Mr. Allred's farm was assessed at $5000.00, but when it was recently sold it only brought $3000.00. He had protested repeatedly to the

assessor and the County Equalization Board against the high assessment but they would not lower it. Mr. Allred had previously opposed the voting of highway bonds and it is thought that many men had it "in" for him, and desired that he pay high taxes.

Assessments in Clay County.

The city property in Clay County varies a great deal, some is too high and some is very low. The assessor says, "The town property is assessed much lower in proportion than is the farm property." The river land is also assessed lower than the poor ridge farms; and the timber is often assessed as personal property when the owner does not own the land on which it stands.

The Clay County assessors stated that he never assessed the ferry as he was only concerned with the personal property part of it, and didn't consider the boats worth more than $1000.00. The equalization board, however, assessed the property at $4000.00. (This refers to the ferry at Celina.)

Mr. J. B. Overstreet, the present assessor in Clay County, received $750.00 per year. He was born and reared in the county. He says that at one time "the candidate for trustee went around 'electioneering' and told the farmers that their land was assessed too high. This made the candidate for trustee popular and he was elected." The farmers did not realize of course that he had nothing whatever to do with assessments. This resulted in making the tax assessor unpopular when he tried to assess the property as it should be.

The present assessor in Clay County does not employ deputies to assist him, as he says he cannot afford to pay them out of his salary. The pay is a sufficient remuneration for the work done and the amount of time devoted to it, states the assessor, but it is not sufficient for the "cussing" he gets.

The present Republican nominee for this office is a barber.

Oil wells are not taxed, but if any oil is stored it is taxed. Timber lands are taxed, but if the timber is cut no tax is placed on the timber. If logs are in transit on the Cumberland river no tax is charged. If a man sells timber off of his land the assessment is not reduced in proportion. The assessor's reason for this is that he "figures the timber was assessed too low any way."

In looking over some other cases of low and unequal assessments in this county, we found one instance of a farm assessed at $3000.00, that had a mortgage of $4000.00 placed against it. The assessor then assessed the farm for $4000.00, and also assessed the mortgage for the same amount. Thus making $8000.00 assessed against a tract worth only $3000.00 in the first place.

The assessor states that he tries to assess property at 80% of its selling value, except in case of forced sales when this rule would not work. The fair grounds at Celina had never been assessed until this year, although it is privately owned and operated for profit.

The Gainesboro Telephone Company is assessed by the state, but the state does not assess the Home Telephone Company. These latter (Home) companies were not assessed until 3 years ago, when the assessor began assessing two switchboards - the one at Celina at $350.00 and a small one at Lillydale for $100.00. Dwellings in which the switchboard is housed are also assessed now. This gives a double tax on 1/2 of the switchboard and dwelling at Celina, as half of it is owned by the Gainesboro Company and is assessed by the state.

Banks in Clay County. The assessor assesses the owners of local bank stock in Clay County, regardless of where they live. Some people now living in Nashville and elsewhere own stock in banks located in Celina, and they are assessed in Clay. But, the question is, should intangible property be assessed at its location, or the location of its owner, or the location of the property on which it is based?

An instance of negligence on the part of the assessor of Clay County may

be found in the case of a man who owned 11 acres of land 10 years ago, but who sold 10 acres of it to a neighbor who had 90 acres. The neighbor gave in 100 acres, but the assessor continued to assess the original owner for 11 acres. The man continued to pay on the 11 acres for 10 years, being an old man who did not give close attention to things. This man states that a tax assessor had not seen him in 15 years. The assessor simply continued to copy the man's assessment year after year.

Mr. O. H. Marshall had a farm which was assessed at $4000.00. He sold this farm to P. T. Biles and the next year this same farm was assessed to both Marshall and Biles at $4000.00 each. Also in this case the same farm is listed in one case at 120 acres and in the other at 224 acres.

The trustee of Clay County read a letter from a man in Kentucky who was complaining of being assessed for 90 acres of land when he had only 9. This case was looked up and it was found that the complainant was correct. The trustee stated that the assessor in this county would not meet with the County Equalization Board and give them the advantage of his advice.

Another case of unequal assessment was found in Celina. Two acres and a house were assessed at $2500.00, while another tract of land with a similar location, 8 acres in area, with a better house than the former tract and with a good barn in addition, all of which the equalization board assessed at $1800.00. The latter tract should have been assessed at more than four times the amount of the first one.

In order to present actual data on unequal assessments on farm property in Clay County the folllowing Table #5 is presented which gives the assessment and selling price of several pieces of property.

It can be seen that some property was assessed considerably higher than other property in the same districts. Part of the trouble is due to the assessor not going on the land and looking over the property.

Table #5. Comparison of Selling Price and Assessment of Farm Property in Clay County

No.	Dist.	Acreage	Assessed Value	Selling Price	% Assessment is of Selling Price.
1.	1	90	$ 1,500.00	$ 2,000.00	75
2.	1	35	350.00	380.00	92
3.	3	200	5,000.00	8,000.00	63
4.	3	35	3,600.00	5,500.00	65
5.	4	48	800.00	3,000.00	25
6.	4	100	1,000.00	1,000.00	100
7.	3	60	1,800.00	1,115.00	152
8.	3	50	500.00	1,400.00	36
9.	4	30	1,000.00	800.00	125
10.	3	35	350.00	380.00	90
11.	2	120	1,500.00	1,961.00	76
12.	3	30	800.00	300.00	266

Variations in Assessments of All Property at Various Periods in Clay County. The assessment has been decreasing in Clay County for the past five years with the exception of 1926 when there was a slight increase in the total assessed valuation. Table #6 will give some idea of this trend. The high years, beginning with 1920, were due to the revaluation of farm lands in this year. This came, however, at a very inopportune time as our most severe agricultural depression in many years started at about this time.

Table #6. Trend in Total Assessed Valuation of Clay County by Civil Districts

Year	District #1	District #2	District #3	District #4	Total County Assessment
1927	$ 549,481	$ 505,810	$1,026,829	$ 708,740	$2,790,860
1926	568,079	543,908	1,055,095	739,873	2,906,995
1925	563,744	560,149	1,017,419	758,438	2,904,750
1924	570,010	571,343	1,069,664	845,444	3,056,469
1923	560,912	565,410	1,065,383	800,474	2,992,259
1922	698,293	661,481	1,234,774	953,887	3,528,435
1921	703,773	682,218	1,233,948	982,717	3,602,565
1920	795,529	716,996	1,389,098	1,066,859	3,966,462
1919	328,360	279,779	651,178	399,686	1,659,003
1918	318,572	282,064	627,662	402,849	1,631,157

Variations in Assessments of Personal Property at Various Periods in Clay County. Personal property assessment is subject to considerable variation in Clay County at different periods, as will be noticed from the following Table #7:

Table #7. Variation in Assessment of Personal Property in Clay County: 1918-1926

Year	District #1	District #2	District #3	District #4	Total
1926	$ 30,991	$ 14,288	$170,743	$ 38,300	$ 254,324
1925	36,398	23,607	144,710	56,543	261,260
1924	34,555	21,025	151,964	72,209	279,753
1923	22,256	15,190	165,002	39,044	239,492
1922	34,443	18,546	170,202	67,629	290,820
1921	45,527	30,949	176,649	115,924	369,049
1920	58,354	20,239	229,443	86,379	394,515
1919	45,655	8,414	135,238	40,476	229,783
1918	33,217	12,669	109,427	42,142	197,457

In 1920 the value of personal property assessed showed a decided rise over the previous year and continued upwardly until the break came in 1923. All districts were cut in this year. It is especially noticeable in Districts 1 and 4. From this period on we have a fluctuation in the totals that has a tendency to be a downward trend, the 1924 total excepted.

Shortage and Variation in Acreage Assessed. As a final analysis of the situation in this county we will look at the acreage that is assessed as given in the following table by districts:

Table #8. Trend in Acreage Assessment in Clay County.

Year	Number Acres in Dist. #1	Number Acres in Dist. #2	Number Acres in Dist. #3	Number Acres in Dist. #4	Total Acres
1926	34,904	39,038	28,716	42,970	145,628
1925	"	"	"	"	"
1924	"	"	"	"	"
1923	"	"	"	"	"
1922	34,444	41,263	34,946	42,575	153,128
1921	35,906	41,817	32,417	42,077	152,216
1920	35,553	40,452	33,281	41,239	150,535
1919	35,734	39,505	32,509	40,375	148,123

According to the census of 1925 the land area of Clay County was 162,560 acres. There are no city lots to be deducted from the acreage assessments in this county and hence the acreage assessment should be approximately the same as the land area. It appears from the assessment roll however that:

(1) The highest amount assessed has been over 10,000 acres short of the actual.

(2) In some years the shortage has been as much as 20,000 acres or 1/8 of the land area of the county.

(3) This is hard to account for unless it be due to negligence on the part of the tax assessor.

Value of Oil Development to Farmers of Clay County.

We find that in this county as much as 95% of the total land area has been leased for oil, taking it all together. At the present time (May 1927), about 30% of the land is leased, at an average price of 25¢ per acre.

There are in reality two ways of leasing oil land in this county:

(1) A certain sum per acre per year, plus a royalty of 1/8, with no agreement to drill.

(2) No payment made per acre, but the leasing company agrees to drill a certain number of wells on the land and pay royalty amounting to 1/8 of the production.

Oil operators have spent more than they have made in Clay County and the farmers have benefited. There are at present about 35 to 40 oil rigs in the county.

Assessments in Pickett County.

As will be noted in Table #9, there is considerable variation in assessment when compared to selling price in Pickett County. Some of the poorer ridge farms are assessed too high while the river bottom land is often assessed too low. The tax assessor has followed practically the same procedure in assessing tax in this county as was found in the counties of Overton and Clay, referred to above. That is, he copies the tax role of the previous year during the bad days of winter rather than to ride out and inspect the

property. The inevitable result of this negligence is to place some of the tax payers of Pickett County in a sorry predicament. At best the farmers are heavily burdened because of scarcity of funds. Add to this a lazy assessor and you have a pitiable condition indeed.

Table #9. Assessed Valuation Compared with the Selling Price of a Few Farms in Pickett County: 1926-1927

Farm No.	District	Acreage	Assessment	Selling Price	% that Assessment is of Selling Price.
1.	1	36	$ 400.00	$2,400.00	16.7
2.	1	32	200.00	800.00	25.0
3.	2	20	500.00	1,000.00	50.0
4.	2	50	400.00	400.00	100.0
5.	5	80	1,000.00	600.00	166.7
6.	8	40	400.00	355.00	112.7
7.	5	50	600.00	1,600.00	37.5
8.	1	100	700.00	600.00	116.7
9.	3	72	850.00	1,140.00	74.6
10.	5	50	600.00	1,600.00	37.5

An Example of Low Assessment in Pickett County. Mr. Joe Johnson's step-son owned a farm in Pickett County which had been assessed at $3500.00. Under the Roberts law this farm in 1919 was raised to $9,500.00. This raise caused strenuous objection on the owner's part. But he later sold the farm for $19,000.00. And soon after this he offered the new owner $20,000 for the farm back, but was refused.

Overton County Oil and Mineral Assessment.

(1) Oil rights in Overton County have not been assessed.

(2) Mineral and coal rights are assessed as personal property.

These valuations are difficult to arrive at because the coal companies usually claim that nearly all the coal is gone. Then again the assessor does not know how thick the vein is in different places.

Automobile Assessment in Overton County.

Automobiles are assessed as personal property at their second hand

sales value for cash. This is usually very low.

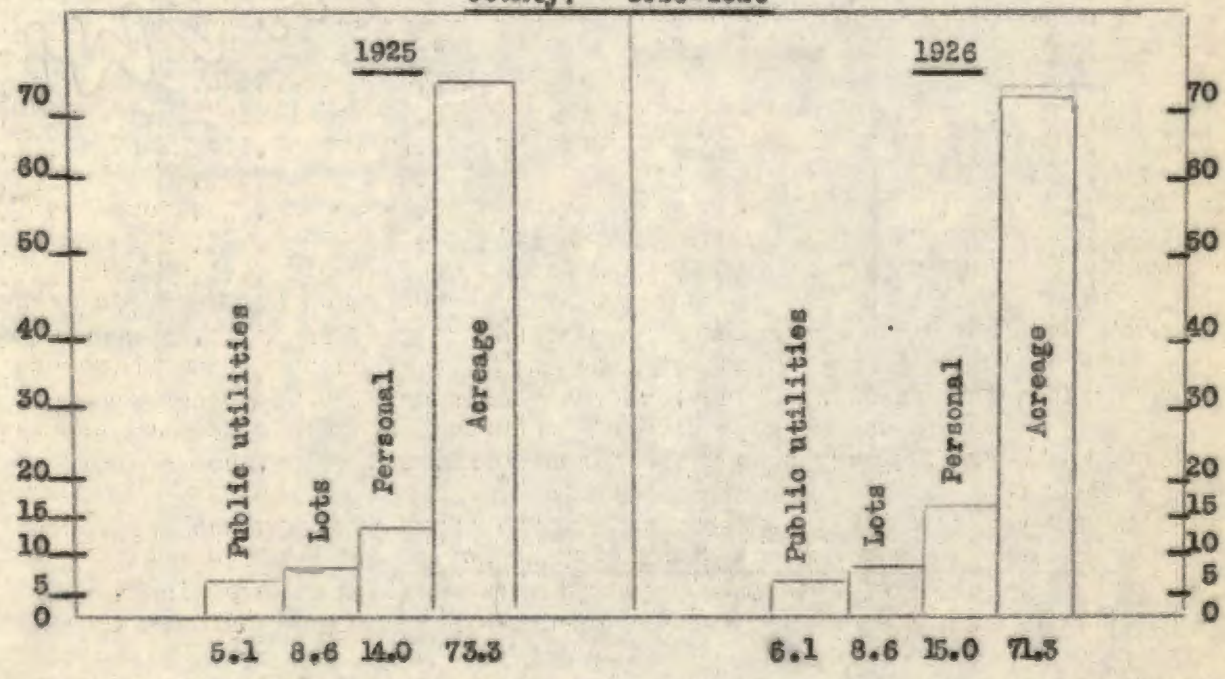
Assessment of Manufacturing Plants in Overton.

Manufacturing plants are assessed as follows: The land and buildings are included as real estate and the machinery and equipment is assessed as personal property. The machinery is assessed as second hand machines at a cash sale price. It is possible to get both the original cost of the machines and the present value as carried on the books of the company. This, however, is not done.

Distribution of Property by Assessed Valuation in Overton

The following chart gives a clear picture of the percentage distribution in assessed value of all property in Overton County for 1925 and 1926:

Chart #1. % Distribution of Assessed Valuation in Overton County: 1925-1926



Under the present system of financing county government in this state many of the poorer counties must look to the general property tax on farm land to supply most of the funds for operating the schools, building roads, etc. Since this is true it is highly desirable that all property be placed

on the tax roll that is of a taxable nature. In order to do this, and to get anything like a fair assessment, it will be necessary to make considerable improvement in the method of assessing property. We notice from the above chart that 72 to 73% of all property valuation assessed in Overton County in 1925 and 1926 was accounted for by farm acreage.

We offer the following suggestions for improvement in the assessment of property:

(1) The State Constitution of Tennessee provides that property shall be assessed at its true value, all property being assessed equally according to its value. If property is to be really assessed according to its value, or according to the income derived from it, many improvements must be made over the present methods employed.

(2) The office of assessor should be an appointive one, rather than by popular election. In the latter case he has political promises to fulfill, as well as neighborhood considerations.

(3) The assessor should be required to pass a suitable examination before becoming eligible to hold office. In this way applicants would be only the best qualified men.

(4) The term of office should be for at least 4 years. Re-appointment should be given if satisfactory service has been rendered.

(5) Remuneration should be such as to attract the best men, as this is one of the most important, if not the most important, offices in the county.

(6) The county assessor should be the assessor for all of the county instead of employing deputies who do most of the work, as is the case in Overton and some other counties in Tennessee.

(7) The new assessor should not have access to the old tax roll, so that he can do his own work. This method of copying the previous year's books is a very poor practice and is to be strongly condemned.

(8) The date of assessment should be changed from January 10 to July 1.

In this way the bad weather and poor roads that are met with on the former date would be avoided.

(9) Exemptions should be reduced to zero since under the present plan a $1000.00 house ant lot will pay, while $1000.00 personalty does not.

Regardless of the fact that the Tennessee Constitution states that property is to be assessed at its full value, it is never done and under the present method of assessment it will probably never be done. Since this method is a poor one it would be better to change the law and classify property for taxation based on its productive value. It would seem that this would be a fairer method since farmers with a low producing type of property would be relieved in this manner, and the tax would be placed more nearly on the principle of the "ability to pay." And in addition to this, the man who paints his house, repairs his fence, and tries to have his property in a good state of repair, should not be penalized for his improvements, as he surely is under the present system.

The above, however, are suggestions for the improvement under the general property tax method of county financing. To have any permanent relief it is very probable that the present system of raising revenue will have to be changed. It has been suggested that a sales tax be substituted for our present system of raising county revenue, and this it seems would be a very desirable move. A sales tax places the burden squarely where it belongs since the consumer who buys most will pay most, and it agrees exactly with the principle of taxation based on the ability to pay.

Chapter II.

COLLECTION OF TAXES IN OVERTON, CLAY, AND PICKETT COUNTIES.

In earlier times taxes were levied almost exclusively either for military purposes or for the support of some ruling monarch. The idea of taxation carried with it the thought of a burden superimposed by a ruling class. The tax payers themselves did not hope to participate in any benefits accruing from taxation. Hence taxes came to be regarded as expenditures, and to this day are often not in any general way associated with the idea of being an investment, either in the accounting systems, or in the minds, of the masses of the people.

But, we find that the larger proportion of our present county taxes are for roads and for education. These two items of cost of county government consume the greater bulk of the county revenues. And at the same time roads and schools are recognized by the people as being perhaps the most fundamental needs of the county. Upon their development depends the development of the resources of the county. No other functions of county government are so universe in their service as these agencies. All classes and occupational groups make use of them. In fact, there is not an individual in the county whose economic and social progress is not in a very definite way inter-related with their development.

And so, while people are complaining of the increasing cost of county government most of this increase has been due to their expenditures for roads and schools. In Overton County, as in the state and nation as a whole, this has been the case. As a matter of fact, these expenditures for roads really represent an investment, instead of an expense, in the development of the county; it is a method of cooperation among the people to secure advantages that could not

be secured through individual effort. And the same principle applies in the case of education, which develops the man power resources of the county. In the larger sense it may be said that Overton County's taxes are largely spent for the development of the county, upon which the progress of every enterprise and every individual depends. But every citizen of the county owes it to himself, and to society, to see that he gets adequate returns from his tax investment; and to constantly demand efficiency in the use of tax moneys, rather than to continue to look upon the inevitable increase as merely as added burden.

As society becomes more complex it will probably be found highly desirable to cooperate in many other ways, through taxation methods. It is in the matter of the efficient use of the investment that improvements should be made, rather than in trying to decrease the investment, if the greatest rate of progress is to be made by the community.

In this connection, too, it is well to keep in mind:

(1) That people vote these taxes on themselves to a large extent. They are not mysteriously placed as from some unseen source. Hence they should not complain.

(2) The program of expenditures should be a well balanced one. Roads and schools are good investments, but there are several other forms of investments that may also be classed as good ones. Of these we have county agents, home demonstration agents, health units, etc. All the money should not be placed at the beck and call of only a few units or types of machinery for the improvement of the county.

(3) When making obligations the county should make provision for repayment in a systematic manner.

(4) Schools are long time investments, hence no immediate increase in revenues can be expected, in most cases, with which to repay the money borrowed.

(5) Schools being long time investments a long term bond issue is more justified than in the case of roads. In this way the children who get the

In view of the above statements as to the concept that the people of these counties, as well as other counties, have on the tax question, it would probably be best to consider next the method used in the collection of taxes in Overton County. Reference will be madd to Clay and Pickett Counties, as well, on this same phase of the study.

Method of Collection.

The tax collection period in Tennessee ranges from December first to May first. During this period the trustee usually designates certain placed to which he will visit in order to collect tax, giving the exact date that he will visit each respective place. This is the method used in Overton, Clay, and Pickett Counties and seems to be the usual procedure in many of the other counties. The trustee is not required by law to make these visits and probably should not do so, due to the danger of getting the county funds stolen.

The trustee of Clay County, when asked about this, stated that "There was probably some danger, but that a man would have no earthly chance of being reelected unless he did go."

This custom of going over the county and collecting the county revenue, really dates back many years to the time when the roads were very poor and people were isolated in the far stretches of the county. Today there is no good reason for making these yearly excursions, as the roads have improved, along with other transportation facilities until every citizen is fairly accessible to the county seat.

Since we have practically every citizen in the county within easy reach of the county seat, the principal reason for having a man elected and paid a considerable amount of money for the collection of taxes has been removed. Let us now see what is paid to the trustee of Overton County for his work as tax collector.

The trustee's income in this county is based on a commission. The follow-

shows the percentage and total commission received from various sources in 1926:

(1) On funds collected from county tax levy the trustee received: 6% on the first $10,000; 4% on the next $10,000; and 2% on the remainder. On $94,997 this amounted to approximately $2500 for that year.

(2) A commission of 2.6% is received on state taxes collected in the county. On $8693 collected the commission amounted to $226.

(3) One per cent is received on all collections from county officials. The commission amounted to $100 on $10,000 collected.

(4) One per cent is also received on funds collected from the state. This amounts to $378 on county elementary funds; $53 on city elementary and high school funds; $48 on county high school funds; $191 on fund from automobile license tax;making a total of $649 from these sources.

(5) The grand total amount received by the trustee for that year was approximately $3475.

The total county tax in 1927 was about $89,000, while the state taxes collected were only $7,118. Thus we see that the amount that the trustee receives in this county, as well as in other counties, varies to some extent. As a general thing the amount he receives as commission for handling the county and state funds will be about $2,800. In addition to this he generally receives for handling school money and making collections from the various county officials about $700 more. Thus making the total of approximately $3,500 noted above.

Mr. Irving Allred, a prominent and responsible citizen of the county, stated that he would be willing to collect the county's tax for $500 per year. In 1927 the deputy trustee, Jake Dale, who was paid $150 for services, performed a large part of the work. These facts alone seem to indicate that the trustee's annual commission is greater than it probably should be.

Usually the trustee is a man who has not received any special training

for his office and as a consequence he has a difficult time keeping an accurate record of the various funds and in performing necessary bookkeeping functions in general. The majority of trustees are honest men, and are making an honest effort in the performance of their official duties. The principal trouble is found in their method of bookkeeping. Three men have been ruined financially in Overton County by poor bookkeeping methods, and by not getting the proper releases from property taxes that could not be collected.

The trustee is required by law to keep the school funds in a separate account, road funds in another, etc. But as a matter of practice the trustee has all the accounts combined in one. This makes it almost impossible to find out the real financial condition of any particular division of the county government. It would take a certified public accountant a considerable time to find the true condition in these three counties, and a real expert one at that.

Bank as Fiscal Agent of the County.

It has been suggested that a bank could act as fiscal agent of the county. This, it would seem, would be an excellent plan for Overton County. In fact Mr. W. H. Estes of Livingston said that his bank could act as the fiscal agent for the county, and would be glad to do so. He says it will only require an extra clerk for about two or three months. The clerical help could be secured at a reasonable figure. Mr. Estes further stated that he could handle the county funds for $1,000 per year and make a profit on the transaction. This represents less than one third of the present cost of tax collection.

Mr. J. B. Copeland, cashier of the Citizens Bank and Trust Company of Livingston, was favorably impressed with this plan and stated that he was willing to cooperate with the county in acting as its fiscal agent. He also expressed his willingness to enter into competitive bidding with the other banks of the county for this job. He also stated that it would be necessary for the bank to hire only an extra clerk to aid in handling the additional business

incident to this job; and this for only from one to three months each year during the time of the year when most of the people pay their taxes. This period is usually just previous to the delinquent tax period.

The banks would still continue to pay interest on deposits as per previous arrangements.

The banks at the present time receive the money after it has been collected by the trustee anyway. Checks or warrants against the county could as well be drawn by officials of the bank as by the trustee, thus eliminating one official.

There are several reasons why the banks should act as the county's fiscal agent:

(1) One would always find someone to receive the taxes. The interviewers made three trips to see the Overton County trustee on as many consecutive days, and no one was at the office. This would have greatly inconvenienced one who had come several miles to pay taxes.

(2) Better method of bookkeeping would be practiced and thus a complete check on the various funds could be made.

(3) Finally, tieing up the matter with economy, taxes could be reduced by the amount of money saved.

(4) Or this amount could be used to: (a) Employ county agricultural and home demonstration agents; (b) Or to improve school conditions; (c) Or to improve the roads, etc.

(5) Another advantage that would result from this plan is that the bank, acting as fiscal agent, would be bonded by a bonding company, instead of by local friends as has been the custom in bonding the county trustees in Overton, Clay, Pickett and some other counties in the state. Commercial bonding is highly desirable. In the first place any shortage in funds, by embezzlement or otherwise, will always be collected, whereas, if the defalcating official is bonded by local persons the shortage may not be collected. It is

theoretically possible that these local bondsmen will have become financially unable in the meantime to meet the obligation. But it is more probable, however, that these local bondsmen, often prominent in county affairs, can succeed in avoiding the payment of the shortage in various ways.

In the second place, any shortage in funds would not place a financial burden on local people. It is entirely possible that local bondsmen could be financially embarrassed by the defalcation of a large amount of money by a county official.

(6) Finally one must consider that over a period of 10 or 20 years the saving would amount to a considerable amount; and since the banks could handle the funds in a systematic manner with this saving, and since the job is at the present time purely a political one, with the candidates having no special qualifications whatsoever, it would be only a sensible procedure to turn the matter over to the banks.

The banks would of course be required to bid for this privilege, and to furnish a satisfactory bond.

It should be stated here that the county court in Overton County asks for bids from the banks for the use of the surplus trustee's funds. This is a good idea in that interest is secured on these funds. However some outside banks also should be given the privilege of bidding.

The Tax Rate.

In 1925 the total tax rate, state and county together, in Overton County was $3.00 per $100.00 assessed valuation. In 1926 it was $2.85 per $100.00; and in 1928 we find that the rate had decreased to $2.10 per $100.00 valuation.

Taking the 1926 rate as an illustration, Table #10 shows the distribution of the tax levy.

Table #10. Distribution of Total Taxes Collected in Overton County: 1926.

Rank	Purpose for which taxes used.	Rate per $100	Revenue Produced.
1.	Interest.	$1.00	$36,648
2.	Special levy for judgement.	0.55	23,821
3.	Elementary schools.	0.50	18,324
4.	General purposes.	0.35	9,162
5.	High school levy.	0.20	5,497
6.	State.	0.20	9,162
7.	General road fund.	0.05	1,542
	Total	$ 2.85	$104,156

It is significant that $1.00 or over 1/3 of the total tax rate is necessary to produce the revenue of $36,648 for interest required on the county's bonded indebtedness. This is 17¢ more than the county tax rate for county purposes in Knox County in 1928. This $1.00 levy for interest is also twice the levy in Overton County for elementary school purposes; five times the Overton high school levy; and twenty times the Overton general road levy. There is also a levy in Overton of 55 cents to pay a judgement on judgements against the county. This produced a revenue of $23,821 for that year. This levy combined with the levy for interest on bonds totals $1.55 which produced a total revenue of $60,469. This is 54.4% of all taxes collected from the county levy of $2.85. In other words, over one-half of this revenue was used to pay judgements and interest on bonds.

The total assessed value of Overton County as given in the Report of the State Commissioner of Finance and Taxation for 1927 was $3,559,570.00. The county tax levied is listed at $88,984.25, while the amount of state tax is given at $7,118.74.

In order to give a clear idea of the fluctuation of the tax rate as well as total assessed valuation over a period of years the following table is presented:

Table #11. Tax Rates, and Taxes Collected, in Overton County over a Period of Ten Years - 1919 to 1928.

Year	Assessed Valuation	County Tax Rate per $100 Assessed. Valuation.	Taxes Collected for County Purposes.	State Tax Rate per $100 Assessed Valuation.	County Taxes Collected for the State.
1928	$ 3,506,763	$2.10	$ 73.640	$0.20	$7,014
1927	3,559,370	2.50	88,984	0.20	7,119
1926	3,692,402	2.60	96,002	0.25	9,231
1925	3,673,153	2.75	101,012	0.25	9,183
1924	3,715,095	2.70	100,308	0.30	11,145
1923	3,822,226	1.70	64,978	0.30	11,467
1922	4,293,896	1.23	52,815	0.36	15,458
1921	4,471,888	1.01	45,166	0.35	15,652
1920	4,598,785	0.68	31,272	0.26	11,957
1919	1,519,192	1.60	24,442	0.55	8,356

The amount of taxes collected for county purposes increased from $24,442 in 1919 to $101,012 in 1925. There was an increase each year during this period. This was due to a corresponding increase in the tax rate each of these years, except that from 1919 to 1920 when there was a decline in the rate from $1.60 to $0.68. This year the increased county taxes collected was due to an increase in assessed valuation from $1,519,192 to $4,598,785. From 1925 to 1928 the total county taxes collected has gradually declined to $73,640, the assessments showing a slight decrease, and the county tax rate declining from $2.75 to $2.10.

The amount of county taxes collected for the state increased from $8,356 in 1919 to $15,652 in 1921. From the latter date to 1928 there has been a general trend downward in amount of taxes collected for the state. In 1928 the amount for this purpose was less than in 1919, although the assessments had increased over 200% during that period. The rate had declined from $0.55 per $100 assessed value in 1919 to $0.20 in 1928.

Personal Property Tax

This class of property is taxed much higher in Overton County than in

the average county in the state as a whole. Personal property is not increased in value by the expenditure of tax money for improvements, for such as roads, for instance, as is the value of land. For that reason personal property should not be taxed at as high a rate as land.

Again personal property in the form of notes, mortgages, stocks, bonds, etc. are always assessed at their full value, whereas land is usually valued at some conservative figure, usually less than the assessed value. For this reason the person who has much personal property in these forms is required to pay a much higher tax per $100.00 true value than does the man in the same county who has most of his property in land.

It would therefore be manifestly unfair under such circumstances to hunt out all personalty and tax it at 100% of its value just for the purpose of relieving land owners of their tax burden. Indeed, the new burden imposed might be more of an injustice than the present rates on land.

There was a great decrease in personal property from 1860 to 1870 in Overton County. This was due principally to the freeing of the negroes. In 1860 personal property in this county was assessed at $2,216,138 while the personalty of 1870 was assessed at only $91,477. Part of this decrease was probably due also to decreases in cash, livestock, farm machinery, household goods, and other intangibles during the war, as the freeing of the slaves would probably not account for all of it.

In 1923 personal property in this county was assessed at $561,515, and produced $11,230 in revenue. In 1928 the assessment had decreased to $460,245 and the revenue to $10,585.

Harmful Taxation of Personal Property.

Taxes on mortgages of real estate are unfair. At present the land and the mortgage are both taxed, presumably at their full value. But of course there is only one equity there, so that it really amounts to double taxation

for mortgaged farms to the extent of the mortgage. The lender shifts the tax charge to the borrower in the form of higher interest rates and consequently the latter is the one who suffers most. The Tennessee law should provide, as does the state of Washington, that mortgages and all credits used for the purpose of buying real estate shall not be considered as property subject to taxation.

Another thing that is hurting the tax paying ability of Overton County is the law regarding personal property, which states that only 6% interest shall be charged on loans. This is harmful because (1) it has a tendency to keep out outside capital; and (2) the accumulated surplus wealth in the county will be sent elsewhere for investment.

With a low income and a high tax rate on land, together with an unusually high listing of intangibles and other forms of personalty many of the people of Overton find it extremely difficult to pay their taxes when due.

Poll Tax - Its Purpose and How to Collect It.

P. L. Harned, State Superintendent of Public Instruction, in a letter dated April 28, 1927, says:

"I know that a large percentage of the poll tax is collectible. Judging from the past I have reached the conclusion that the county trustees have not, and will not, make any special effort to collect delinquent poll taxes.

"Under the Constitution of 1870 and subsequent statutes, the poll tax was levied and collected for the purpose of operating free schools, but the people now feel that it is a tax on the privilege to vote.

"The suggestion I would make is that the county courts elect delinquent poll tax collectors and that a sufficient collection fee be added to the tax to enable an active collector to earn a living out of his job."

The first day of May of each year the county trustee should certify to the delinquent poll tax collector a list of such delinquent poll taxes. The collector could be allowed $1.00 for each poll tax collected. This would, of course, cause the person that is delinquent to pay $3.00, including cost of collection.

Knox County has such a system in operation. Mr. John Calloway is the collector. He gets 65¢ for each delinquent poll tax collected.

Every man and woman between the ages of 21 and 50 should be required to pay this tax, which is $1.00 for the state and $1.00 for the county. All of the $2.00 collected remains in the county and is used in the support of the elementary schools.

In Overton County, in 1920, there were 3,057 males and 3,129 females from 18 to 44 inclusive. This gives a total of 6,186 males and females between the ages of 18 and 44. If this number be increased by 10% it will probably give the approximate number who should have paid poll tax in 1920. This percentage applied to 6,186 gives 618. Adding this to 6,186 makes 6,873 who should have paid poll tax in 1920. The revenue from this source should have been $13,746. As a matter of fact, the amount of poll tax collected in 1926 was only $3,168, as shown in Table #12.

Table #12. Amount of Poll Tax Collections in Overton County - 1919 to 1928.

Year	Overton County	Tennessee	State Average per County
1928	$2,128	$566,061	$5,959
1927	2,927	485,225	5,108
1926	3,168	558,963	5,884
1925	9,428	600,000	6,316
1924	4,706	682,094	7,180
1923	6,794	691,523	7,279
1922	5,738	762,597	8,027
1921	3,682	438,828	4,619
1920	3,294	454,809	4,787
1919	5,106	410,511	4,311

If we assume that the population of the county was the same in 1926 as in 1920, then the schools of the county lost $10,578, or about 3/4 of the amount due, in 1926, because of the failure of the trustee to collect this tax. The state average loss was approximately $15,225, which is about 71% of the total amount due.

Quite wide annual variations occurred in the amounts collected from this

source both in the county and in the state average. The greatest fluctuation occurred in Overton County from 1925 to 1926 when the amount collected decreased from $9,428 to $3,168. This seems to indicate a very inconsistent policy on the part of the trustees in regard to the collection of this tax.

This placed a heavier burden on the state in supplementing the county funds to provide an eight months elementary school. It also makes the burden heavier on the property tax payers of this county.

Many people who have large families pay no property tax, and when they pay no poll tax they contribute exactly nothing toward the education of their children. This is unfair and not according to the law.

A stringent law is needed which will insure the collection of this tax from every man and woman between the ages of 21 and 50 years, who is not exempt by law. The poll tax is more often collected from property owners because it is assessed them, and added to the property.

The superintendent of Knox County schools stated that some of the school teachers did not pay poll tax. In some counties the county boards of education require each teacher to show a poll tax receipt before a contract to teach is given him.

The law requires that the poll tax be paid at the time that the property tax is collected, and the trustee is prohibited from receiving property tax until poll tax is paid.

Delinquencies in Property Tax.

Under the present law taxes must be paid on or before March first of each year or they become delinquent. In 1927 the law was extended from March to May first. Regardless of this extension, on May 1, 1927, there were $20,000 delinquent taxes in Overton County out of a possible $112,000 to $113,000 to be collected for that year.

According to Mr. L. C. Harris, the county superintendent, the changing of the date seriously affected the school revenues. When the act was passed

many of the citizens stopped the payment of taxes and thus the county revenues were greatly decreased. It seems that it would be more satisfactory for taxes to be paid at the same time each year, and that time should be in the fall of the year rather than in the spring. This will be advantageous from the standpoint of tax collection in this area and many others since autumn is the time of the year that the farmers receive the largest per cent of their farm receipts. The statement often heard that the best time to pay debts is when one has the money is quite applicable to payment of taxes. By changing the time for tax collection to autumn there would likely be fewer tax delinquencies and at the same time the tax payer will look upon the payment of taxes with less displeasure since the money for meeting the tax obligation will be more easily available.

As has been suggested in Chapter I, page 17 , the time of assessment should be changed from January to July. This correlates very well with the above suggestion for the change in the time of collection of taxes since the length of time between the assessment and collection periods will be approximately the same.

The state law was changed in regard to the collection of delinquent taxes about 1919. The trustee under the new law collects taxes to March first. After this date the local deputies, constables, etc., try for another year to make the collection of the taxes that remain unpaid. After this second date the lists of delinquents are returned to the trustee, who certifies the list to the State Comptroller of the Treasury. The Comptroller then gets a local lawyer in the county to file a bill for collection against the list of delinquents.

The present law has been in effect since 1920 and as yet not a single piece of property in the county has been sold for taxes. This despite the fact that some 1920 taxes have not yet been paid. The reason for this is found in the fact that the Judge of the Chancery Court continues the cases

that are brought before him for trial. This applies only to delinquent land taxes.

Table #13. Amount of Delinquent Land Tax Due at Various Dates in Overton.*

Dates	Amount Due
1920	$529.31
1921	334.14
1922	251.76
1923	633.30
1924	2,413.71
1925	2,415.96
1926	2,394.50
1927	no data

* The above is certified by the Comptroller as delinquent.

Table #13 shows the amount of taxes that has remained unpaid at each year from 1920 to 1926, inclusively, after attempts have been made to collect them and the additional one year of grace has elapsed before the delinquent list has been given to the State Comptroller, as mentioned on page 32. The amount of these delinquencies decreased from $529 in 1920 to $251 in 1922. But in 1926 the amount had increased to $2,394.

The increase in delinquencies has been caused probably by the deflation in agriculture that occurred in 1920. It is noted that the beginning of the increase was reported in 1923. This had given time for those who had failed to pay their tax in 1921 and 1922 to be reported to the State Comptroller as delinquent.

Table #14. Number of Pieces of Property in which Taxes are Delinquent in Overton County, 1920-1925

Year	Number Delinquent	Number Paid During the Year.
1920	66	3
1921	54	4
1922	37	4
1923	90	11
1924	189	43
1925	235	56

The number as shown in the above table has increased or decreased approximately in proportion to the increase or decrease in the amount of land tax

delinquent as shown in Table #13.

The penalty for delinquent taxes does not apply until March of the following year. After this time a penalty of 1% per month is added until the entire amount is paid.

Manufacturing Tax.

In 1919 there were 41 manufacturing plants in Overton County. These paid $11,212 in rent and taxes. This includes Federal, state, county and city taxes. The Federal taxes include corporation income taxes, corporation capital stock tax, excise tax, and internal revenue taxes. Manufacturing equipment is assessed as tangible personal property. Manufacturers are assessed on the raw materials and articles in process of manufacturing, but the value of the articles finished from the products of the state which is in the hands of the manufacturer is deducted in assessing property.

Bank Tax.

The Citizens' Bank pays $212.00 special excise and capital stock tax. The county tax amounts to $178.00. The city tax is $105.00. The income tax was $463.00 to the Federal government. Total tax of all kinds amounts to something over $1000.00.

Timber Tax.

The taxation of timber in Overton County is a very important item, as much of the county is in timber. It is unfair to tax timber land at its full value each year as it really amounts to confiscation in a few years.

Again taxation causes the owners to cut the timber for tax money, which practice results in a rapid deforestation in the wooded area.

Some suggested changes in the taxation of timber are:

(1) A nominal amount of tax should be paid per year, instead of the

payment on the full value.

(2) Any additional value, for grazing or other purposes, should be taxed.

(3) Principal tax should be collected but once and that in the form of a severance tax when the timber is removed.

(4) The severance tax may be paid as a percentage of the value of the timber, or at a certain rate per 1000 board feet.

It would of course require a Constitutional amendment to tax different property at different rates, as this plan suggests. And any change of this kind in Overton County would have to come as a gradual movement, as a large percentage of the taxable area is made up of timber lands and any sudden cut would make it impossible for some of the county institutions to function.

It would also be unfair to tax a timber owner who had paid an advalorem tax for many years on his timber to again tax him on a severance basis. Hence necessity of putting the system into practice gradually.

As a method of putting the severance tax into operation the following method of procedure has been suggested: "Let the timber land be assessed at a nominal value. As this land has some value for raising a timber crop, although it takes from 50 to 80 years to do so, to this value should be added any value it has for other purposes such as grazing. The tax levy should be extended against 30% of this value the same as grazing and agricultural lands. The timber should be assessed separately at its present full market value and for a given term, say 5 years, the levies should be extended against only 25% of the assessed value and a small severance tax imposed upon the timber removed during this period. During the second period of equal duration the levies should be extended against only 20% of the assessed value and the severance tax increased, and so on to whatever limits it is desired to be carried. The per cent of taxable value is decreased and the severance tax is increased."

The above plan was offered in the report of the State Board of Equaliza-

tion in Montana in 1926, and is worthy of consideration.

An example of timber taxation in Overton County is given below:

Mr. Tidley Mitchell, a former resident of the county, had 300 acres of fine timber land and wished to keep possession of it for 10 years, provided the assessment could be kept at a maximum of $10,000. When the tax assessor insisted on assessing it at $15,000 Mr. Mitchell went before the County Board of Equalization and tried to get them to reduce the assessment. They refused to do so. Mr. Mitchell later sold the property for $36,000. It is thus seen that the owner wanted his property assessed at only 28% of the real value of the timber alone. The land alone is considered to be worth $2,500.00.

The county however lost the tax on $10,000 per year for 10 years as the money was taken out of the county. This, at the rate of $2.75, amounted to $2,750 in 10 years, except for the small amount of taxes which will be received from the 300 acres of cut-over mountain land.

Inheritance Tax.

For a six-year period, 1923 to 1928 inclusively, Overton County paid into the state treasury $2,938 in inheritance taxes, as shown in Table #15. This was an average of $587 per year for this period.

Table #15. Inheritance Tax Collected in Overton, Pickett, and Clay Counties

Date	Overton County	Pickett County	Clay County
1928	$1741	0	0
1927	652	0	0
1926	136	0	0
1925	243	0	0
1924	0	0	152
1923	166	0	242
Average per year	587	0	197

Quite wide variations have occurred in the annual amount collected. In 1924 no inheritance tax was collected. In 1928 $1741 was collected. This is due to differences in the value of the estates of deceased persons. It is

possible that the tax was collected on a relatively large estate in 1928, thus increasing the tax collected nearly three times that collected in 1927.

The state average collected per county for these 6 years was $4,599. This is 7.8 times the Overton County average. The annual average collections in Pickett and Clay Counties was even less than in Overton County, being zero for Pickett and $197 for Clay.

This indicates (1) a small amount of wealth in the Overton County area; and (2) small county contributions to the state from this source.

Automobile Tax.

It seems that a very considerable number of automobiles secure license to operate in the county. They are neither assessed nor taxed under the general property tax, due to exemptions. It has been suggested that this situation could be remedied by having the county trustee, instead of the county court clerk, collect the automobile license tax, and to change the law to provide that the license must not be issued on any automobile until the property tax on it has been paid - just as property taxes are not accepted until the poll taxes are paid. As a matter of fact, all poll taxes are not paid at the time the property tax is paid and this would probably be true of the automobile tax, as well.

There are many different taxes to be paid on automobiles: (1) Federal tax at time of purchase; (2) the state license tax; (3) indirect tax, on gasoline; (4) general property tax, as assessed on January 10.

Table #16. Automobile License Taxes Collected for Overton County, Over a Five Year Period.

Year	Automobile License Tax Collected.	Automobile License Tax Sent to Overton by the State.
1927	$9,889	$19,107
1926	7,354	17,745
1925	7,238	13,281
1924	4,746	13,171
1923	3,173	10,633

As shown in Table #16 this county has received more from the state from the automobile license tax fund that the state received from the county from this source.* In fact the county for the period 1923-1927 inclusively has received from 2 to 3 times as much from the state as has been paid to the state. The amount received by the county from the state has consistently increased from $10,683 in 1923 to $19,107 in 1927.

Some Suggested Recommendations for Improvement of Tax Collection.

(1) That some bank in the county, that is properly bonded, act as fiscal agent of the county, replacing the present trustee. The bank should be selected as the lowest bidder, other requirements being met.

(2) Mortgages on real estate should not be taxes, as it amounts to double taxation of the property that is mortgaged to the extent of the mortgage.

(3) More effort should be expended in the collection of poll tax.

(4) If the office of trustee is retained the trustee should (a) be bonded by a bonding company rather than by local friends of the trustee; (b) keep his records by more modern and improved methods.

(5) The trustee's salary is too high for the amount and type of work accomplished, and should be reduced unless a consolidation of Overton, Clay, and Pickett Counties can be effected. In such a case one trustee could well serve these three counties with the aid of a deputy or a clerk.

(6) Tax delinquencies should be looked after more carefully - not allowing them to continue uncollected over a period of years.

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* Each county gets an equal amount from this source, it being 1/95 of the state total.

Chapter III.

COUNTY INDEBTEDNESS.

The question of safeguarding public credit in Overton County is becoming one of increasing importance, whereas just a few years ago it was a question of little concern to the people of the county. The somewhat alarming increase in the county's bonded indebtedness results from the era of construction and betterment of the roads in this county. Very little if any has been spent through bond issues on schools.

It is not unsound progress that the county has undertaken, if not carried too far, but the extensive use of the county's credit for any purpose, sound or unsound, calls for a careful and intelligent preservation of that credit.

The greater part of the money derived from the issuance of bonds by the county has probably gone for the actual construction of roads, but undoubtedly part of it has gone for the illegitimate purpose of waste and inefficiency in road construction.

Overton County suffers somewhat in selling bond issues from the following difficulties which makes the expense higher than it otherwise would be:

(1) The county is not wealthy, and there is not as large an amount of wealth behind each $1000 bond issued as is the case in some counties.

(2) The amount of indebtedness already incurred has become so great in proportion to taxable property that the tax rate is necessarily high. This has the effect of making investors rather skeptical of buying such bonds; and would result, of course, in a tendency to make future bond issues even harder to sell than have been those in the past.

Another factor that has an adverse effect on future borrowing is the

fact that the wealth of the county is only increasing very slowly, if at all. The assessed valuation in 1860 was $4,125,502 and in 1928 it was approximately $3,500,000.*

It is proper to distribute the cost of capital improvements over a period of years by issuing bonds. But it is not fair to extend the burden to the tax payers of a future generation when the present generation will wear out the improvements.

The soundest principle of public finance, when dealing with the question of bonds, is to retire the bonds during the lifetime of the improvements for which they were issued.

Let us now examine the nature and amount of Overton's indebtedness.

Nature and Amount of Bonds.

In 1905 Overton County issued bonds to the extent of $50,000 for the purpose of building a railroad in the county. This amount was expended for stock in the company for which the county was issued shares. This railroad extends from Algood to Livingston, connecting with the Tennessee Central at Algood. The road bed at the present time is in a poor state of repair and is given over largely to the hauling of freight.

The original issue of $50,000 was to bear 6% with no definite provision made for a regular sinking fund. There was a levy of 10¢ per $100.00 made, however, for the purpose of paying the interest and such principal as it would. These were $500.00 bonds and payable at the option of the county. The result was that, in 1926, twenty one years after the original issue was made, $25,000.00 was still unpaid. The legislature then authorized the county to refund this debt at 6% interest payable semi-annually. Payments of the principal of this refunded debt are to be made as follows: $2,500 in 1936,

* Part of Overton County has been taken to form Clay and Pickett Counties since 1860.

10 years after the refund is authorized; and $2,500 annually thereafter until the entire $25,000 is paid.

It is evidence of very poor business management that this county has allowed these bonds to continue unpaid for over 21 years, as $31,500 in interest has been paid during this time.

Between 1919 and 1923, $300,000 of highway bonds were issued. These were issued in sums of $50,000 at a time as used. All of these bonds bear 6% interest and are payable in 1946. The county has option of payment at any time. No sinking fund was provided for this issue, and nothing has been paid, except the interest.

A third bond issue was made, on November 1, 1923, of $300,000. All of this issue bears 6% except $50,000 which bears 5%. The bond dealers argued to the county court that the bonds could not be sold at less than a 6% basis.

No sinking fund was provided for this third issue. Interest only is being paid.

This makes the total bonded indebtedness in 1926 of Overton County $625,000. All of this amount was for the construction of highways except the issue of $50,000 for the Overton County railroad.

However in a letter dated June 24, 1929, the county court clerk, Mr. Walter Boswell, states that the state has taken over $294,000 of the highway bonds. This leaves a total of the original issue of highway bonds of $306,000, and a total indebtedness at the present time of $331,000, of which all but $50,000 is bearing 6% interest. The $50,000 bears 5% interest as previously mentioned.

No provisions were made for recalling the last bonds issue of $300,000 in case money could be borrowed at a lower rate of interest. The county must continue to pay this high rate of interest despite the fact that money

can be borrowed at 5% and probably less. If the present bonded debt bearing 6% interest could be recalled at 5% there would be a saving of $2,500 annually to the tax payers of the county. This amount could be used to advantage in building roads, etc; or it could be used in reducing the tax rate 7 cents per $100.

The total assessed valuation of Overton in 1928 as reported by the Commissioner of Finance and Taxation, was $3,506,763.00. It took a rate of $100 per $100 assessed valuation to meet the interest on bonds alone in 1928, and will take about $0.60 per $100 on the present indebtedness.*

The tax rate for this item alone was greater than the total county tax rate for all purposes in Knox and Shelby counties which had rates in 1928 of $0.83 and $0.98 respectively.

The county tax levy for elementary schools in this county is exactly one-half as great as the tax levy for interest on the previous indebtedness of $625,000.

It was thought for a while that the state would take over the remainder of the highway bonds, in accordance with their new policy, but they have apparently failed to do so.

The following table shows the bonded indebtedness of Overton County, per capita, for different years, starting with 1890.

Table #17. Bonded Indebtedness of Overton Per Capita.

Years	Total for county.	Per capita.
1929	$331,000	$18.79
1923	625,000	35.48
1913	35,000	1.99
1902	547	0.03
1890	2,000	0.11

It can be seen that the per capita bonded debt in Overton County decreased from $35.48 in 1923 to $18.79 in 1929. The cause of this was the

*The total bonded indebtedness of $625,000 required a tax levy of $1.00 to pay the interest.

taking over by the state of $294,000 of Overton's highway bonds previously mentioned. Since the principal part of this debt was incurred for highways it is interesting to note that in 1929 after the taking over of almost 1/2 of Overton's debt, by the state, the per capita debt of $18.79 compares with Tennessee's state average per capita debt of $15.70, based only on highway indebtedness, despite the low wealth per capita in Overton County.

In 1928 the per capita wealth of this county was $199 as compared with the state average of $748. In other words, the per capita debt is 119% that of the state per capita debt while the per capita wealth is only 26.6% as great.

It is rather startling then, when we consider Overton County's capacity to pay, to look back and find that its per capita indebtedness was $35.48 previous to the state's taking over some of the highway bonds.

In order to make a comparison with Clay and Pickett Counties on the per capita indebtedness the following figures were obtained for 1925:

Table #18. Comparison of Pickett, Clay and Overton - Per Capita Indebtedness for Highways, 1925

County	Per Capita.
Clay	$9.35
Pickett	17.54
Overton	34.51

This gives the per capita indebtedness in 1925, before the state took over some of the highway bonds, but it serves the purpose of comparison and shows to what extent these counties have gone in using their credit. Overton County's indebtedness in 1927 amounted to almost 20% of her total assessed value of property. All of this too, without provision being made for a sinking fund or the use of serial bonds.

Taxes on general property in Overton have about reached their upper limit, and if the tax payers are to have any immediate relief from the increasing tax burden, aside from state aid, it must come through the proper

business management of the fiscal affairs of the county.

As regards bonded indebtedness, it is always wise that the various county bond issues be paid serially in a period of not over 20 years. There is need also of a state codification and systematization of the legal requirements affecting such county bonds, in order to improve their market ability, and lower the rate of interest, which would in turn lower the tax burden on the people.

At present it is difficult to be sure that all legal requirements are complied with, and investors and financial middlemen find it necessary to scrutinize very carefully every feature of each issue from the original petition down to the election at which the issue is decided upon, and also the conditions under which the bids were made and accepted, to see if in all respects the legal requirements have been complied with. These legal requirements are quite complex at present, and require the investing company to incur considerable legal expense.

Time of Payment.

It has become a very general practice in this country to buy on the installment plan, and in public buying this nearly always means bond issues. The question arises then as to the time of payments.

The fundamental principle involved in county indebtedness, as stated above, is that the bonds should be retired during the life time of the improvement for which they were issued. In practice this means that roads which must soon be repaired, or even in some cases rebuilt entirely, should not be financed by means of long time bonds.

A steel or concrete bridge, if kept in a good state of repair, is an example of an improvement that can be made on longer time bonds. But it would be manifestly unfair to have future generations mortgaged to meet payments for improvements worn out many years before. And in addition to

that, progress in the next generation will demand many new things which will require large sums of money, and we should not place them in a position which will jeopardize that progress.

Economic Effects of Public Borrowing.

The economic effects of public borrowing vary with circumstances and conditions. Among the more important of these conditions are (1) the amount of the loan, and the source of the funds which it absorbs; (2) the application of the proceeds; (3) the rate of interest; (4) the terms and methods of repayment.

The size of the loan will be an important factor in detdrmining its economic effects on a poor county. If the debt exceeds certain limits it is practically impossible for the tax payers to redeem the bonds without an excessive burden being placed upon the people. And when this excessive burden exists the capital which the people would otherwise have for improvements on their farms and homes, goes in the form of higher taxes, and hence the effect in this case is the lowering of the efficiency of the farms, and of the community as a whole.

Insofar as the economic effects of the application of the proceeds are concerned, it will depend upon (1) whether the money so obtained is spent productively or (2) unproductively. The productive outlay may be such as will provide the county a return in money, or it may simply add to the general social well being and thus increase only indirectly the wealth of the county. This is done of course by enlarging the opportunities for more efficient and economical production.

Overton County has spent money derived from bond issues on public highways, principally. This type of expenditure is not to be condemned. But the inefficiency of construction is to be condemned, as is also the fact that only two relatively short highways were constructed with an expenditure

of $600,00 for such purposes. It may be too that if there had been some short or lateral roads connecting one strong, well built, highway that more of the tax payers would have been benefitted than by the present lay-out of roads.

Economic Effect of Repayment.

The repayment of a small loan can be accomplished without excessive taxation, as a usual thing. But the burden involved in the repayment of large county debts increases progressively as the debt rises, on account of the greater difficulty of maintaining the equitable distribution of a large tax burden.

When counties contract a large public debt, and then this is followed by an agricultural depression, as was the case in 1920, the people must go through a period of repayment that becomes an excessive burden on account of their low net incomes at the time; and this also does damage to the future credit of the county. This latter is due, of course, to the fact that the county is overburdened and is consequently slow in the redemption of its bonds.

Serial Bonds Vs. Sinking Funds.

Either serial bonds or provisions for a sinking fund is preferable to the situation in Overton County, in which neither are provided for. However serial bonds are preferable:

(1) There is no necessity for the investment of the county's funds as in the case of the sinking funds. The funds are applied directly to the retirement of a serial bond. Such investments might prove unprofitable either because of an unwise investment in which a loss is incurred or a lower rate of interest is received than is being paid on the bonds.

(2) There is less chance of using the money for current expenditures

than if a sinking fund were provided. In some Virginia counties these funds were perhaps unintentionally used to meet regular expenses.

No bonded indebtedness has been incurred in Overton County for deficits and other current expenses as have some counties in Virginia.* This is a favorable situation since no tax burden for current expense has been passed on to the next generation.

Some Recommendations.

(1) Further bond issues should be avoided until some of the present bonds are retired as the present per capita debt is greater than the state average and the total indebtedness is approximately 10% of the total assessed valuation of the county.

(2) Some provisions should be made for sinking fund to retire the present indebtedness when due as it is unfair to pass these debts on to the next generation.

(3) The payment of any bonds should be provided for during the life time of the improvements made by the use of the borrowed money.

(4) Serial bonds, maturing in equal annual instalments, are preferable to long time bonds with provisions for sinking funds.

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*County Government in Virginia - Bureau of Municipal Research.

Chapter IV.

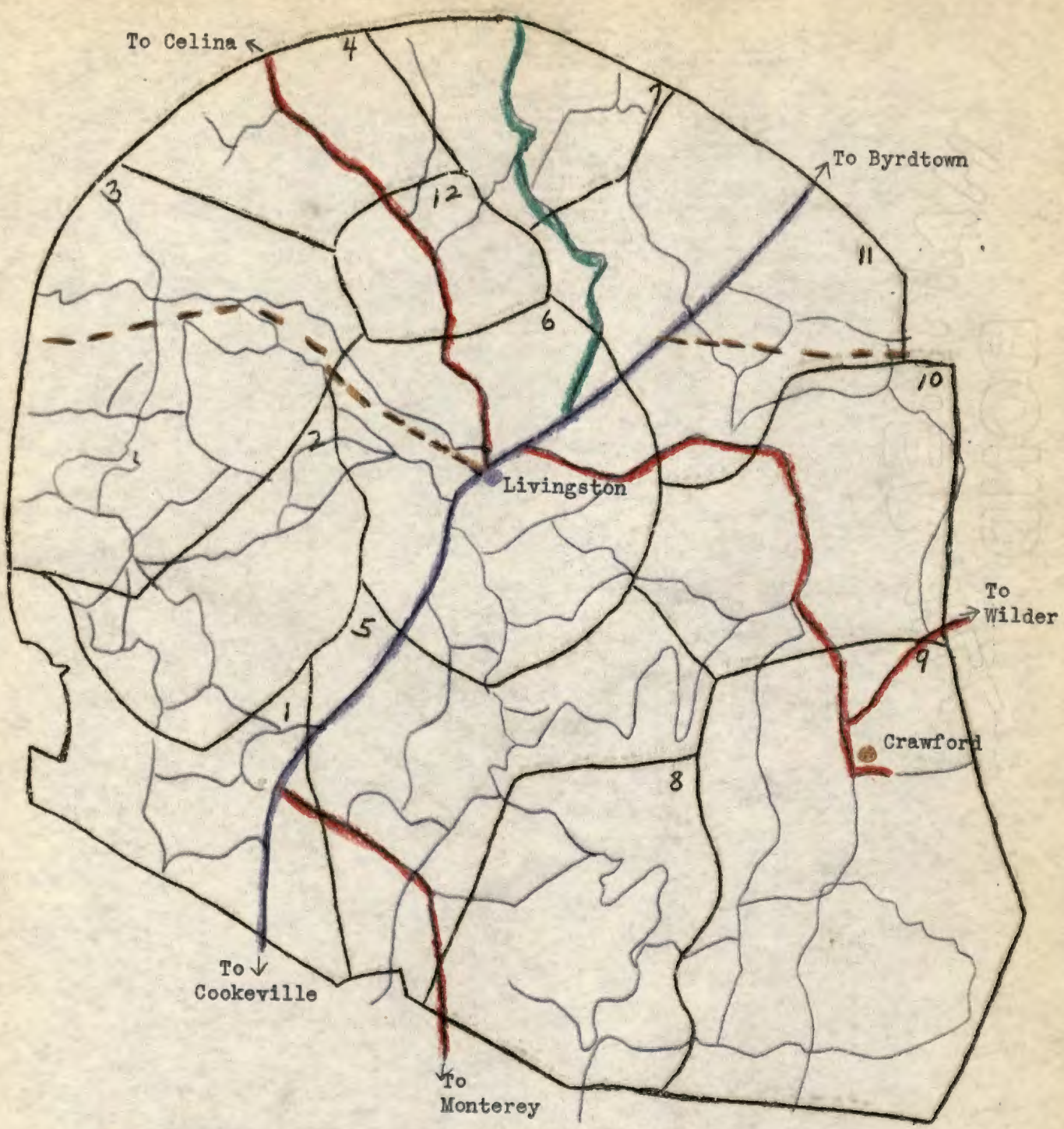
EFFICIENCY IN THE USE OF HIGHWAY FUNDS.

With Overton County's bonded road debt 20% of the assessed valuation of all property in 1927, or about $34 per capita, as mentioned in Chapter III on County Indebtedness, it is of much importance to the tax payers of the county to know if these funds have been expended efficiently; and if not what has been the cause or causes of the waste and extravagance.

In view of the greater demand for better roads, caused largely by the advent of the automobile, it is also significant and timely to inquire as to the ability of the tax payers of this county to finance or help in financing other road projects which are needed in the county.

Condition and Mileage of Roads in Overton, Clay and Pickett Counties.

There are 583 miles of public road in Overton County of which only about 74 miles are hard surfaced (see Map #1, page 49). The other 509 miles consist of dirt and in most cases are not improved. The road beds of the lateral roads are very narrow - usually wide enough to accommodate only one vehicle; and the grades are often steep. With the exception of some of the roads in the eastern part of the county, which are sandy in nature, the roads often become either impassable during wet weather or in such condition that only about one-half a load can be hauled. Some roads are practically impassable by automobiles even in summer, and many others are not in condition for comfortable travel by this method. About 25.3 miles of the hard surfaced road is constructed of asphalt. It extends from the Putnam County line northwardly through Livingston to the Pickett County line. About 49 miles of hard surfaced roads is constructed with gravel. One road extends from the Clay County line south-



Gravel

Paved

Graded

Proposed road from Jackson County line to Fentress County.

Principal lateral roads.

Map #1.

HIGHWAY SYSTEM IN OVERTON COUNTY.

eastwardly through Livingston, Alpine, and Twinton to the Fentress County line. A hard surfaced lateral road connects Windle Town and Crawford with this latter road, about 3 miles west of Twinton. A Macadam highway extends from Rickman to Monterey, in Putnam County.

Recently about 12 miles of road has been graded, leading from the Livingston to Byrdstown road northwardly to the Pickett County line.

Clay and Pickett Counties have a total of 210 and 230 miles of public road respectively. This is 0.82 miles per square mile of land area for Clay and 1.42 miles for Pickett. The latter compared favorably with Overton County which has 1.30 miles of road for each square mile of land area.

Clay County has 40 miles and Pickett County 25 miles of hard surfaced road, all of which is a part of the state highway system. This is 19% of the total amount of public road mileage of Clay County, and 10.9% of that in Pickett County.

Plans have been completed for a state highway leading from Gainesboro, in Jackson County, through Hilham to Livingston, and thence eastwardly to connect with Jamestown in Fentress County. Work on this road is to begin very soon.

Handicaps to Construction and Maintenance.

There are some natural handicaps to road construction and maintenance in this area. In the first place the topography is such as to render road construction both difficult and expensive. It varies from rolling to hilly and mountainous, with the greater part of the eastern part of the county mountainous. In order to get a reasonably low road grade it is often necessary to either make deep cuts in the hills or to lengthen the road more than would be necessary if a relatively straight course could have been taken. Besides numerous small creeks and rivers have to be bridged. Road maintenance also is necessarily more costly in a region of this kind, for regardless of

the efforts of engineers to lessen the road grade to a minimum some grades will be steep enough to permit considerable damage to the road by washing unless carefully ditched. This is especially true of the gravel type and dirt roads. Topographical conditions in Clay and Pickett Counties are very similar to those in Overton County, being located in the same general section of the state. Consequently these counties are confronted with similar obstacles in road construction and maintenance.

In this respect these relatively poor counties are not so favorably situated as are some of the more wealthy counties that have a more favorable topography and that could better afford to build good roads even with a rough topography.

Ability to Pay for Modern Roads.

If these counties were dependent on their own resources to construct and maintain the kind of roads that they need and would like to have there would either be a lack of these roads or the counties would become bankrupt in the effort to secure them. Table #19 shows that Clay, Overton, and Pickett Counties have a smaller assessed value of property per mile of road and a fewer number of automobiles per 100 people than does either the average county or Davidson County, one of the wealthiest counties in the state.

Table #19. Some Measurements of the Financial Ability of 4 Tennessee Counties.

County	Assessed Value of Property per Mile of Roads, 1928.	Number of Automobiles Registered per 100 people, 1928
Clay	13,154	4.2
Overton	6,015	4.3
Pickett	4,750	2.7
Davidson	333,836	12.5
State average	26,749	11.7

Taking these criteria Pickett County is the poorest of the group from this standpoint with only $4,750 assessed valuation per mile of road and only 2.7 automobiles per 100 population. Davidson County with $333,836 assessed valua-

tion per mile of road is about 703% wealthier than Pickett County on this basis.of assessed value per mile of road. The state average of $26,749 is 563% greater than the corresponding figure for Pickett County, while both Overton and Clay Counties have a somewhat greater assessed valuation per mile of road than Pickett County; they do not compare favorably with either in this respect.

These counties, Overton, Clay, and Pickett, are also at a disadvantage in the construction and maintenance of public roads because of the relatively few people per mile of road.

Table #20. Number Persons per Mile of Public Road and Per Square Mile in Pickett, Clay and Overton Counties: 1926

County	Number Persons per Mile of Road.	Number Persons per Square Mile.
Clay	44.3	37
Overton	34.0	42
Pickett	27.4	33
State average	80.7	59

Clay County which ranks the highest of these counties has only about one-half the number of people per mile of road as does the average county. Pickett County, which is the lowest ranking county of this group has only about one-third the number of people per square mile as found in the average county.

Sources and Expenditure of Highway Revenues in Overton.

(1) County advalorem. In 1927 the County Court levied 5¢ per $100 assessed valuation of property for road purposes. Receipts from this source amounted to approximately $1,780. The amount collected from this source is returned to the civil districts in proportion to the amount collected in each. It is used to buy tools and to make other necessary purchases of road equipment and material.

(2) County bonds. This county has issued bonds for highway purposes

amounting to approximately $600,000. About $294,000 of this was used in the construction of highways in which the state and Federal governments cooperated. The other was spent on county projects, the largest of which was the construction of the highway from the Clay County line through Livingston to the Pongress County line at Wilder.

(3) Statutory labor. All male inhabitants over 18 and under 45 years of age, except such as are permanently disabled from performing ordinary labor, are required to work on the roads each year five days, but this may be commuted by the payment of $1.50 per day, or by furnishing a two-horse plow and team for one day's work and a two-horse wagon and team for two days' work.

This law of course is a form of taxation for road purposes - a special tax on each male inhabitant. This form of statutory or forced labor was once common, but now it is a relic of by-gone conditions when dirt roads were in vogue and when but little in the way of materials or skill was required in road building. In most regions the bulk of such labor is now commuted and the money used to build the roads on a contractual basis.

However, regardless of the inefficiency of statutory labor, or of voluntary labor for that matter, the roads have often been kept passable by its use, when otherwise there would have been no work done on them.

(4) Voluntary contributions by the citizens of the county. Some people give rights of way for roads. Cash subscriptions are sometimes made. It is also quite common for men to donate their labor and that of their teams for the construction and improvement of roads - this in addition to the statutory labor. This is often necessary to keep the roads passable or to eliminate steep grades, etc. Some people give such material as gravel and rock for road purposes.

(5) State and Federal aid. The Federal government has contributed $149,663 up to June 30, 1928, to the construction of highways in this county. This was expended on the Livingston to Byrdstown highway.

The State Highway Department has contributed approximately $318,712 for

highways in this county. This amount, derived from the state gasoline tax, was spent under the supervision of this department.

The state also contributes a small fund to the rural "feeder" roads. This latter fund is derived from a 1¢ tax on gasoline as provided by a law recently enacted by the state legislature.

In addition to the fund received from the gasoline tax the county received $19,107 in 1927 from the state automobile license tax. This is $9118 in excess of the amount collected from this source in this county for that year.

Total Expenditures on State and Federal Aid Projects.

It is practically impossible to obtain the amount of money or its equivalent that has been spent on Overton County roads. The total amount received from state and Federal aid, and county bonds amounts to about $1,068,375, all of which was spent.

This amount was spent on 74 miles of road. This represents a cost of approximately $14,438 per mile for each of the 74 miles. However the 25.3 miles of road from the Putnam County line to the Pickett County line cost approximately $28,697 per mile.

Comparative Expenditure by Various Agencies on Overton County Roads.

In making this comparison only the expenditure of the county bond issue of $600,000 is considered as the county's part, although some receipts have been obtained from subscriptions and various other sources.

The state and Federal governments had expended up to June 30, 1928, approximately $468,375 on Overton County roads. This sum added to the $600,000 county bond issue gives a total of $1,068,375 expended on the principal high-

ways of this county. The county's part was 56.1% of the total. In other words the state and the Federal government has contributed almost one-half of the total amount expended.

Without this aid from these agencies this county would likely not have the mileage of hard surfaced roads that it now has. As it is, the county indebtedness is as great as it should be, even after the payment of $294,000 worth of highway bonds have been assumed by the state. (See Chapter III, p. 41).

Mistakes Made in Issuing $300,000 in Bonds for East and West Road in Overton County.

(1) The county expected the state to take over this bond issue. It now appears that this cannot be done, because the present law reads that the money must have been turned over to the state highway department and expended by them. But this issue was spent by the county commissioners under the supervision of the state highway department. For all practical purposes the results are the same, but because of a technicality the state cannot do it. There are several other counties with bonds of the same kind, and it is understood that a bill is to be introduced in the next legislature that will provide for the assumption of such bonds by the state. It is said the big counties will not oppose it.

(2) Another mistake made in selling this bond issue was that it cost 6% without any premium whatever. This was too high.

(3) A third serious mistake is that this bond issue is for 20 years and that no part of it can be repaid before that time. Thus the county must pay 6% interest for 20 years even though interest rates are now much lower. Of course the bondholders will not permit them to be repaid without a big bonus. And even if the state takes them over it will only pay 5% and thus the county would have to pay the other 1% for 20 years.

Counties Compared as to Miles of Road Obtained for a Given Amount Expended.

For some reason Pickett and Clay Counties have been more fortunate than Overton County in securing a greater number of miles of hard surfaced roads for a given amount of money expended by the county.

Table #21. Comparison of Overton, Clay, and Pickett Counties as to Amount of Roads Constructed per $100,000 Bond Issue.

County	Number Miles of Hard Surfaced Roads.	Amount of County Bonds Issued for Road Purposes.	Number Miles of Road per $1000,000 Bond Issues.
Overton	74	$600,000	12.3
Clay	40	123,000	32.5
Pickett	25	100,000	25.0

Clay County has 32.5 miles for each $100,000 bonds issued. Pickett County runs a close second with 25 miles, while Overton County has only one-half as much. This condition is largely due to the fact that Pickett and Clay Counties have received a relatively larger share of state aid. For instance, in Pickett County approximately 7 miles of road was constructed entirely with state funds. The other road projects in this county have received state aid. On the other hand Overton County constructed the East and West road from the Fentress County line through Livingston to the Clay County line, a distance of 34 miles, without any state aid except the cost of making the survey.

Road Maintenance.

The state is maintaining 74 miles of road in Overton County, 25 miles in Pickett County, and 40 miles in Clay County. This is the total state highway mileage in these counties.

The lateral roads are maintained, only theoretically in many cases, by statutory and voluntary labor. Those living on the state maintained highways, who are eligible to work the road under the provisions of the county

road law, work their required time on a nearby lateral road.

Discrimination in Highway Taxation in Overton.

Taxes for road purposes should be levied on the principle of the benefit received. Those receiving the most benefit should pay the most; and those receiving little or no benefit should pay but little.

But in Overton County the taxes for road purposes have been levied as an ad valorem tax on all property alike in the county. This works at least two injustices:

(a) Farmers on the eastern side of the county, who travel and do their shipping to and from Crawford, have had to pay high taxes to provide a railroad and a fine highway to Livingston. Though they derive but little benefit from these things they have had to pay as heavily for them as have the residents along the roads.

(b) Residents along the minor improved highways have to pay as high road taxes as those on the fine and expensive highways.

(c) Personal property is not increased in value nor in income by money spent on highways as is real estate located on such highways, but it has to pay as high tax as does the real estate.

(d) Loggers and timber haulers have received very large benefits from improved highways in the county and have also done great damage to the highways - while many of them have made practically no contribution to building and maintaining them.

Waste of Road Funds in Overton County.

Graft. In Overton Mr. Hankins, a contractor, says that the county paid the highest rate for moving dirt that he ever heard of. The rate was 55¢ per cubic foot for dirt and $2.00 for rock. He says a fair rate for dirt is 35¢ per cubic foot. This high rate was from Kimes to Crawford.

It is said that the reason the county officials let the contract in this

way was that they listened to an engineer who was thought to be in collaboration with the contractor.

When Mr. Dixon, the contractor, entered on the contract he was said to be financially broke and had his equipment mortgaged. When he left, after grading only about six miles of road he was reported to be out of debt and had $40,000 or $50,000.

When the engineer started he came on foot; and was supposed to get only $125.00 per month for his services. When the road was finished he had married, paid the expenses of his wife to California and bought two cars, one of them a large one.

In allowing for the work done Mr. Dixon would not let any other engineer, except this particular one mentioned above, do the work. This engineer was said to have allowed the contractor rock, in many cases, when it should have been dirt. For instance, up the mountain between Shiloh and Crawford, where much of it was dirt he allowed all rock.

Wastes Occurring in "Force Account" System.

The first road work in Overton County was on Byrdstown highway. The "force account" system was used. That is, one man was given the job as general manager, who had the power to employ his own laborers at his own price, and work them as he wished. All bills for labor and other costs were paid directly by the county. Under this system $30,000 per mile was necessary to complete the road. As an illustration of waste, it cost $36 to remove one small tree from the right of way. Another tree near Livingston was removed at a cost of $80. Another instance of waste under this system was the payment of a $12 per day for the labor of one man and four mules; and in some cases they worked only 2 hours per day since all they had to do was to keep the gravel plowed up for the scraping machines. Eight dollars per day was paid for one man and two mules. One man, receiving this $8 per day, was sent for

whiskey while his team of mules was left standing idle. Common labor got from $3 to $6 per day. Much drinking and loafing were reported among these laborers. Too many men were hired that are special friends or relatives of the commissioner. This is the reason that they hold their jobs whether they do their work or not.

A man has been employed to operate a tractor and scraper, the county paying all expenses including gasoline and oil, and paying the man $3.50 per day. (1) Sometimes he operates this when the ground is frozen and at other times when it is so dry that but little good can be done. (2) He was standing some distance from his machine talking with a man on one occasion.

Often when a man worked on the road only one hour he was given time for an entire day.

In getting out gravel for the road they (1) moved the gravel out of the creek bed, claiming that it might rain and make it so the gravel could not be reached; (2) they paid men with teams $1.00 per cubic yard to move this a short distance to the road. The men with teams could haul 20 loads per day of 1 yard each, thus making $20 per day - but road officials would not pay a man over $10 per day so these men would often discontinue work about noon. The trucks could have gone directly to the gravel pits, thus avoiding the added expense of moving the gravel twice.

Waste from Use of Road Trucks.

(1) The trucks travel at the speed of only 10 miles per hour when they should move faster, and consequently save time.

(2) Two men go with the trucks, whereas these trucks are self-dumping and need only one man. These men are paid $2.50 per day when efficient men can be employed at $1.50 per day. There is thus a loss of $3.50 per truck per day from this source alone.

(3) Some trucks were also used to go to church parties, to "outings"

on holidays, and at night.

(4) One of the foreman's brothers-in-law used over 20 gallons of gasoline on a pleasure trip. The cost of operating these trucks is probably from eight to ten cents per mile. In a year's time this kind of extravagance will soon amount to a large sum.

(5) The road employers also often used the trucks to move their families from one place to another.

(6) At one creek where the banks were very steep no bridge was built until the road was completed. This caused the highway trucks to carry only one-half of a load for a distance of three to four miles.

(7) Trucks were used that did not pull very well. They were small trucks and badly in need of repair. Had larger trucks been used and kept in good repair larger loads could have been hauled with no extra expense for labor in the operation of the truck. Some trucks were reported as being used to go after whiskey. Some of these trips were over long distances.

Excessive Cost of Right of Ways.

Sometimes one man will make the county either pay an exorbitant price for a right of way or survey the road around his land. In Overton County Joe Stout caused the county to pay $500 for a right of way for the highway through his farm. The court cost in this same case also amounted to another $500. The amount paid should be only enough to pay for the amount of land actually used. In case any damages are incurred they should be estimated. The value of the road to the person thus damaged should be estimated and a settlement be made on this basis.

Waste from Poor Judgement of Construction.

In building a road in Overton County a soft place on a hill was foolishly created by putting pulverized sandstone in it. This made it so that

a car could not get up the hill. The road authorities then hired a man and team to stay there night and day, paying him $4 per day. They then hired another man to stay with this one all the time and boss him, paying this latter man $2.50 per day. This continued for two or three weeks.

The bridge over Puncheon Camp creek was erected to be a temporary structure. This is on a state highway and consequently a permanent bridge should have been built to begin with. This would eliminate the cost of both the construction and tearing out of the old bridge.

Misuse of Roads.

Many persons usually wait until the roads are made soft by recent rains before they begin hauling. This practice is due in part to the program of farm work which is carried out largely during the dry weather. Often the hauling is left until it is too wet to do farm work. However, the practice is damaging to the roads and should be guarded against insofar as possible.

On the gravel road from Livingston to Crawford cars and trucks often operate with cut-out open. This results in much loss of dust from the highway. There is no necessity for this practice as the road grades are not steep enough to require it.

On the road between Livingston and Alpine there is three miles of road that was built a few years ago with a hand set limestone rock base. This base was then covered with crushed stone. At the present time much of the crushed stone has either worn off or has been pushed off of the base on the steep grades, and has not been replaced until recently. Heavy lumber trucks in large numbers are operating over that road and are tearing out the base stones very rapidly. This not only makes the road very rough but will soon ruin the foundation.

In 1927 absolutely nothing was being done to prevent this waste. The road superintendent said perhaps it would be just as well to let it go and

later tear out the base and build another road. He said that this base is not strong enough. Fortunately this was not done. In 1928 the State Highway Department placed a sheet of asphalt on this base. Consequently a rather permanent highway has been constructed without going to the added expense of rebuilding a new base.

The roads in England are built of gravel from the ground. They last much longer and carry heavier loads. As much as 30 tons per load are hauled over these roads. Each generation keeps adding to this road.

Miscellaneous Wastes.

The workmen often washed their hands in gasoline that belonged to the county. Often the faucet to the gasoline tanks were left open, and the gasoline was allowed to spill on the ground while the men were washing their hands in it.

Waste of County Road Funds in Pickett County.

The county's road equipment, which consists of 2 graders, 1 engine, and 1 large roller, are seldom used. But they are not housed, and consequently the depreciation is very rapid. This amounts to a considerable sum each year, since these machines are very expensive.

Each year there is an unnecessary loss on the small road tools, such as picks, mattocks, and shovels. In the first place many of them disappear mysteriously or otherwise, during the winter after the road working season is over. These have to be replaced the following year from the general road funds. This loss would be greatly reduced if these tools were kept in the tool house that the county erected for that purpose. In addition there would likely be less deterioration from rust if this was practiced.

The amount that was invested in the county tool house is practically wasted since it is not being used.

There is possibly another loss in the method of purchasing small road equipment. Each civil district has one road commissioner who has control of the roads in his district. Among other official duties, each commissioner purchases the road equipment necessary for the road in their respective districts. There is no centralized pooling of purchases, but each commissioner buys wherever and whenever he wants to buy it. The County Judge is told of these purchases, who then issues warrants for payment.

Inefficiency of Statutory Road Labor (See page 53)

Many men look upon road work under this system as so much punishment. Added to this, the fact that often those who work the roads use it the least, a lack of interest is often shown in accomplishing anything worth while. This is sometimes evident among those who use the road most.

The labor is often inefficient because it is in most cases untrained. The road overseer selected often knows very little about the modern methods of highway construction.

Why the State Should Finance the Construction and Maintenance of Principal Highways.

(1) The state can borrow money at a lower rate of interest than can the counties, because of its better credit rating.

(2) The roads are used to a great extent for through traffic by residents of cities and towns of other counties. These people should help pay for the roads that they use.

(3) It would bankrupt most of the poor counties to build and maintain, by themselves, a large percentage of an elaborate highway system such as may be needed through that region.

(4) Often the poor counties are hilly. Consequently it costs more per mile to build roads than it will in the less hilly counties which are usually

more able financially to build roads.

(5) The people in these counties with poor land will still continue to want good roads. With the present valuation of their property, the most of it farm land, they will hardly be able to do this. The state will have to give them financial aid for roads if they continue to live in these counties. It would be better, however, if these people would move out and get employment in a region where they may become self-supporting.

Some Illustrations of the Need for Business Management of Roads in Overton.

(1) The East and West road from Celina through Livingston should not have been built without state aid. As it connects county seats and important towns it would have been easy to arrange for state aid before the road was built.

(2) After the State Legislature passed the law taking over road bonds Overton was one of the few counties which failed to secure the taking over of its bonds, only half of them in that county being taken over although the road was built under state supervision. It seems that a better presentation and handling of the matter would have likely been effective in securing such relief.

(3) The road from Livingston to Grimsley in Fentress County was started about 1923 and was completed to near Crawford in 1925. That part of the road on top of the mountain from Grimsley toward Wilder was also graded. This left only a short stretch of road from Crawford through Wilder incomplete. This stretch was left undeveloped for a time, but in 1928 work was again started, and continued with a small force for a while. This work was discontinued and nothing more done on it until July 1929.

In July 1929 a man living in Knoxville wrote Commissioner R. H. Baker and called his attention to the fact that route No. 52 was in good condition

except for a short stretch near Wilder, but that this stretch was practically impassable. Commissioner Baker referred the letter to Chief Engineer C. F. Goets who wrote the man that he was referring the letter to the Division Maintenance Engineer with instructions to complete the road at once. In a few days the Division Maintenance Engineer, Mr. J. H. Coles of Chattanooga, wrote that he that day was buying a shovel with which to immediately finish the work.

It seems therefore that the delay in finishing this stretch of road, with the inconvenience which has been caused the citizens, was largely due to no one being on the job to push it through. With competent business management of the road system that stretch of road would probably have been finished several years ago.

Why Rural People Do Nothing About Graft in County Affairs.

The question may be asked as to why the people talk so much about graft in county affairs but do nothing about it. This is a fair question, since the work of the county government should be the business and the concern of every person - they regard it as such, so far as talking about it is concerned, but when it comes to acting each one appears to consider that the responsibility is on someone else.

This situation is partly due to lack of leadership and initiative in the country districts.

Are Expenditures for Roads Over-balanced with Expenditures for Health, Telephones, County Agents, etc?

Building roads by the county and state is a form of cooperative effort in which the majority of the people force the minority to cooperate with them.

Road building has long been on a cooperative basis (forced) as men were formerly required to work a specified number of days or to pay for roads by a certain sum each year.

Why is it that people are willing to pay such huge sums for transportation (automobiles and highways to run them on) when farmers will only pay a very small sum for telephones (another form of communication) and do not seem to care whether or not either railroads or street car lines are built?

What Should Be the Policy in Regard to Expensively Constructed Highways?

It is said that some roads in the state are costing from $30,000 to $60,000 per mile to construct a surface after they are graded. On the other hand, it is said that a good road can be built by being carpet treated, for from $5,000 to $7,000 per mile.

Is it the part of wisdom to spend huge sums on a few roads, thus using up all the funds, while thousands of tax payers and citizens are many miles from a hard surfaced road of any kind?

In making traffic counts to determine where roads should be built and the amount to spend on them, should tourist be counted, especially those from out the state? Or should we build roads primarily for our own citizens?

Is It Best to Let Road Contracts in Small Units or Large Units?

J. L. Robinson says that in Monroe County there has been no talk of graft or useless expenditure of funds when small contracts are let. Then the people try to cooperate in every way possible in order to make the money go as far as possible. On the other hand, he says that there are frequent complaints when large sums are spent on a contract.

Here in Knoxville Councilman Lee Monday says the street department should not let small contracts as there is no competition between bidders. He holds that several of these small contracts should be grouped together in order to interest outside contractors.

What is the best policy for a county to pursue in this respect?

Can People Pay for an Automobile for Each Family and an "All Year Road" by Each Farm?

Where is to be the end of the expense for automobiles and highways? Every man feels that he must have: (1) an automobile; (2) a hard surfaced road, or "all year road" by his house. At present we only have a few main roads built in most of the counties and people are demanding that more be built all the time. And the cost of maintenance must be met.

Can the county and state finance the hard surfacing of every road in the county and maintain them? How can the people pay for this and be buying new automobiles and maintaining them all the while (especially the rural counties dependent on a sparse population and on low farm incomes).

Or will some families have to move out of isolated areas to get to good roads?

Some Recommendations on Roads in Overton.

(1) The state should take over the $300,000 road bond issued for the East and West highway.

(2) The county should not vote any other road bonds that would have to be paid from the general property tax.

(3) The county road tax should be based, insofar as possible, on benefits derived. A tax of $1.00 per year for each passenger automobile and farm wagon and $2.00 for each log wagon and truck would not be excessive. The revenue from these sources would approximate that received from the 5¢ county tax levy on property.

(4) In view of the low economic status of the county voluntary labor and other contributions should be continued in assisting in the improvement and maintenance of the lateral roads.

Chapter V.

EFFICIENCY IN USE OF SCHOOL FUNDS.

The purpose of this chapter is to present the school situation in the Overton County area, as it relates to taxation. These schools are largely operated on funds received from state and county tax funds. Consequently it is highly desirable, from the standpoint of efficiency in county government that the people get returns in proportion to the amount expended. At the same time it is essential that the budget for this purpose provide for the best educational development of the young people of this area.

Handicaps to Schools in Overton, Clay, and Pickett Counties.

Financial. Overton, Clay, and Pickett Counties are seriously handicapped in the financial support of their schools. The inequality among counties in this respect is shown by Table #22. Each of the above counties has less assessed valuation of property per person of scholastic age than either the state average of Davidson County, which is one of the wealthiest in the state.

Table #22. Financial Handicaps of Overton, Clay, and Pickett Counties. 1928.

County.	Assessed Value of Property per Student of School Age, 1928.	Tax Levy per $100 necessary to Get $25 School Funds per Student of School Age, 1928.
Clay	$1,001	$0.24
Overton	679	0.37
Pickett	656	0.36
Davidson	6,183	0.04
State average	$2,902	$0.09

In 1928 Overton County reported only $679 per person of school age as contrasted with a state average of $2,902, and $6,185 in Davidson County. Clay and Pickett Counties reported $1,001 and $656 respectively. Hence a higher county tax rate is required in Overton, Clay, and Pickett Counties to produce the same school revenue per pupil of school age than is necessary in the average county, or in Davidson County. For instance in the latter county only a 4 cent rate per $100 assessed valuation would be required to provide a $25 revenue per person of school age, while a 9 cent rate would provide this amount based on the state average assessment. On the other hand 37 cents is required in Overton County; 36 cents in Pickett County; and 24 cents in Clay County. In other words to produce the same revenue per student Overton and Pickett Counties would need a tax rate per $100 assessed value 9 times that of Davidson County and 4 times that of the average county. Clay County's rate would need to be 6 times the Davidson County rate and about 2 3/4 times the rate of the average county.

There are more counties below the state average than above it, since the wealth of the city counties tends to raise the state average.

Topography. The rather rough and rugged topography of the area occupied by these three counties is somewhat unfavorable to schools for two reasons: (1) part of the roads are in bad condition for travel, and (2) a sparse population is found in some of the more mountainous sections. For instance in the 4th, 5th, and 8th civil districts of Overton County the population per square mile was only 20, 21.5, and 21.9 respectively. Eleven school districts out of 84, in this county, have a total population of only 100 or less. With 35% of the population eligible to attend school there is thus only 35 pupils or less eligible to attend the school of each of these 11 districts. Since in 1928 only 52.4% were in average daily attendance in Overton County as a whole there would be only 18 pupils attending these schools daily. In fact the Ivy Point (5th district) school had an average daily attendance of

less than 10 in 1928.

This condition, together with bad roads tends to increase the expense of instruction and maintenance per pupil. This situation leads one to wonder whether or not the state and the county is justified in subsidizing these sparsely settled and infertile areas. It would be much better, for the people living there and for the county as a whole, if such areas were vacated, the residents moving to some area with more favorable economic conditions.

Clay and Pickett Counties have a topography similar to that in Overton County; they are confronted with similar problems arising from a rugged topography. In fact the density of population of these two counties is less than that of Overton. The population per square mile in 1926 was as follows:

Overton	42
Clay	37
Pickett	33

Consequently it is entirely probable that there are school districts in the two latter counties also that are supported by as few as 18 pupils or less in average daily attendance.

Receipts of School Funds.

School funds in Overton County are derived from three agencies, the state, the county, and two church denominations, these being the Disciples of Christ and the Northern Presbyterians.

For County elementary schools. There has been an upward trend in the total funds received from the county and state for county elementary school purposes from $18,318 in 1915 to $70,640 in 1928, as shown in Table #23. However, some years within this period have shown a small decrease over the preceding year. This happened in 1924, 1926, and 1927.

Table #23 also shows the amount of this fund that was contributed by the county and by the state; and the percentage that the county contributions are of the state contributions.

Table #23. Trend in State and County Funds for County Elementary Schools In Overton County: 1915 - 1928.

Year.	Total Funds from State and County.	State Funds (Amount)	County Funds (Amount)	Per Cent County Funds Are of State Funds.	
				Overton	State Average
1915	$18,318	$13,132	$ 5,186	39.5	301
1920	22,421	11,214	11,207	99.9	393
1921	28,118	13,179	14,939	113.4	343
1922	44,307	18,698	25,609	137.0	351
1923	56,260	23,025	33,235	144.3	296
1924	54,822	29,172	25,649	87.9	259
1925	59,557	25,966	33,581	129.3	263
1926	59,469	37,792	21,677	57.4	242
1927	53,911	30,693	23,218	75.6	243
1928	70,640	49,034	21,606	44.0	204

Great variations occur at different periods in the percentage of the county elementary school fund that has been furnished by the county. From 1920 to 1925, inclusive, the county contributed a larger share of this fund than did the state, with the exception of the year 1924 and 1920 when the county's contributions were only 87.9% and 99.9% of the state's contribution, respectively.

However, since 1925 the state has contributed a larger amount than the county. In fact in 1928 the county's share was only 44% of the amount paid by the state. A contrast is shown in Table #23 between Overton County and the state average in this respect. The state average ranges from about 4 times as much paid by the county than by the state in 1920 to twice as much in 1928. For this same period the state average for the county's part of this fund has never been less than twice as much as the state's share. However, in Overton County the county's part has been gradually decreasing.

The trend in the distribution of state funds to Overton County is shown in Table #24. The amount of equalization paid by the state was $23,363 in 1928, whereas it had never been higher than $6,000 since 1922, except in 1926 when it amounted to $10,000. The general July and January apportionment has not been less than $24,000 since 1925 whereas previous to this date the

maximum apportionment was approximately $19,000.

Table #24. Distribution of State Elementary Fund to Overton County.

Year	Equalization	July and January Apportionment.	Salary of County Superintendent
1920	No data.	$7,931.00	$325.00
1922	$6,000.00	11,075.00	675.00
1923	6,000.00	15,985.00	1,000.00
1924	6,000.00	19,575.00	750.00
1925	6,000.00	18,657.00	875.00
1926	10,000.00	27,776.00	999.99
1927	6,000.00	24,655.00	875.00
1928	23,363.00	24,655.00	1,000.00

The increase in state aid from 1927 to 1928 was largely due to that county's share of the tobacco tax, which was levied by the State Legislature in 1927. The general increase since 1925, however, is due partly to the revision of the state school law in 1925 which gives a larger equalization fund. (See Appendix A.)

The total receipts for county elementary schools in Pickett and Clay Counties have also had an upward trend since 1920. The receipts in Pickett County increased from $8,386 to $28,555, and in Clay County from $17,195 to $54,343, for these periods.

As in Overton County the county's share contributed to this fund has decreased in Clay and Pickett Counties since 1920. In 1900 the amount contributed by Clay County was 400% of the amount contributed by the state. In 1928 this percentage had decreased to 529%. Pickett County's share was 128% of the state's share in 1920, and this had decreased to 70.5% in 1928.

Source of County Revenues for Rural Elementary Schools in Overton County. As shown in Table #25, approximately 3/4 or $15,540 of the county revenue for schools was derived from the county tax levy in 1928. In 1915 $5,265 or a little less than 50% was derived from this source. This increase from 1915 to 1928 is due to an increase in both the assessed valuation of

of property and the county tax rate for elementary schools. The former increased from about $1,287,000 in 1915 to approximately $3,507,000 in 1928; the latter from 15¢ per $100 in 1915 to 50¢ per $100 in 1928.

The receipts from poll taxes has fluctuated greatly from year to year. They increased from $4,406 in 1915 to $9,428 in 1925, from which date a rapid decrease has occurred. In 1928 only $2,128 receipts were reported from this source. This is 10% of total revenue from county sources. However this is less than 50% of the amount that was reported in 1915, despite the extension of the voting privilege to women over 21 years of age which privilege carries with it the necessity for poll tax payment.

Table #25. Sources of County Revenue for Rural Elementary Schools in Overton County: 1915 - 1928.

Year	County Tax Levy.	Poll Taxes.	Circuit and County Court Clerks.	Libraries	All Other Receipts	Total Receipts
1928	$15,540	$2,128	$2,637	$15	$1,385	$21,606
1927	17,345	2,827	2,537	38	372	23,218
1926	15,724	3,168	2,763	16	0	21,677
1925	20,684	9,428	1,852	61	1,556	33,581
1924	17,539	4,706	3,187	62	145	25,649
1923	23,812	6,794	2,589	40	0	33,235
1922	16,503	5,758	2,848	20	500	25,609
1921	8,881	3,682	1,745	81	549	14,939
1920	6,088	3,294	1,824	0	0	11,207
1919	5,445	5,106	No data	No data	No data	No data
1916	5,265	4,176	0	56	1,671	11,168
1915	5,186	4,406	0	265	1,433	11,290

Fees from the county and circuit court clerks amounted to $2,637 in 1928, which is about 12% of the total revenue. This was an increase of about $2,000 over the year 1919.

Small amounts have also been received from such miscellaneous sources as appropriations by the county court, sale of school property, private donations, libraries, and other sources not mentioned.

For county high schools. The receipts for county high schools has increased from $3,112 in 1920 to $12,682 in 1928. The percentage received

from the state has decreased from 51.1% to 46.7% during this period. While this is not a large decrease it shows a contrast with the increase in the percentage of rural elementary funds paid by the state.

The state furnishes a much smaller percentage of the rural high school fund than it does in the case of rural elementary schools in the Overton County area. This is shown in the following table:

Table #26. Percentage of Rural School Fund Received from the State, 1928.

County	Rural High School Fund.	Rural Elementary School Fund.
Overton	46.7	69.4
Clay	28.1	58.6
Pickett	36.8	65.4
State average	13.7	32.9

State aid for rural high schools in Overton County was 46.7% of the total state and county receipts, while at the same time the state was furnishing 69.4% of the state and county rural elementary receipts. This was also true of the adjoining counties listed in the table. In fact there was not a county in the state that received as large a percentage of county high school funds from the state as it received for the county elementary school funds from that source.

The question might be raised here as to whether the state should not assume a larger share than it does at present of the expense in educating high school students. It appears that it should, since it is highly probable that a larger percentage of high school students take up their residence in the cities and in other counties than do students with only elementary training. For this reason state aid for high schools seems even more logical than does such aid for elementary schools.

For city elementary and city high schools from county and state. Livingston has the only city elementary and city high school in the county. In 1928, $11,226 was received for these schools as follows: state $4,738;

county $4,556; city $1,665, and poll and privilege taxes $267.

Total receipts for all schools. The total receipts for all schools has increased from $13,877 in 1916 to $92,606 in 1928, as shown in the following table:

Table #27. School Receipts from State and From County and State Taxes Collected in Overton County.

Year	Total School Receipts from State - Elementary and High.	Total School Receipts from County - Elementary and High.	State Taxes Collected in the County.	Excess of School Funds from State Over State Taxes Paid.	Total of State and County Funds for All Schools - Elementary and High.
1928	$ 32,913	$ 59,692	$ 7,014	$ 52,676	$ 92,606
1927	31,338	37,930	7,119	30,811	69,268
1926	43,807	25,345	9,251	34,676	69,152
1925	51,002	33,554	9,183	21,819	84,556
1924	34,448	28,368	11,145	23,303	62,816
1923	28,638	35,505	11,467	17,171	64,143
1922	23,285	27,513	15,458	7,827	50,798
1921	15,872	16,529	15,652	220	32,401
1920	11,214	12,729	11,957	772	23,943
1919	11,052	13,451	8,356	2,696	No data
1916	7,709	11,168	4,924	2,785	18,877
1915	8,916	11,290	?	?	20,206

Overton County, since 1916 has been receiving more money from the state for all schools alone that the state collects from this county in taxes. As noted in table this excess sum has been small until more recent years. While minor fluctuations have occurred from year to year the trend has been upward; but greater increase has occurred since 1922. In 1916 the excess amounted to $2,785. In 1928 it amounted to $52,676.

This is in accord with the previous statement that the state is bearing a larger share of the burden of educating the children in Overton County than the county. In other words this and other counties are being subsidized for educational purposes.

This seems to be desirable in view of the poor financial condition of many of these counties and the exodus of many of the young people from the

county in which they have received their education.

Expenditures for Schools.

The total amount spent for all schools in Overton has increased from $20,243 in 1915 to $97,072 in 1928. The figure for the latter does not include $1,396 paid to the county trustee as commission as shown in Table #29. The cost per student enrolled has increased from $3.91 to $17.16 during this period.

Increase for personal services. A large part of the increase in the school expenditures is due to the increase in personal services as shown in the following table:

Table #28. Increase in Personal Service - County Elementary Schools in Overton County.

	1928	1923	1915
Teachers' salaries (elementary)	$63,901	$14,312	$17,301
County superintendent's salary	2,000	350	800
Supervisors	0	0	0
Scholastic census	151	135	123
Clerk hire	0	0	0
Board of education, per diem	333	18	0
Wages of janitors, etc.	5	0	0
Transportation of pupils	450	0	0
City elementary and high school salaries	10,180	0	0
High school salaries (county)	8,874	1,930	0
High school (other expenditures)			

It is quite noticeable that salaries have increased greatly from 1915 to 1928. In county elementary schools the increase during this period was 368%; and 447% from 1920 to 1928. In 1915 there were neither city elementary schools nor high schools reported in the county, and consequently no salaries were reported for such schools.

This increase in rural elementary salaries is due, in part, to an in-

crease of elementary teachers from 98 in 1915 to 121 in 1928, a total increase of 23. However the greater part of the increase is due to a raise in the annual salary per teacher from about $177 in 1915 to $524 in 1928. This increase in salary has been due largely to two factors - the lengthening of the school term from 5 months to 8 months; and the increase in the educational training of the teachers. (See page 81).

Other items that show an increase are: salary of county superintendent, and high school teachers, per diem of board of education, and transportation of pupils.

The itemized record of school expenditures for 1928, given below, shows that nothing was spent for the promotion of health, or for insurance on buildings. The greater part of the money was spent for salaries and for new buildings.

Table #29. An Itemized Account of How Overton County School Funds Were Spent in 1928.

Item	Amount.
Salaries of teachers:	
County elementary	$63,901
County high	8,874
City elementary and high	10,180
Salary of superintendent	2,000
Per diem board of education	833
Other expense of board of education	365
Enforcing compulsory education	114
Census enumeration	128
Miscellaneous expenses for general control	153
Supplies for instructional purposes	56
Miscellaneous expenses for instructional purposes	4
Wages of janitors	5
Fuel, water, and other expenses	823
Repair	1,181
Libraries	95
Promotion of health	0
Transportation of pupils	450
Fixed charges	533
Other auxiliary agencies	194
New buildings and remodeling (county elementary)	8,290
Purchase of grounds	2
New equipment	889

(continued)

Table #29 (continued) An Itemized Account of How Overton County School Funds Were Spent in 1928.

Item	Amount.
Insurance	0
Total expenditure on county elementary schools	$77,739
Total expenditure on county high schools	8,992
Total expenditure on city high and elementary schools	10,341
Grand total expenditure on all schools	97,072
Trustee's commission - elementary school	1,166
high school	230

Loss from Trustee's Commission on School Funds.

The funds of the county could be handled by a local bank for less than one-third of the trustee's commission, as was previously suggested (see page 22, Chapter II). Hence about 70% of the trustee's commission on these funds is wasted. On school funds alone in Overton County approximately $977 was wasted in this way in 1928 as shown in Table #30. At the average county salary of rural elementary teachers of $524, this amount would hire two teachers for almost one school year; or it would raise the teachers' average annual salary $8 each.

Table #30. Trustee's Commission on School Funds and Approximate Amount Wasted, 1928.

	Commission on: County Elementary Funds.	Commission on: County High Funds.	Total Commission.	Total Amount Wasted, which is 70% of the Total Commission.
Overton	$1,166	$ 230	$1,396	$977
Clay	885	242	1,127	789
Pickett	253	35	288	202

Clay and Pickett Counties lost approximately $789 and $202 respectively from this same source.

Purchasing School Supplies and Equipment.

The school authorities have not always pursued the most economical

policy in the purchase of school supplies and equipment. In these three counties purchases have usually been made without any competitive bids; and in most cases there has been no central purchasing agent.

The teachers have often bought certain necessary supplies for their respective schools, paying the regular retail price, and either presenting the bill to the county board of education for payment or paying it themselves out of the amount allowed them for incidental expenses. The supplies thus purchased often include such articles as chalk, erasers, buckets, dippers, brooms, etc.

Below are some actual illustrations of savings made and some possible savings that could be made by competitive bidding and centralized purchasing:

(1) In Overton County crayons are now purcased by the teachers for 40¢ per box, whereas it could be purchased by the county for 25¢ per box. Heretofore it has been the practice to buy paint at the regular retail price of $3.65 per gallon. By competitive bids this price has been reduced to $2.50 per gallon on the total supply used by the county. Previously double desks have been bought for $8.70 each, and the old desks were thrown away. Arrangements are now being made to buy some new desks for $3.50 each, and to have the old ones repaired for $1.00 each. All hardware needed is now purchased on competitive bids.

(2) In Pickett County competitive bidding is not practiced. Brooms are bought by individual teachers at the regular retail price and the bill is presented to the county board of education for payment. Floor oils and crayons are bought through the local merchants. Heating stoves are purchased in small quantities of only 1 or 2 from the local merchants for which the wholesale price plus a small handling charge is paid. No comparative data were obtained as to individual merchants' prices and competitive prices on these articles, but it is highly probable that money could have been saved

by competitive bidding, with the possible exception of the purchase of the heating stoves.

(3) In Clay County the stoves are bought by the county board of education. Supplies are bought for the Central High School at Celina by the members of the board from that town. A contract for $2,500 worth of school desks has been awarded the Paris School Supply Company on a competitive bid. In these cases the data on savings were not obtained.

The value of school supplies purchased annually by individual teachers amounts to about $1,100 in Overton County and to $800 in Pickett County. Figuring a conservative saving of 10% the saving in Overton County would be $110; and in Pickett County $80. This would be a direct saving to the taxpayers of these counties since each teacher is allowed a small sum by the county board for incidental expenses. In Overton County this sum is $10 per teacher per year; in Clay $20; and in Pickett

Teachers' Salaries in Overton.

The wages of Overton County teachers are yet too low. Almost everyone qualified to form an opinion on the subject will admit it.

But when the wages of the teachers are summed up, and appear as part and parcel of the taxes, almost everybody will also admit with much more eagerness and vehemence that taxes are too high.

And when it comes to the point of increasing the wages of the teachers without increasing the taxation the only way to do it (except by stats subsidy) is to curtail the expenditure of public money in other ways.

When a proposal is made to curtail the expenditure of public money in other ways there will be plenty of arguments available to show that no such curtailment can take place without the serious decrease of service to the public; and there will be other arguments advanced to show that more money should be spent, not only for teachers but for almost everything else for

which money is spent.

The simple arithmetic of the case is that you cannot buy good schools, and good libraries, and good roads, and good county agents, and good home demonstration agents, and good health units, nor anything else that is good and obtainable through the county government, without raising the money to pay for these good things through taxation.

There are few ways in which we can spend money for the benefit of our children in which we get as good value received as in the case of tax money spent for better schools. Perhaps it might be a good plan to cut down on the money we turn over to the children for gasoline, cigarettes, face powder, lip sticks, chewing gum, candy, fancy clothing, silk stockings, and one thing and another like that and turn the money saved into the county treasury in the shape of taxes to pay for better schools.

The children would benefit much more from our money used in this way, in the end.

Training of Rural Elementary Teachers.

Only about 1 rural elementary teacher out of every 24 had only elementary training in 1928, whereas in 1920 only 1 out of every 6 1/2 and in 1924 1 out of every 5 had only this training.

Table #31. Trend in Training of White Rural Elementary Teachers in Overton County.

	1920		1924		1928		% in Average County of State
	No.	%	No.	%	No.	%	
College	0	0	1	0.9	5	4.1	3.7
Part college	0	0	3	2.8	26	21.5	33.1
High school graduate	19	23.6	27	25.2	68	56.2	44.4
Part high school	49	61.4	42	39.2	17	14.1	13.1
Only elementary	12	15.0	34	31.9	5	4.1	5.7
Total	80	100.0	107	100.0	121	100.0	100.0

The percentage of high school and college trained teachers are increasing - the increase having been more rapid in the past four years. In

1920 no college or partly college trained teachers were reported. In 1928 4.1% of the rural elementary teachers were college graduates and 21.5% had had some college training. The percentage of these teachers who are high school graduates has increased from 23.6% in 1920 to 56.2% in 1928.

There has been a decrease in the percentage of teachers who had only some high school training from 61.4% in 1915 to 14.1 in 1928.

Comparing Overton County with the state average it is found that it ranks slightly better in percentage of teachers who are college graduates, and high school graduates; those with part high school training; and only elementary training. On the other hand the state average is higher in percentage of teachers who have some college training.

Previous Experience of White Elementary Teachers Employed.

The quality of teachers of this class in Overton County is poor as indicated by the percentage of those who have had no previous teaching experience. In 1928 this county ranked below the state average, having 37 out of 121 teachers, or 30.5% with no previous experience, as compared with 15.1% in the state as a whole. However this condition has improved in this county since 1920 when 43.9% of the teachers were without previous experience.

In Overton in 1926, 1927, and 1928, there were 108 new white elementary teachers employed out of a total of 399. This represents a complete turnover in about four years. Apparently but few teach longer than this length of time.

Non-Attendance.

Financial loss from non-attendance. In Overton County in 1928, 2898 or 47.6% of all of the children who are eligible to attend either the elementary or high schools are not in average daily attendance.* Instruction

* The number eligible was estimated by calculating the number of young people between the ages of 6 and 21 and deducting the estimated number that had graduated from high school.

could be given to these young people with approximately no added expense. Consequently there is a loss to the people of this county, which amounted to approximately $36,928 for the year 1928. This is 47.6% of the total operating expenses of $77,582, for all schools; or 42.6% of all school expenditures which amounted to $86,731.

With $36,928, the length of the elementary school term could be extended approximately 68 days or about 13 1/2 school weeks of 5 days each.

Table #82. Loss of Operating Expenses in High and Elementary Schools from Non-Attendance in Overton, Clay and Pickett, 1928

County	Total Operating Expense in High and Elementary Schools.	% of Those Eligible to Attend School Who Are in Average Daily Attendance	Total Operating Expenses for School Lost by Non-Attendance.	
			%	Amount
Overton	$77,582	52.4	47.6	$36,928
Clay	52,040	47.0	53.0	27,581
Pickett	24,658	50.0	50.0	12,329
State average	$124,046	60.6	39.4	$48,874

This loss for the same year amounted to approximately $27,581 in Clay County, $12,329 in Pickett County, and $48,874 for the average county in the state - the percentage of eligible students in average daily attendance in each case being 47, 50 and 60.6 respectively.

The $36,928 wasted in Overton County would put at least 35 miles of rural roads in fair condition for travel; or it would build four modern school buildings at a cost of $9,000 each; or operate the schools for 12 months at the same cost per month at which they were operated for the 8 month term in 1928.

These counties are losing some state funds for elementary schools because of non-attendance, as shown in Table #83. In 1928, Overton County alone would have received $15,932 additional state funds for this purpose had all of the children attended school daily that were eligible to attend. There were approximately 2,276 in this eligible group who did not attend

which when multiplied by $7 per student gives the above amount.*

Table #33. Loss of State Funds for Elementary Funds to Overton, Clay, and Pickett Counties, 1928.

County	Amount Paid by State to Each County for Students in Average Daily Attendance.	Number Pupils Not Attending Who are Eligible to Attend.	State Funds Lost to Each County from Non-Attendance.
Overton	$7.00	2,276	$15,932.00
Clay	7.00	867	6,069.00
Pickett	6.00	644	3,864.00
State average	$6.00	1,970	$11,820.00

Clay and Pickett Counties lost from this source in 1928 approximately $6,069 and $3,864 respectively.

These figures are based on 100% average daily attendance which would be practically impossible to attain in any county.

However, one could reasonably expect a higher percentage of eligible students to be in average daily attendance that is noted in these counties mentioned above. In fact, these counties rank below the state average of 60.6% in this respect; and far below Unicoi County, the highest ranking county, which had almost 78% of its scholastic population in average daily attendance.

Many times all of the children in a family are kept out of school. In the Muddy Pond Community of Overton County in September 1928, 6 children of scholastic age in one family were not attending school, although the school building was only about one mile distant. In Celina in Clay County one family of 5 children never attend school with the exception of one girl who attends only a day or half-day occasionally. Many other similar instances could very probably be cited in these counties.

Why the non-attendance. The state compulsory school law is not being enforced in Overton, Clay and Pickett Counties. In Overton County a budget of $800 is included, each year, for the employment of a truant officer, but it is regularly eliminated by the county court largely because the majority

* See Appendix for state law of 1925 on distribution of elementary school funds.

of the magistrates and the county judge oppose the law. The budget for this purpose is also eliminated from the education budget of Pickett County by the county court. In Clay County the board of education has not even requested the county court to include this fund in their budget.

The attempts at enforcement has not been effective largely for the following reasons: (1) Public sentiment is unfavorable - the people feel that their "rights" are being infringed; (2) there are various ways of evading the law by means of excuses - such as distance to school, bad roads, lack of clothes, etc; (3) the appropriation for its enforcement is not sufficient to induce the heartiest cooperation of the truant officer; (4) cases of the violation of the law are often dismissed by magistrates who are not in sympathy with the law; and (5) the people in general do not appreciate the value of an education to their children and to their community; and (6) the truant officer when provided did more harm than good; (7) the county superintendent of Clay County seems to realize that enforcement is unpopular, and for political reasons is not taking active steps to bring it about. In fact he stated that the lack of attendance was too bad but that there was not much that could be done about it.

These counties are not complying with the state school law of 1925 in their failure to hire a truant officer. The County Superintendent of Clay County states that the State Attorney General has held that according to this law it is mandatory for every county in the state to provide funds for a truant officer. This is so stated in article 110 of the above law.*

Previous attempts at enforcing attendance law. In Clay County, John Butler has been truant officer for two years. James Gray, the present sheriff, held this office previous to his election to his present office. When the county refused to hire a truant officer for one year the teachers of the schools decided to subscribe a fund for that purpose. Accordingly each elementary teacher was assessed $5; each high school teacher $10; and the county superintendent $25. This plan was discontinued at the end of the

* Public School Laws of Tennessee, 1925 - p. 50.

first year's trial.

Waste of School Funds by County Teachers' Institutes in Overton.

There are about 142 teachers in the county. Of this number about 75 dismiss school for one day to attend the teachers' institute. There are about 30 pupils per teacher or 2,250 pupils that are out of school that day.

The cost of this may be figured approximately as follows:

75 teachers @ $4.00 per day	$300.00
County superintendent, 1 day	7.00

Waste of School Funds from Days Missed by Teachers.

In 1926-1927 the teachers of Overton lost an average of six days per teacher on the order of the county superintendent as follows:

Thanksgiving	1 day
December 24	1 day
County fair	1 day
Teachers' institutes	3 days or more
Cookeville fair	some attended this
Conferences with county superintendent	some time

Some teachers lost as much as ten days time during the year but received pay for it from the county school funds.

The county budget for schools was about $71,000 for that year. The average length of school was 140 days. Hence each day lost by all the teachers amounted to about $500 in county tax money. This multiplied by six, the average number days lost per teacher, equals $3000.

Some Irregularities in School Administration.

In Overton County. The county superintendent permitted a teacher to continue teaching with less than the minimum enrollment required by the state

law for continuance. Was this because of the system of electing the superintendent by popular vote?

The county board of education instructed the county superintendent to pay a teacher $60 per month when about $40 per month was the maximum amount allowed a teacher with her qualifications under the salary scale then in use. This was not only a discrimination between teachers but also an illegal procedure. The instructions had not been carried out at the time of the interview (August 1928), and at that time the superintendent was undecided as to whether or not to follow these instructions of the county board.

In Clay County. Walter G. Masters, the circuit court clerk, wanted the county superintendent to give his seventeen-year old daughter a teaching position. The state law definitely states that no one under 18 years of age shall be given a certificate to teach, except in case of an emergency. Mr. Masters wants the superintendent to create such an emergency in favor of his daughter. However, the superintendent did not agree to do this. This gave rise to the statement by Mr. Masters "the superintendent is afraid to drop his hat for fear he cannot pick it up."

A previous county superintendent made a proposition to the county court that if they would raise his annual salary from $700 to $1,000 as the county's share, he would return most of the increase to the county, as the state would pay an equal amount on his salary. The court accepted this proposition but none of the increase allowed by the county was ever returned by the superintendent.

This same superintendent permitted one of his relatives to teach who could not get a certificate. The warrants for this man were issued to a Mr. Clark who had a five-year certificate but had quit teaching. Mr. Clark endorsed the warrants over to the superintendent's relative who was doing the teaching.

While these irregularities are probably not all that have occurred, they

serve to illustrate the fact that the school laws are evaded many times in a way that directly profits some individual in authority.

Denominational Schools.

Overton County is fortunate in having two church schools, one at Livingston and one at Alpine. These are not supported entirely by the two church denominations, however. The county pays $3,500 of the operating expenses of the Livingston high school per year. The elementary school there received the regular state school fund for pupils attending that school. This amounts to $7 per pupil in average daily attendance. The elementary school at Alpine also gets this regular school fund. The county pays $1,500 per year to the Alpine high school.

The church schools select their own faculty but with suggestions from the county board of education. The faculties thus selected have proven satisfactory. In fact the high schools are classed as A schools by the State Department of Education, the officials stating that there are few counties in the state that have as good high schools as Overton County. Consequently this arrangement is given their hearty approval.

There has been some agitation in Livingston for taking over the Livingston Academy by the county and city, or the establishment of a separate county high school there. In fact the elementary school has become a city school recently but the high school continues under the control of the Board of Home Missions of the Disciples of Christ.

It seems that the county should continue to cooperate with the church denominations instead of taking over these schools or establishing duplicates. In the first place the arrangement has proven satisfactory from the standpoint of the quality of work done by these schools; and in the second place the cost to the county has been only about one-half what it would otherwise be; and this county is not able to afford extravagances.

Health and Sanitation in Overton County Schools.

Very little is being done by these counties to promote the health of the pupils. In Overton County no individual drinking cups are provided for the elementary schools. The pupils either bring their own cup, or they drink from a common dipper, which is usually furnished by the county. In some cases the water is taken from a bucket rather than a drinking fountain which means that the dipper or the individual cup is necessarily put into the water, thus furnishing a possible source of contamination of the water. The sources of the water supply, open springs and wells, are not inspected for disease germs.

Until recently only a few elementary schools were provided with even outdoor toilets. Funds were provided in 1928 for their erection at every school house.

No provisions are made for either free typhoid or small pox vaccinations, or for medical examinations. However the county pays the county physician $500 per year for medical service for the county poor house and jail inmates. This physician offers to give the typhoid vaccination for $3.00 per pupil. On the other hand Dr. Brown offers to vaccinate for typhoid and examine eyes, ears, and nose for 50¢ per pupil. Nothing has been done to get the physicians and dentists to give free service to school students. In some counties some of these professional men give free examinations to students. This often proves profitable since many of the students go to these men for treatment of the defects that were discovered by the free examination.

Similar conditions are found in the elementary schools of Pickett and Clay Counties. The county court of the latter county voted adversely to the proposition offered by a local physician to give free medical examinations and vaccinations to the school children for $600 per year from the county. In Pickett County in 1927 the majority of the schools were provided only with wooden benches. However, the budget for that year included $1200

to purchase more modern desks. Only $200 had previously been expended for such desks.

Some Recommendations.

1. Purchases of school supplies should be made by competitive bids and through a centralizing agency.

2. Construction of school buildings should be done under contract rather than by "force account." Exceptions should be made to buildings that are constructed cooperatively by the people in the community.

3. The counties should provide funds for enforcing the school attendance law.

4. In this connection educational campaigns should be conducted by the educational leaders so that the patrons of the school will be better informed on the importance of the regular attendance of their children both to their children and to the county as a whole.

5. The truant officer should be thoroughly qualified for the office. Among other qualities he should have good common sense, be tactful and be able to aid in promotion of spirit of cooperation between the school authorities and the patrons.

6. The county should continue to cooperate with the church schools at Livingston and Alpine.

7. The state should provide a larger percentage of the funds for high schools.

Chapter VI.

COUNTY OFFICERS IN OVERTON, CLAY, AND PICKETT COUNTIES.

County Judge

Overton County. The county judge for any county should be first of all a good business man. He should also possess qualities of leadership that will cause him to "stand out" as being one of the most enterprising men of the county.

It was found, however, upon investigation, that the judge in Overton County was doing a very small part of what should really be done to help the tax payers' cause. His salary amounts to $1,200.00 per year and he works but a small fractional part of his time in the performance of his official duties. He meets the county court in their quarterly session four times per year. In addition to this he keeps, or pretends to keep, one record book. This books is supposed to contain a record of finances as it pertains to his office. As a matter of fact, very little can actually be obtained from it in an intelligible form.

The county court clerk says that he does more work in one week than the county judge will do in 6 months. This is probably true, as the clerk writes up all minutes, etc. of the court. But the present county judge, despite evidence to the contrary, says that he is overworked.

A few years ago a Republican (J. R. Hague) was elected county judge. The county democratic politicians did not like this, so they legislated him out of office. He had only served two years, so he continued to draw his salary for four years though he did not serve. In the meantime the

county court elected a chairman and paid him also.

Clay County. The present county judge is a native of Carroll County, Tennessee. He has lived in Celina, Clay County, eight years. He has had training in the law profession at Cumberland College. He appears to be a man that is capable of handling the county affairs. He really has not been in charge of his present work long enough to get things "properly lined up," as he expressed it.

The judge stated that the greatest inefficiency in the county at the present time is in the purchase of county supplies. For instance all of the county officers buy and charge to the county in an indiscriminate manner. In this way literally hundreds of small bills are constantly being presented by various stores in the town. This is the grossest sort of inefficiency. The judge states that he has tried to stop this sort of thing, but that the system seems to be well established, and little or nothing to date has been done.

Such claims are investigated briefly by the county judge. Snap judgement is taken on many he says; sometimes the J. P's handle the claims originating within their districts. These are generally in the form of store accounts, etc. Chances for graft are small but this might amount to considerable over a period of years.

Pickett County. Mr. James I. Robbins, the incumbent, is 52 years of age. His education is limited to the eighth grade. He was formerly a farmer, but has held office continuously for many years in this county. He was crippled during his youth; and it was stated that the judge had used this point in electioneering for the office.

The salary paid the county judge in this county is $350 per year. He spends on an average of only about 2 days per month in office.

He is a good man as to moral character, but he is influenced by partisan politics in some of his court rulings.

Measured by certain qualifications that the judge should have in order to perform the functions of his office in an efficient manner, the county judge in Pickett County falls far short. Even in Pickett County where development has been retarded due to infertility of the soil, lack of good markets and transportation facilities, it is extremely doubtful if the judge is more than 40% efficient. This is a tragic situation because a county that needs help as badly as does Pickett County should certainly not be retarded in her development by inefficient county officials. The county judge's office is certainly the keystone in the link of county officials. A man of vision could do much in these poorer counties in guiding the destinies of the people over many financial difficulties by stopping the graft and leaks that occur annually in these counties. In addition to some of the qualifications that a county judge should have, as was pointed out in the opening paragraph, we would like to submit the following:

(1) The county judge should be capable of acting as financial expert and advisor of the county court.

(2) He should be a man with a vision to helping his own county.

(3) He should be economical and thrifty by nature.

(4) He should have the combined qualities of a mathematician and a business man.

(5) He must be a licensed lawyer according to the present law. One would hardly expect a corporation worth $3,000,000 to have a manager getting a salary of $1,200 per year. Nor will one find a man with the qualities set out above working for this amount. What is obviously needed is to have a readjustment of salaries in some of these counties. Some of the lesser officials in importance are drawing too much for their services. Especially is this true if they are to be paid in proportion to services rendered.

County Court Clerk.

Overton County. The county court clerk gets remmeration of about $1,500 per year in Overton County from all sources. Three hundred dollars comes from the county for transacting the county business. In addition to this he gets $350 for making out the tax books. He obtains the remaining $850 from fees collected from individuals. The amount of each fee is set by state law.

The present county court clerk does not spend all of his time in the performance of his official duties but he is in his office a far greater percentage of the time than is the county judge.

Clay County. The incumbent has held office continuously since 1918. He was formerly a school teacher by profession and has been fairly efficient, it seems, as county court clerk. He certainly keeps better office hours than many of the other officials and has his work fairly well in hand. The office is used also by the county judge and they are consequently crowded for office space.

The official records are stored in wooden shelves principally, although one filing cabinet is used. The cabinet is filled to overflowing without any system of indexing being used. The clerk however seemed able to find certain things when they were called for. The chief criticism is to be found in the fact that there is grave danger of the destruction of these records by fire.

When questioned as to the advisibility of the consolidation of some county officers, the incumbent stated that it "might be a good thing if proper office equipment could be had." In other words more office equipment would be needed that would increase the efficiency of the workers. This might include such equipment as filing cabinets, adding machines, etc.

By comparison, the county court clerk of this county is superior to

those found in many counties in Tennessee.

Pickett County. The county court clerk of Pickett County is between the ages of forty-eight and fifty; has eighth grade education; and is a native of the county. He was formerly a farmer and school teacher. His term of office has now reached 6 years for his present position.

This official is punctual and keeps regular office hours. Practically all of his time is spent in the office. He is a capable man. The records are in good condition and written in a legible hand. The chief criticism comes from the fact that only wooden shelves are used for various records. A steel vault could be had easily with the money that the banks fail to pay as interest on the county funds.

His remuneration amounts to about $1,200 per year.

Trustee.*

Clay County. The present incumbent is a republican although the majority of the county officers are democrats. He is serving his second term in office and stated that he would not be a candidate for a second term. He says that he "thinks that the office should be passed around."

The trustee has very little office equipment and none of the records are filed. A large wooden box was being used to store all the warrants and tax receipts and various other papers and records pertaining to the business of the office. The delinquent tax book was on top of the desk. This also seemed to be the resting place for various other books and records.

He stated that he used the "coat pocket" filing system for some of his most important papers.

An adding machine was being used. The trustee purchased this personally and expects to sell it to the county when he retires from the office.

Only one audit has ever been made of the trustee's records. He merely

* For Overton County Trustee see Chapter II, page 21.

turns over the books and literally steps out of office. The court appoints a financial committee to examine the records but this is purely form and nothing is ever found by the committee.

The one exception occurred in 1924. At this time the books were examined by the committee appointed for the work and a shortage was discovered. The shortage was finally traced to a man who had been trustee 8 years prior to this date. The former bondsmen paid.

The trustee last year in this county averaged 3 37/100% on all funds handled. This gave him about $1400 for his services. He does all of the work himself and insofar as the work is concerned is a fairly capable man and is usually to be found in his office during office hours.

The principal criticism to be found with the present trustee is the fact that he keeps his records in poor condition, having absolutely no system of filing, and is lax with his business correspondence. Also all of the county funds are deposited in the banks without any records that will show the amount that is in each fund. This, however, cannot be said to be the fault of the present trustee. It is due of course to the system used in this county for handling such funds. This should be changed so that each fund is kept separate.

Pickett County. The present trustee in this county has been in office for only 2 years. Previous to his election as trustee, he was a magistrate for 6 years.

He stays in his office about one-fourth of the time and stated that he could on an average do the work in this period of time.

He usually carries his tax books home with him at night and works on them some there. Mr. Hinds, the county court clerk, assists him in his absence by acting as deputy collector.

The trustee seemed on the whole a capable man and had a fairly clear idea of his duties. The chief criticism to be made lies in the fact that

much of the tax money is collected in a haphazard manner as the incumbent tours the county with his horse. Another thing that might be mentioned is that practically no attempt is made to keep a system of records. Many of the books were stored on some wooden shelves. The general atmosphere of the situation brings to one's mind laxity, neglect, and general inefficiency.

No interest is paid by the bank on the deposits made by the trustee. Business is done with one bank only, though there are two in town.

The trustee says that the county funds will average about $7,000 daily balance throughout the year. Thus it is seen that the county is losing a considerable amount of money through its inefficiency in handling the funds.

The trustee's compensation will average about $1,400 per year.

County Assessor.*

Pickett County. The present assessor is a native of Kentucky, and is about 56 years of age. His education is limited to the eighth grade. He was formerly a farmer and merchant. From all reports it seems that he gives about 20 days per year to his work. For this work he receives from $400 to $500 per year. Due in part to his limited education many of the citizens of the county, it seems, do not have full confidence in his ability to assess taxes on property.

As this is one of the most important offices in the county from the standpoint of real service, it is important that a capable man be selected.

Inefficiency of tax assessor. This is to be found in the fact that the assessor does not go around and visit these farms. That the assessor was in many instances merely copying the old books.

The trustee stated that he received many complaints from people who had been assessed with too much acreage. Some of this had been investigated and found to be true.

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*For Overton County assessor see Chapter I, page 2.

Register of Deeds.

Overton County. The register is paid by fees altogether. The average remmneration amounts to about $80.00 per month. The principal duties are the registering of deeds, wills, mortgages, etc. A large part of the work in this county in the past has been in connection with the oil leases. The present incumbent operates a boarding house, and part of her time is given over to this work.

Clay County. The present register of deeds in Clay County is an old man of near 70 years of age. His hearing is poor and he is so badly crippled that it is a great effort for him to walk. His penmanship is of such poor quality that it can be translated only after considerable work. The most common words are often misspelled and the records are, to say the least, badly mixed up.

An excellent vault is available for storage of the records and it is a pity that they are not kept in better condition.

The practice of electing the cripples and the aged and infirm to some political office has been strictly adhered to in this county, with all due respect to the incumbent. It is doubtful if a more likely candidate could be found when gauged according to the above qualifications.

Pickett County. The register of deeds is a native of Pickett County and is about 28 to 30 years of age. He gives about 2 days per month to his work and gets about $250 per year.

The incumbent lives about 2 miles west of town but can be reached by telephone. There is generally no complaint against his official acts.

Sheriff.

Overton County. The sheriff does not get a salary, but he gets 75¢ per day per person in the jail for board. In addition to this he gets $1.00 per prisoner received into and $1.00 for each prisoner dismissed from the

jail. He also gets $2.00 for each arrest and mileage amounting to 20¢ per mile from the point of arrest to the county jail. Some of his compensation is received for his official duties to land sales held at the court house door. He also gets 25¢ for each summons that he makes. A recent act of the legislature practically doubled most of the above fees of the sheriff.

Clay County. Mr. E. S. Dalton, citizen of Celina and hotel proprietor says that the sheriff is supposed to be paid by fees and no other provision is made for receiving compensation for waiting on the court. It has been the practice, however, for the court to allow him pay for this latter duty. The sheriff has had to sue, however, to obtain his money on more than one occasion.

Pickett County. The sheriff is a man of very limited education but seems to have good policy in dealing with the people. He was a deputy before becoming sheriff. He has been in office now for 6 years but not continuously. He spends about one-fourth of his time in attending to his duties and draws about $500 annual salary. This comes from fees.

The sheriff has a reputation of being "wet," but occasionally makes a liquor raid. It is not known with what results.

Circuit and Criminal Court Clerk.

Overton County. The circuit and criminal court clerk gets all of his remuneration from fees. The fees were set in 1861 and have not been increased since that date. The population however has increased from 16,637 to 19,617.* The man preceding the present incumbent stated that he could perform the official duties connected with the office in 5 minutes' time each day. Mr. John Hart, the present circuit court clerk, however, puts in more hours than any other county officer in Overton County.

* The land area has been reduced since 1861.

He is probably one of the most efficient county officers in Overton County. He is constantly on the job during office hours; and keeps all records in excellent shape. In addition he is a good business man; and possessed with a remarkable memory. One often hears this statement: "I don't know but if you'll ask John Hart you can find out about it."

Pickett County. The circuit court clerk is a man of about 40 years of age and is a native of this county. He was formerly a farmer and merchant.

His compensation, which is derived from fees, amounts to about $700.00 per year. The time required to fulfill the duties of the office is about 4 days per month. This will give on this basis 48 days per year. Forty-eight days divided into $700 annual salary will give about $14.50 per day for his services. This is at the rate of $435.00 per month. It is hardly likely, however, that a man could be obtained for less money even though he is over-paid at $700 per year.

Chancery Court Clerk.

Pickett County. The chancery clerk is about 48 to 50 years of age, a native of Pickett County and has held office for 16 years.

The time spent in office is about two weeks daily after court and then about two days per week following that. His fees amount to about $700.00 per year. No criticism was found of the incumbent and he seems to be performing his duties in a creditable manner. Very little office equipment of any kind is available.

Clay County. Mr. Donaldson, the present official is 58 years of age and was formerly a steam boat captain on the Cumberland river.

He stated that it was difficult to tell just how much time that he spent in his office. Sometimes he was there continuously for a period of two or three weeks. His principal work is done in land sales and other fees common to the office.

There is an excellent fire proof vault in the office which is used to file the records of the office. It is also used for this purpose by the county court clerk and trustee.

The official seems to be a man that is capable of handling the affairs of his office. However he seemed to lack initiative, and was in his office very little while the writer was gathering field data for this report.

Magistrates.

Overton County. There are 28 magistrates in this county each drawing $4.00 per day while attending court. This plus the 8 cents per mile which they get if they live out more than 5 miles will total about $600 per year for all their services. As a general rule we find that the average county court in most of the counties in Tennessee is composed of men who are elected not for their qualifications, but because they wanted the office. Overton County has not proven an exception to this. Men are found in our county courts who are willing to make political trades to a considerable extent in order to gain some local objectives.

Clay County. There are ten magistrates in this county. The following table gives some information concerning each:

Table #34. Magistrates in Clay County.

	Name	Age	Occupation	Education
Dist. I.	J. C. Smith	73	Farmer	2nd grade
	A. W. Carter	55	"	
Dist. II.	Abe Cross	55	"	3rd grade
	H. R. Browning	60	"	" "
Dist. III.	A. B. Denton	70	Carpenter	" "
	A. B. Neely	50	Farmer	8th grade
	S. L. Gentry	56	"	5th grade
	Dale	50	"	
Dist. IV.	J. R. Dullworth	55	"	4th grade
	C. C. Hogan	50	"	3rd grade

Mr. Hogan is very progressive and liberal in his work for improvements. Mr. Dullworth has the characteristics of firmness and efficiency. He often takes the more radical views on public questions but is a man of good common sense.

There seems to be very little control of the county court by only a few men.

Pickett County. There are 11 magistrates in this county. As is shown by Table #35, they differ widely in their progressiveness. It is significant that approximately one-half of them are opposed to high schools, when some have children in school. This is probably due to the belief that was generally prevalent a few years ago that reading, writing, and arithmetic were the only essentials in an education.

Table #35. Magistrates in Pickett County.

	Name	Age	Education	Occupation	Remarks
Dist. I.	W. C. Martin	40	8th grade	Farmer	Prejudiced against high school.
	W. S. Whittenburg	40	4th grade	"	Very little initiative.
Dist. II.	T. E. Crouch	60	8th grade	"	Fairly progressive.
	Major Storie	55	6th grade	"	Fairly competent and progressive.
Dist. III.	J. Q. McDonald	43	8th grade	"	Advocate of good roads and schools.
	W. L. Garret	43	6th grade	"	Progressive.
Dist. IV.	F. C. Amonette	70	3rd grade	"	Against high school - served 24 years.
	D. H. Little	35	8th grade	Merchant	Against high schools but progressive in some cases.
Dist. V.	T. S. Parris	57	7th grade		Opposed to good schools and roads - served 18 yrs.
	H. T. Grace	35	7th grade		Against high schools - advocate of good roads.
	L. B. Hassler	50	9th grade	Teacher	Against high schools.

Sanitary Officer.

(Pickett and Overton Counties)

About the first of the year 1928 these two counties combined their resources to the extent of paying one county's share of a sanitary officer's salary and expenses.

This is very commendable from the standpoint of consolidation of the poorer areas, and at the same time it indicates two things: (1) that these areas are not able to do these things alone, and (2) that it is possible for them to cooperate in such things and shows clearly that these areas lend themselves well to consolidation as they are so close together.

The man employed for this work was rather rough in appearance and used profane language. He seemed rather impressed with his importance and wanted to make a "showing" of his work. It is doubtful if a man of this type will be able to help the people of this section. The creation of the office, however, is a step in the right direction.

County Physician.

Overton County. Prior to the cooperative arrangement with Pickett County the only public health work done by the county has been the employment of a county physician whose duty it was to administer to those in the county poorhouse, and in the jail. He was also supposed to quarantine in case of epidemics such as small pox, etc. It is a matter of common knowledge, however, that about all that has been done has been with the county poorhouse inmates. He draws $500 from the county for this service.

At the present time the county physician (in addition to the health officer) resides in Crawford. This is near the eastern side of the county. He however continues to hold office and draw his pay. There is an arrangement whereby Dr. Capps of Livingston is to administer to the poorhouse and jail inmates. The county physician perhaps profits by this deal but it is not

known to what extent.

Overton County really needs a combination health and sanitation engineer. He should be fully able to perform some of the more important duties as follows:

(1) Administer to the sick in the jail and poorhouse.

(2) Quarantine for epidemics.

(3) Vaccinate against smallpox, typhoid, diptheria, etc. The people in exposed areas should be so vaccinated during epidemics and school children at all times.

(4) Inspect school children for physical and mental defects.

(5) Inspect and examine all public watering places.

(6) Look after installation of sanitary privies near the dwellings.

(7) Examination and analysis of water samples from various parts of the county.

The recent movement in Overton for improvement of health conditions is to be commended. Money appropriated by the county is matched by Federal and state funds and the whole county is benefitted.

Pickett County. The county physician is a native of this county and lives at present in the county seat. He has very little work to do for the county and receives but little pay. He is a graduate of Louisville Medical School and has spent his life in general practice in the county. He is 68 years of age.

County Coroner.

Pickett County. This office is looked upon as a joke in this county. In fact it has been abolished by common consent and custom. The last man that held this office was "laughed out of office."

The functions of this official are largely to hold inquests in case of any death from unknown causes and to conduct investigations into the causes

of such deaths. He also serves as sheriff, in case that office becomes vacant, until it can be filled.

In many of the rural counties there is very little work that comes under the duties of his office. Besides the person acting as coroner is often incapable of performing his magisterial and criminal investigational duties. This probably accounts for lack of the popularity of this office.

Road Commissioners in Pickett County.

The road commissioners receive their appointments from the county court and are supposed to supervise their work in their respective districts. They buy shovels and some other road equipment at their discretion for their home district. They then appoint road overseers for the local work. This is a very poor system but seems the best they have ever done along this line. There should be a centralized system of purchasing for the county. This is the grossest sort of inefficiency.

County Superintendents.

According to the United States Bureau of Education "The county superintendency is now considered the strategic position in the reorganization and improvement of rural education. The office demands a person of ability, professional training and experience equal to that of the other responsible educational positions."

The superintendents of Overton, Clay and Pickett Counties are elected by the people. In the state as a whole 30 counties elect by this method; 64 by the county court and 1 by the county boards of education.

They are elected for a term of two years. This is uniform throughout the state. The term is 4 years in 18 states; 2 years in 16 states; and varies in the others.

The principal powers and duties of the county superintendent are as

follows:

1. He is the executive officer of the county board of education and administers under its legislation the educational policies determined by it.

2. He is the chief educational officer of the county and is primarily responsible for the conduct of the schools as their professional leader.

3. It is his duty to make recommendations relative to the location of schools, the number of grades required, the type of building and equipment, etc.

4. He selects supervisors, principals and teachers for the schools, which appointments are formally approved by the school board.

5. He supervises the teaching in all schools under the county board, either directly or through assistants.

6. He determines the course of study and the textbooks to be used, subject to state regulations and the approval of the county board.

7. He provides for teachers' meetings and for a system of in-service training and unifies and harmonizes through his school system the work of the schools.

8. He sees that all records of educational activities are kept in proper form.

9. He has charge of health education, including health inspection, in conjunction with the county medical authorities.

10. He sees that the school census is taken and that the compulsory education laws are enforced.

Superintendent of Overton County. Mr. Luther C. Harris, the present superintendent, is a young man, a native of the county, progressive in his ideas and well prepared to perform the duties of the office. He has devoted the greater part of his life to educational work, having had several years' experience as a teacher and supervisor of schools in Overton County. Recently

he has completed work for a Bachelor's degree in education at the University of Tennessee. He seems to be greatly interested in the educational development of the county, and has been instrumental in improving the school system by some consolidations and otherwise.

However there are some inefficiencies in the county superintendent's office which should be mentioned. In August 1928 there was some complaint as to the way the county superintendent handled the affairs of his office:

(1) It was said to be rather difficult to get an interview with him. People who came to see him often did not find him in the office and many times there was no one who knew where he was or when he would return, since no notice was posted or word left with anyone to that effect. He lives in the country and did not have a telephone (though a home telephone is inexpensive). This made it difficult to communicate with him.

(2) He would often keep teachers waiting for hours while he talked with various persons. Apparently many of these conversations were for political purposes, directly or indirectly. It seems, however, that this condition is partly due to the fact that the office is now a political one.

(3) He was apparently always behind in issuing warrants to teachers for their services, thus causing them much inconvenience.

(4) One day he notified the teachers that warrants would be issued to those entitled to them, on a certain day. When this day arrived, many teachers went to town to get their warrant, waiting the entire day - but the superintendent got to talking politics, etc. and did not issue a single warrant.

(5) When warrants are issued by the superintendent it is necessary that they also be signed by J. B. McDonald, chairman of the board of education. This man lives 8 miles away, and part of the road being dirt, it is often difficult to reach him in order to get his signature before the warrant can be cashed; and perhaps when they get to his home he is not there.

(6) The filing system of the superintendent's office seems to be in extremely poor shape. It is difficult, or impossible in many cases, for the superintendent to find the material desired. This causes loss of time in searching and also may result in other difficulties.

The service of the superintendent can be greatly improved by:

(a) A more systematic filing system.

(b) Prompt issuance of warrants to teachers.

(c) Providing some way for a more convenient method of securing the signature of the chairman of the board of education to the warrants.

(d) A more strict attention to business.

(e) Posting notices or in other ways informing the public the time of his expected return to his office and where he can probably be found.

Superintendent of Clay County. The county superintendent of schools in Clay County is a man of near 50 years of age and has probably a high school education. He stated that he had attended various summer terms and conferences for teachers at Tennessee Polytechnic Institute. His salary is $2000 per year.

The superintendent had his office in the high school building at Celina. The room was in complete disorder and various records and old registers were placed indiscriminately in old boxes and wooden shelves. The high school principal used the office at different times for pupil conferences and teachers' meetings. It seems hardly likely that effective administrative work could be accomplished in this room in the condition in which we found it.

The high school was located in a beautiful spot but the grounds were in poor condition and showed lack of supervision both on the part of the high school principal and the county superintendent. It is obvious that if the county superintendent is going to maintain his office in the high school

building that he should certainly be interested in supervision of such work as sowing grass seed on the school lawn, setting shade trees and shrubbery and otherwise, keeping the school grounds in proper condition.

The superintendent answered questions in regard to school attendance, enrollment and purchasing supplies in a rather hurried manner as though he was anxious to get it over, and an accurate check could not be gotten on some of his answers.

It was found that some kinsmen of the superintendent had positions in the county schools and that he was considered altogether a fairly good politician.

Superintendent of Pickett County. The county superintendent of this county is about 27 years of age, a graduate of Tennessee Polytechnic Institute, Cookeville, Tennessee, and has had some experience as teacher in the public schools. Previous to his election as superintendent he had had no experience as a public official.

His salary is $1,500 per year and full time is given to the duties of the office. The present incumbent seems to be interested in his work. He stated that he planned constantly what could be done for the betterment of the county school system.

The superintendent is not a man of much experience in this work but seems to have initiative and perhaps a vision for helping the people in this poor county.

County Board of Education.

The county boards of education in these 3 counties and the state are composed of 7 members, elected for a term of 7 years, one member being elected at each term of the July term of county court.

In general the functions of the county board of education are to determine the educational policies of the county such as the building pro-

grams, proposed consolidation of schools, length of the school term, etc; to elect and fix the salaries of teachers, supervisors, etc. according to the provisions of the state law; to make purchases of school supplies and equipment; to assign to the county superintendent his or her various duties, etc.

The school board in Pickett County. The following is taken from an interview with the county superintendent of Pickett County, and shows the personnel of the county school board with brief comments:

(1) Mr. A. F. Smith, Chairman — Republican
Age - 35 years
Education - eighth grade
Occupation - salesman.
Always wants to do the right thing and influences the other members to a considerable extent.

(2) Mr. J. M. Davidson — Republican
Age - 50 years
Education - eighth grade
Occupation - farmer.
Has held office most of his life and is fairly good member.

(3) Mr. E. F. Hosler — Democrat
Age - 60 years
Education - eighth grade
Occupation - farmer.
Has been a member of the board of education for eight years and is fairly progressive.

(4) Mr. Ed. Poore — Democrat
Age - 28 years
Education - seventh grade
Occupation - merchant.
Is very progressive and will make good member.

(5) Mr. Dennis Beaty — Democrat
Age - 40 years
Education - seventh grade
Occupation - farmer.
He is not very progressive. He lives in poor isolated section and doesn't see the need for desks for the children.

(6) Mr. Ben Harrison — Democrat
Age - 45 years
Education - seventh grade
Occupation - farmer.
A progressive man and wants to do the right thing but is somewhat hesitant, due probably to fear of his constituency - was formerly county trustee.

(7) Mr. H. C. Wirmingham Republican
Age - 60 years
Education - eighth grade
Occupation - merchant.
A good member but lacks progressive spirit.

The members of the board are appointed by the county court for terms of seven years, one member retiring each year.

The remuneration is at the rate of $2.50 per day while in session and the individual members get pay for going on trips within their districts when on school business.

Per Diem of County Board of Education in Overton, Pickett and Clay.

The state law provides that a member of the county board of education shall not draw more than $4.00 per day and that there shall be 7 members of the board. This means that they could draw a maximum of $28 per day when all were present. According to Table #36, the board in Overton drew $833 in 1928, which would provide for 30 days of meeting with the entire board present. In 1925 they drew $900 which would provide for 32 full days with all members present at $28 per day. These figures are about 2 1/2 times larger than those of the average county of the state.

Knox County has a special law which provides that there shall be only five members of the board and each of these shall receive $5.00 per day for each meeting attended, up to a maximum of $60 per member, or $300 for the entire board for the year. This provides for 12 meetings of the board or one each month. But there is a lot of money to handle in Knox, and as a matter of fact the board meets oftener than that.

Overton apparently needs a law similar to Knox, as several hundred dollars are wasted at present. The quarterly county court sets the compensation, which must not exceed $4.00 per day according to the state law - but the state law does not set the maximum number of days that may be counted. An amendment to the state law to this effect would be helpful.

Table #36. Per Diem Charge Made by County Education Board in Overton.

Year	Total per diem per county.		% that per diem is of teachers' salaries for county elementary schools.		% that per diem is of total county elementary expenses.		Number counties charging no per diem at all.	Number counties charging more in dollars than Overton
	Overton County	State average per co.	Overton County	State average per co.	Overton County	State average per co.		
1928	$833	$372	1.3	0.5	1.07	0.3	8	7
1926	776	350	1.4	0.6	1.10	0.2	11	5
1925	900	320	2.2	0.6	1.06	0.2	13	7
1924	800	284	3.1	0.5	1.50	0.2	15	6
1923	500	328	1.6	0.6	0.90	0.3	18	19
1922	500	377	1.5	0.8	1.10	0.3	4	22
Average	718	377						

This county has ranked high in this respect for the past six years. In 1922 there were 22 counties that paid a greater amount to board members. There has been almost a gradual decrease in this number until 1928 when only 7 counties reported a greater total per diem to board members.

The following is an extract from a letter from Superintendent L. C. Harris of Overton County dated March 28, 1927, justifying the expense for the county board of education in that county.

"In this county the superintendent has no clerks, attendance officers, supervisors or help of any kind other than that given by the members of the county board. The cooperation given to the county superintendent by the board members, in their respective districts, in cases of emergency and in looking after matters of detail, is desirable. Under the circumstances this arrangement appears to be economically justifiable. For the above services, each of the six regular members are compensated at the rate of $4.00 per diem, for a maximum of twenty-five days, including days when the board is in session. Each member files in this office a statement as to the time spent.

"The fact that the superintendent has no one to assist in the supervision of instruction makes it necessary for him to be away from the office quite a little. This adds to the duties of the chairman, who assists with the work in the absence of the superintendent. For this, together with his regular duties, he is compensated at the rate of $4.00 per diem for 62.5 days. This makes the maximum allowed for salary of board of education $850.00 annually. This was the amount specified in the budget for the year 1926-27 and the proposed budget for the year 1927-28 provides for a like amount."

In 1928, however, $114 was reported paid for clerical and stenographic help. This amount added to $833 per diem for the board of education gives a total of $947. The average expenditure for clerical and stenographic help in the state was greater than in Overton County, being $319 per county. The average per diem for the board of education, however, was only $373, which is $460 less than the similar expense in Overton County. The total average of these two expenses in the state is $692 as compared with $947 in Overton as mentioned above. So it seems that this county is paying about $250 per year more for stenographic help and per diem for board members than the average county.

This per diem expense of board of education for Pickett and Clay Counties has been less than in Overton County for the same period. The average for the six year period was $204 for Pickett County and $552 for Clay County, as shown in Table #37. The average for Overton County was $718, as shown in previous Table #36. The Pickett County average was less than the state average; while that for Clay County was greater.

In Pickett County each board member is paid only $2.50 per day when in session. No charges are made by these members for other services rendered in connection with their official duties.

Both Clay and Overton Counties pay board members $4.00 per diem, when in session and when rendering other school services in their respective districts. The time spent in connection with their official duties, other than when in general session, is turned in by each member.

Pickett County members are paid only $2.50 per day when on official duty. No charges are made by them for services rendered within their districts.

Jury Service.

Overton County. The following juries meeting during the year are: (1) the grand jury, meeting about 15 days per year; (2) the criminal jury,

meeting about 15 days per year; (3) the circuit jury, meeting about 6 days per year; and (4) the chancery jury, meeting about 6 days per year.

This makes a total of 42 days which all of them together are in session. All of the jurors receive approximately $25.00 per day or a total of $1050 per year for the services they render.

Audit of County Records.

Clay County. No complete audit of the county's records has been made in this county. For instance the trustee's books have never been audited but once. However the records of the county court clerk, circuit court clerk, and clerk and master has been audited by the state auditors two or three times in the past ten years.

The county court has appointed auditing committees at different periods. However these committees have not always functioned. In 1920, an audit by them showed a shortage in the records of Trustee Mabry, which was collected through the courts in 1928.

Overton County. No audit had been made of county officers prior to 1923. Since that time there has been at least a partial audit each year. In recent years the state auditors come to Livingston every two years to audit the county records.

Dissensions in Pickett County.

In addition to the many difficulties encountered in the administration of the county affairs, such as small income from taxation of the property, inefficiency in many instances of the public officials, and general waste in purchasing county supplies, Pickett County suffers from a feud that is constantly brewing within her borders. Her people are torn by conflict over many issues. Issues that seem unreal and imaginary to others, but to them it is of burning importance. The flames of hatred fanned to

fever heat by such things as (a) Civil War differences, (b) guerrilla warfare after the War, (c) prohibitinn issues, (d) religious differences, (e) political issues, (f) a former impetuous and obstreperous county superintendent of schools.

The people are inclined to go to the extremes on any issue and "rule or ruin" seems to be their motto. As long as the people give themselves over to such things it will be hard to inaugurate any constructive program of rural education.

The first political disturbance in Pickett County occurred in 1919, when the sheriff was forced to resign after an ouster suit had been filed against him. Prohibition was the principal issue. A "dry" sheriff was elected by the county court to fill out the unexpired term. At the general election he was defeated by a "wet" candidate, who was also a Democrat.

The division among the people caused by these incidents has extended into the religious and educational life of the county.

Chapter VII.

COUNTY PROPERTY IN OVERTON, CLAY, AND PICKETT COUNTIES.

Overton County. The court house in Overton County was erected in 1870 at a cost of $13,000.00. The outward appearance of the court house is good but when examined from the interior one finds that the woodwork is dirty and greatly in need of repair. The ground floor contains four offices. These are occupied by the register of deeds, the county court clerk, circuit and criminal court clerk and clerk of the chancery court. The county judge, trustee, and the county superintendent do not have offices in the building due to the lack of space. The superintendent rents an office for which he pays $60 per year. The court house is so constructed that there are four wide entrances on each side and end of the building. There is no reason why two of these entrances could not be partitioned and the space used for additional office room. The $60 per year paid by the superintendent would amount to $600 in 10 years. This would more than build the two additional offices and repair the interior of the building as well.

The amount spent by the superintendent for additional office space is another illustration of the careless manner in which the tax payer's money is used by public officials who are entrusted with the administrative affairs of our counties.

The building is without fire proof vaults and the offices are without proper filing facilities for the many valuable records. The burning of a court house is no uncommon occurrence. In recent years Cumberland, Jackson, Putnam, and Campbell Counties each have had court houses destroyed by fire.

Also fire has twice destroyed the Henderson County court house, and has partially damaged the one in Pickett County. Valuable records are thus destroyed and consequences of a very serious nature are sometimes brought about.

Clay County. The court house in Clay County was erected in 1872 at a total cost of $10,000.00. In many ways it is similar to the court house in Overton County. The exterior presents a respectable appearance, and it is not until one enters the building that its true condition is apparent. It also has four rooms on the first floor that are used for offices. A winding stairway extends to the court room and two small jury rooms on the second floor. The main court room is small and in poor condition. The latter is partly the result of poor attention and partly due to the fact that various shows are given here by traveling musicians. Another thing that adds to its general appearance of neglect is the fact that when the Cumberland river overflows its banks many of the poorer people take refuge here until the water recedes.

While it is doubtful that the building could be duplicated at present for the original cost a few changes could be made that would serve to increase its efficiency. At present not all the county officials can find office space in the building. This condition could be remedied by partitioning off some of the space in the present offices to provide more rooms. This could be done at little cost. The stairway could be rearranged and more space added to the court room. With these minor changes the court house would adequately serve the needs of this county for a number of years.

Pickett County. The court house in Pickett County was built in 1882 at a cost of $6,000. It is now in a deplorable condition in many respects. The walls are cracking and are about to fall apart. Large steel rods have been placed across the building in four directions to prevent this. In addition the floors of the building are rotten and worn through in many places.

It is said that it was condemned by a state inspector who said that a new one would have to be built soon.

It is now necessary for the county judge, county court clerk, and trustee to use the same office. The window lights are gone from many windows. Small stoves are used for heating. They are placed on the floor without protection of any kind from fire.

There are no vaults of any kind and records are stored on wooden shelves, as is done in Overton and Clay Counties. No insurance is carried on the building.

School Property in Overton, Clay, and Pickett Counties.

County elementary. Overton County, as shown by Table #37, has nearly twice as many school buildings as Clay County and nearly three times as many as Pickett County.

The value of the buildings and grounds per school is almost the same in Overton and Clay Counties, being $1,237 and $1,195 respectively. However this was only $935 per school in Pickett County.

The value of equipment per school is estimated at $91 per school for Overton County and $194 for Clay.

Table #37. Number and Estimated Value of County Elementary School Buildings in Overton, Clay, and Pickett Counties: 1928.

County	Number buildings.	Value of buildings and grounds. Total	Per school	Value of equipment Total	Per school
Overton	79	$97,725	$1,237	$7,415	$91
Clay	40	47,820	1,195	7,750	194
Pickett	28	26,180	935	No data	No data
State average per county	63	$179,000	$2,900	$20,425	$310

This area is far below the state average per school in both value of buildings and grounds, and equipment. The state average for the buildings

and grounds is about $2,900 and about $310 for equipment.

City elementary schools. Two city elementary schools are reported in Overton County in 1928 - one for white pupils and one for the colored, both located at Livingston. The building and grounds of the former were valued at $30,200; and those for the colored school at $125. The school for the white pupils was erected cooperatively by the town of Livingston and Home Mission Board of the Disciples of Christ. Until recently it has been operated largely by this denomination. In 1928, however, the town of Livingston definitely took over its operation.

One city elementary school is reported in Clay County for 1928 but the value of the property is not reported.

No city elementary school is reported for Pickett County.

High schools. Two four-year high schools are reported in Overton County in 1928. These are located at Livingston and Alpine. These, however, are not owned by the county. The former, known as the Livingston Academy was constructed by the Home Mission Board of the Disciples of Christ. The latter was constructed by the Northern Presbyterian Church. In Livingston the high school building is separate from the elementary school and it is valued at approximately $50,000. A school farm is operated in connection with this school; and is valued at about $10,000. The pupils of the Alpine High School occupy the same building as the elementary pupils. A school farm is also operated in connection with this school. The total value of this school property is estimated at $55,000 (Alpine elementary and high). Clay and Pickett Counties each have one four-year high school.

There are three two-year high schools in Overton County located at Hilham, Rickman, and Crawford respectively. The value of these properties is estimated at $1,275.*

Clay County reported three two-year high schools. None were reported in Pickett County.

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* Report of State Department of Education - 1928.

Source of building funds. The estimated value of these elementary school properties in Overton County does not represent the amount of tax funds invested. In the first place it does not represent the actual cost. In the second place many of the buildings have been constructed cooperatively by the county and the communities in which the buildings are located. In some cases the county furnished all of the building material, and the people of the community performed all of the labor, such as hauling and carpentering. In other cases the community has furnished everything except the hardware.

These arrangements have reduced the amount of county tax money required for educational purposes; and from that standpoint are highly desirable since the county is relatively poor financially.

The state offered to give Overton County $12,100 for school building purposes, in 1928, provided the county would raise one-half that amount. The county court refused to vote the county's share of $6,050. Some of the members of the county board of education did not favor this appropriation. This fund, however, was subscribed by local people, who insisted, however, that it be spent in the communities where it was raised, rather than in the community where it was most needed.

The county board of education had an agreement with the people in some of the communities to subscribe a building fund equal to any amount that the community would subscribe for that purpose. Under this agreement, in order to get a $24,000 building fund it would have been necessary for the county to have voted $6,000. Then the state fund of $12,000 would have been available, which if supplemented by $6,000 from each the county and the communities, would have amounted to $24,000. But the refusal of the county court to vote their quota reduced the amount to $18,000; and had it not been for the private subscriptions the $12,000 state fund would have been lost to the county.

The people who had subscribed to this fund thought that since every

dollar that they subscribed brought $2.00 from the state, their community should have all of the $2.00 state fund in addition to the fund that they had subscribed. For instance the people of the Hickman Community who subscribed $500 thought that they should have had the $1,000 state fund, which would have given them $1,500 instead of $1,000 as per their 50 - 50 agreement with the county board of education.

It seems that the county court acted rather unwisely in refusing to vote money to match the state funds since the county is badly in need of more modern school buildings. The extra county tax necessary to secure some to the already heavily taxed people of this county.

Increase in funds for building purposes, Overton County. There has been an increased expenditure for building purposes. This is shown by periods as follows:

1915 -	$1,348
1920 -	0
1925 -	3,294
1928 -	8,290

This shows an increased expenditure in 1928 of $6,942 over the year 1915.

Title to school buildings in Overton County. The titles to many of the buildings now being used for school purposes are made to the church and county combined. The county does not have a complete title to 31 of 49 one-room school buildings, leaving only 18 with titles to the county alone. The county has titles to 11 of the 22 two-room school buildings; and to 4 of the 5 three-room buildings.

The superintendent of this county does not want to give county aid to the construction of buildings where the title is made jointly to the county and some other agency. When consolidation of schools is effected and such a building is abandoned the county usually loses.

Repair of school property and other miscellaneous expenditures. The policy in making repairs is for the county board of education to furnish

the material, and the people of the various communities to do the work.

The expense of digging and equipping wells is borne by the county and the community on a 50 - 50 basis. The average cost of digging a well is about $100 or $2 per foot for a 50-foot well. The communities often raise their share of this expenditure by pie suppers and entertainments. The people of the Okalona Community obtained $40 from the proceeds of a pie supper for this purpose.

Waste in purchase of school building sites. In Clay County, in the fall of 1927, the county superintendent and a member of the county board of education were going to Spivey to buy a school site. They were going to have to pay about $150 per acre for the land.

The superintendent stated that when they wanted a school site the land suddenly became very high in price even in the hill section where land could be bought for much less that price. When this high price of school sites is multiplied by the number of schools in the county it amounts to a considerable sum. Thus the county's money is used for a purpose which in some regions is given to the county by either the people of the community or by some individual.

Waste in the construction of school buildings in Overton County. What waste of finances that has occurred in the construction of buildings has been due largely to lack of competitive bidding. One outstanding example of the wanton waste of building funds is found in the erection of the school building at Hilham in Overton County. The county and the community were to have shared equally in the cost. The community, however, could not finish raising its share of the cost. Then the county board of education told the people of the community to complete the construction of the building; and that the county would pay the bill. The total cost was $21,000 when it would have been only about $18,000, if the construction job had been done under contract. This was a loss of $3,000, which sum could have been used to a good advantage elsewhere.

The county superintendent stated that hereafter it would be the policy of the county board of education to have all construction done under contract which will be let by competitive bidding.

The County Jail.

Overton County. The county jail in Overton is a stone structure and seems to be in fair condition. It was constructed recently to take the place of the old jail which was badly in need of repair; it was probably a mistake to build a new jail for this county as the population is not large. Often there are not more than two or three prisoners in the jail. Public sentiment is right in demanding a sanitary jail but there is really no need of having a jail in each county.

The county now has an arrangement whereby prisoners may be transported to Wilson County and worked as convict labor. This has not been successful because the county judge and others opposed it on the grounds that the prisoners may not be treated fairly. So they are kept in the county at public expense.

The cost has been found to approximate $4,000 for one year in Overton County. The sheriff gets 75¢ per day for the board of each prisoner and $1.00 each for receiving them and $1.00 each for turning them out.

As a matter of record it has been found that when a man stays in jail for a period of three months or more the man's family comes to the county for financial aid. The prisoner is then released to provide for his family. Usually a pardon is granted them by the Governor.

Pickett County. The jail was constructed in 1882 at a cost of $1,194.39. It is constructed of brick, and has a brick foundation.

This building is now in very poor condition so far as safety is concerned. The bricks are falling out of the walls in many places. Prisoners have escaped by pulling out the loose bricks and then crawling through the

holes.

The jail is very unsanitary. Odors could be detected by one walking about the building. The grand jury has reported favorably on the need of repairs and a general improvement of the building several times but the court has done nothing to remedy the condition.

Clay County. In March 1927 the grand jury reported to the circuit judge: "The county jail is wholly unsafe and inadequate for the safekeeping of prisoners and the grand jury hereby calls the attention of this court to the fact that the county jail is insecure, inadequate and unsafe. Prisoners cannot be securely confined therein, and said jail does not meet the needs of this county and the requirements of the law. This situation has continued for a considerable period, and the report of a former grand jury in relation thereto has been ignored by the quarterly court insofar as remedying the condition of the jail is concerned. We recommend that such steps be taken as will make certain and adequate and sufficient county jail for this county without further delay."

In June 1927 the grand jury reported as follows on the same condition: "The county jail is unsafe and in such condition that it cannot be kept sanitary, in the opinion of the grand jury, it is wholly unfit for a jail and should be condemned. The beds are dirty and the bedclothing and mattresses wholly inadequate."

The circuit court clerk reports that grand juries have been condemning the jail for several years (three or four).

Some prisoners have escaped from the jail. It is a brick structure but not very well constructed and when a friend hands a prisoner a crowbar through the window he can pretty soon prize out a few bricks and escape.

When the county court disregards the grand jury in this way, for years, what should be done about it? What can be done? And whose duty is it to do it? Why isn't something done?

Suggested improvements. It seems desirable to have large district jails serving wide areas in these sparsely populated regions. The men could be put to work on some construction program of road building. Where necessary trivial cases could be handled by some detention home in the local areas until bond had been arranged or sentence passed.

Poor House.

Overton County. Overton County expended $15,000.00 in 1925 in the construction of a county poor house. It is a brick veneer building with a flat roof. The total land acreage will approximate 1 1/2 to 2 acres. It is very rough and presents an unkept appearance.

It was found that the expense for maintenance of the inmates plus the cost for lodging, food, etc. for the keepers family was $6,000 in 1925. In 1926 it was $4,500. Varying amounts are expended from time to time for tobacco and incidentals. This will amount to approximately $250 per year. The $15,000 that was expended in the erection of this house would have purchased a good farm and adequate buildings for housing the inmates. In this way work could have been provided which would have made them partly self-sustaining. This plan has been tried and worked successfully in North Carolina, as reported by Clifford J. Bradley in his county government study of Halifax County.

As to the management of the county poor house it was found that there was no close segregation of sexes. This is a deplorable condition as proper supervision and attention should be given at all times.

Clay County. The county poor house in Clay is situated about 8 miles from Celina in a poor isolated region. The roads are in poor condition and it is practically impossible to reach the place in the winter months.

One of the magistrates is really the manager of the poor house, although he delegates the details to his wife to whom the county warrants are issued.

For the upkeep of the poor house there is approximately $1,500 paid per year. The keeper receives $11.00 per person per month or $33.00 per quarter.

The keeper then furnishes clothing, bedding and board. The county in addition to the above furnishes a physician and medical supplies. The wood is also furnished but it comes from the farm and is cut by the inmates.

Burial expenses are borne by the county and usually amounts to $20 to $30 per person.

Some of the children are kept in homes and this form of outside relief usually costs the county about $300 per year.

Another thing that might be mentioned is the fact that, although Clay County has a large settlement of negroes within her borders, there has been only one negro in the poor house in the past decade. Nor is there a single case on record of where the county has borne the funeral expenses of a negro.

Pickett County. The poor house in Pickett County was built in 1884 at a cost of $190. It is a log house containing four rooms. It is situated on a tract of poor land about 1 1/2 miles from the court house.

The county rents the farm to a family for $20 per year cash rent. The keeper then receives from the county $3.00 per week for each inmate kept. Both sexes are kept together in this house, and one of the principal inmates in recent years is a woman who uses it for a maternity hospital. Recently this woman eloped with an old man, the only other inmate of the home.

The county court clerk of Pickett County stated that very little had been spent for poor house upkeep in this county as very few people were admitted.

Suggested improvements. The counties seem to be competing with each other in the matter of county homes or poor houses. An awakened conscience which demands a comfortable home for the unfortunate is to be commended.

In regard to the poor house situation, Mr. J. M. Gillette in "Rural

Sociology," page 113, says, "The county poor houses where provided should be on a tri-county or some such multiple county basis, to permit competent supervision, adequate equipment, separation and segregation of sexes, and to provide special work for the able bodied inmates."

This seems to us an adequate summation of the problem as it exists today in Overton, Clay, and Pickett Counties. There is absolutely no need for each of these poorer counties to burden themselves by financing the construction and maintenance of extensive buildings for keeping the poor.

What is needed is a district poor house to accommodate several counties. This would greatly reduce the overhead, as one man could look after all of them, and at the same time these unfortunates could be housed more comfortably.

At present each county keeps up the poor manager's family, furnishing them free board and room, and pays the salary of such a manager.

Public Toilets (Clay, Pickett, and Overton)

The public toilets as found in the above counties were in deplorable condition. They were usually only wooden structures located near the court house and invariably in the center of the town.

In the interest of sanitation and health something should be done to remedy this situation.

In Pickett County the sanitary officer was supervising the erection of a public toilet that was some improvement over the old one.

Summary and Conclusions.

(1) Very little provisions are made for protecting the county records from fire. This should be remedied by providing more fire proof valuts for the records.

(2) The court house in Overton County should be remodeled to provide

more office space. It will probably be necessary to make an addition to the present building, as well as making the partitions as suggested on page 116.

(3) Public toilets should be made more sanitary.

(4) The poor house property should include some farm land on which the inmates could work and thus be made more self supporting.

(5) Should county consolidation of Overton, Clay, and Pickett be effected the poor houses and jails of these counties should be combined, so that there will be only one institution of each rather than three.

Chapter VIII.

TAX EXEMPTION.

PART I. EXEMPTION FROM GENERAL PROPERTY TAX BY STATUTE.

Comparison of Tennessee with Other States.

Although each of the states exempts some property from the general property tax, they differ greatly in the number of types of property that is exempted, as shown in Table #38. For instance New York, the highest ranking state in this respect, exempted 45 types, while Colorado and Missouri, the lowest ranking states, exempted only 9 types each. Tennessee ranks 14th, reporting 26 types exempt. Only Oklahoma, Delaware, Alabama, and Mississippi, among the 16 southern states, ranked higher.

Table #38. Number Types of Tax Exemptions on General Property in Each State.

Rank	State	Number	Rank	State	Number
1.	New York	45	26.	Indiana	18
2.	Wisconsin	39	27.	New Mexico	18
3.	Massachusetts	37	28.	Florida	17
4.	Maine	36	29.	Washington	17
5.	Michigan	36	30.	Texas	16
6.	Connecticut	31	31.	Wyoming	16
7.	Vermont	31	32.	Arkansas	16
8.	Iowa	29	33.	West Virginia	15
9.	Mississippi	29	34.	Arizona	15
10.	Maryland	29	35.	Ohio	15
11.	Oklahoma	28	36.	Virginia	15
12.	Alabama	28	37.	Minnesota	14
13.	Delaware	28	38.	Nevada	14
14.	Tennessee*	26	39.	Montana	13
15.	New Hampshire	26	40.	South Dakota	12
16.	Rhode Island	26	41.	Illinois	11
17.	North Carolina	25	42.	District of Columbia	11
18.	New Jersey	24	43.	Georgia	11
19.	North Dakota	24	44.	Utah	11
20.	Idaho	23	45.	Nebraska	11
21.	Louisiana	23	46.	Kentucky	10
22.	South Caolina	21	47.	Pennsylvania	10
23.	Oregon	19	48.	Colorado	9
24.	Kansas	18	49.	Missouri	9
25.	California	18			

However, a state that has exempted the largest number of different classes of property does not necessarily rank highest in the value of property exempted. In the first place the same class of exempted property might have a greater total value in one state than in another. Also there are often wide variations in the value of the different classes of exempted property. For instance one state might exempt a large number of classes of property each having a small value; while another state might exempt only a few classes, but the value of each being relatively high, the total value of the exemptions would possibly be greater than in the state with the larger number of classes.

The different kinds of property exempted vary in the number of states in which they are exempted. It is noted from Tables #39 and #40 that a large number of the different types of exemption are only found in from one to five states. This is true of 129 types out of the total of 190. As a matter of fact some classes of property are exempt in only one state. For instance Tennessee is the only state that exempts crops in the hands of the immediate vendee, and also business property that is rented out by educational institutions. Dwelling houses that are occupied by the owner up to $500 are exempt only in South Dakota. Many other similar instances are noted in this table. On the other hand some properties are exempt in every state. These are: public cemeteries, church buildings and lots, public libraries, charitable institutions, public schools, and any other public property owned by the federal, state, county, and municipal governments.

Table #39. Number of States Represented in Each Type of Property Exemption.

Type of Exemption.	No. States Represented in Each Type of Exemption.	Is Tennessee Represented?
Public property - state, county, federal, and city	48	yes
Churches and church lots	48	"

(continued)

Table #39 (continued) Number of States Represented in Each Type of Property Exemption

Type of Exemption.	No. States Represented in Each Type of Exemption.	Is Tennessee Represented?
Charitable institutions	48	yes
Public libraries	48	no
Property of fire companies - public	48	yes
Cemeteries and monuments (all)	38	"
School property - public and private	37	"
Bonds (state)	29	"
Parsonages	26	"
Property of agricultural societies (non-profit)	22	"
Bonds (city)	22	"
Bonds (county)	20	"
Y.M.C.A. property	17	"
Fraternal orders	16	"
Property of benevolent institutions	15	no
Mortgages	15	"
Property of literary institutions	14	"
Property of secular business	14	yes
Fuel and provisions for the family	13	no
Grain and other products in hands of producer	13	yes
Some property of honorably discharged sailors or soldiers who have served in time of war, or wife of same	12	no
Property of military organizations used by militia	12	"
Hospitals (all)	12	"
School property - public only	11	"
Wearing apparel (all)	11	"
Growing crops	11	yes
Bonds (government, U.S.)	11	"
Cemeteries and monuments (non-profit only)	10	no
Young trees planted	10	"
Tools in hands of mechanics (all)	8	"
Private libraries	8	"
Capital stock of corporations whose property has been taxed	8	"
Farm tools (all)	7	"
Swine, poultry and other livestock - limited value	7	"
Young farm animals	7	"
Y.W.C.A. property	7	yes
Indian estates	7	no
Household property - up to $100	6	"
" " - up to $200	6	"
Farm tools - limited value	6	"
Cash on hand or in bank	6	"
Property of religious societies	6	"
Estates of persons unable to pay because of age or infirmaties	6	"

(continued)

Table #39 (continued) Number of States Represented in Each Type of Property Exemption.

Type of Exemption.	No. States Represented in Each Type of Exemption.	Is Tennessee Represented?
Hospitals (charitable)	6	no
Property of state and county fairs	6	"
Manufacturing plants and machinery of new industries	6	"
Household property - no limit	5	"
Tools in hands of mechanics (limited value)	5	"
Goods in hands of manufacturer	5	yes
Family portraits	5	no
Property of G.A.R. and similar patriotic societies	5	"
Historical societies	5	no
Property and funds of fraternal beneficiary organizations	5	"
Widows' property - with relatively small value	5	"
Irrigation works (private)	5	"
Household property - up to $300	4	"
All personal property - up to $1000	4	yes
Natural young trees	4	no
Endowment funds for schools	4	"
Property of American Legion	4	"
Business property rented out by religious and charitable institutions - rents used for these purposes	4	"
Some property of widow or widowed mother of honorably discharged sailors or soldiers who have served in time of war	4	"
Pensions from the U. S.	4	"
Soldiers and sailors memorial property	4	"
Property of deaf-mute institutions	4	"
Household property - up to $250	3	"
Money in savings banks	3	"
Food for livestock used in supporting the family	3	"
Property of associations for prevention of cruelty to animals	3	"
Museums (public)	3	"
Increase in value of land due to improvements	3	"
Bonds, church	3	yes
Mining claims not patented (not the proceeds)	3	no
Vessels trading from any part of the state	3	"
Vessels trading with foreign states	3	"
Game animals	3	"
Wearing apparel (limited value)	2	"
Books	2	"
Implements of a person's trade or profession	2	"
Motor vehicles - registered and fee paid	2	"
All property of persons valued at less than $100	2	"

(continued)

Table #39 (continued) Number of States Represented in Each Type of Property Exemption.

Type of Exemption.	No. States Represented in Each Type of Exemption.	Is Tennessee Represented?
Property of art leagues and fine arts	2	no
Books, furniture, etc. of students	2	"
Legal reserves of life insurance companies	2	"
Personal property and capital stock of credit unions	2	"
Private observatories (non-profit)	2	"
Real property of fraternal orders if net income used for benevolent purposes	2	"
Property of disabled pensioned soldiers	2	"
Property of Salvation Army	2	"
Battle grounds and historic sites	2	"
Property of organizations of honorably discharged soldiers, sailors, or marines	2	"
Libraries of ministers of the Gospel	2	"
Property used for industrial expositions	2	"
Notes and other evidences of indebtedness	2	"
Shares of stock in corporations elsewhere taxed	2	"
Hotels built at certain dates and exempt for definite periods	2	"
Bona fide debts	2	"
Irrigation works (non-profit)	2	"
Market house	2	"
Turnpikes used by public free of charge	2	"
Fishing apparatus	2	"
All property exempt by charter	2	yes
Property of volunteer fire organizations	2	no
All personal property - up to $1425	1	"
Teams, wagons, and harness of teamsters	1	"
Fish in possession of fishermen	1	"
Crops in hands of immediate vendee	1	yes
Purebred registered sires	1	no
Any horse on parade or in military service	1	"
Property of residents of islands with no roads, is exempt from highway tax	1	"
Non-bearing fruit trees	1	"
Books, philosophical instruments, paintings, and statuary in public halls	1	"
Dwelling houses (occupied by owners)	1	"
Money of non-residents in hands of agents for investment	1	"
Estates of families of president and faculty of universities (to $10,000)	1	"
Property of water companies providing water for fire fighting free of charge	1	"
Farm area equal to area occupied by roads that run through farm	1	"
Obligations for undue rent, in hands of payee	1	"

(continued)

Table #39 (continued) Number of States Represented in Each Type of Property Exempted

Type of Exemption.	No. States Represented in Each Type of Exemption.	Is Tennessee Represented?
Deposits in savings banks and institutions with tax exempt income	1	no
Property of Women's Auxiliary Society, University of Michigan	1	"
Any property of charitable institutions when profits used for charitable purposes	1	"
Business property rented out by educational institutions	1	yes
Associations for education of ministerial students	1	no
Property of organizations for child law enforcement	1	"
Property of blind persons	1	"
Property of soldiers, sailors, marines, or their widows 70 years or older (up to $5000)	1	"
Some property of persons disabled by misfortune	1	"
Railroad property within the right of way	1	"
Funds for charitable purposes for honorably discharged persons who served in time of war	1	"
Soldiers' rest rooms	1	"
Soldiers' settlement fund	1	"
Real estate purchased with pensions fund (to $5000)	1	"
Property of army nurses who served in war (to $2000)	1	"
Property of National Guards during term of service	1	"
All libraries, not professional	1	"
Law libraries of county law associations	1	"
Religious books for sale by ministers and colporteurs	1	"
Property of unmarried women over 21 years, persons over 75 years, or minors whose parents are dead ($1000)	1	"
Property of fatherless children under 18 years of age	1	"
Agricultural land used for instructional purposes for disabled soldiers and sailors (250 acres)	1	"
Deposits in saving banks invested in certain banks, April 1901	1	"
Levee bonds	1	"
Capital stock and personal property owned by cooperative banks and used in distributing of water	1	"
Stock in domestic corporations owned by persons outside the state	1	"
All public stocks and bonds	1	"
Intangibles except bank stock and other capital in competition with national banks	1	"

(continued)

Table #39 Number of States Represented in Each Type of Property Exempted. (continued)

Type of Exemption.	No. States Represented in Each Type of Exemption.	Is Tennessee Represented?
Money of life insurance companies used to pay liabilities	1	no
Bonds, notes, etc. sent to state for collection by non-residents	1	"
Personal property of banks whose capital stock is taxed	1	"
Personal property of insurance companies taxed on gross earnings	1	"
Railroad stocks	1	"
Bank stock of a state resident taxed in another state	1	"
All property except real estate of savings banks	1	"
Shares of stock held by non-residents	1	"
Shares in partnership which are tax exempt	1	"
Proceeds from stock of building and loan associations invested in real estate	1	"
Shares in building and loan associations	1	"
Railroads not in use for 10 years	1	"
Domestic insurance companies exempt for definite periods	1	"
Street railway companies operating at a loss	1	"
Real estate, medical and pharmaceutical societies and music schools returning no profit	1	"
Property and franchises in production of air nitrates (10 Yrs)	1	"
Cooperative telephone lines	1	"
Property on which the income is taxed	1	"
Judgements	1	"
Money loaned for public purposes at 5% or less	1	"
Poll tax of active members of fire companies	1	"
Personal property used in bringing water to surface	1	"
Non-productive oil wells	1	"
Machinery of drainage districts	1	"
Goods, wares, and merchandise imported	1	"
All vessels, ships, and boats under construction	1	"
Materials used in ship building	1	"
Billiard tables	1	"
Property of ministers and priests ($1500)	1	"
Toll roads	1	"
All property exempt by contract	1	yes
Products sent to a state for sale by a non-resident	1	no
Personal estates of residents situated and taxed in another st.	1	"
Possessory rights to public lands	1	"
Mines of metals	1	"
Firemen's associations	1	yes
Scientific instruments	1	"

Exemption in Tennessee.

This state exempts by statute a large amount of property, as is indicated by the following list of property exempted:

(1) All public property (state, county, federal, and city) such as administrative buildings, jails, poor houses, insane asylums, schools, fire departments, post offices.

(2) Property of religious institutions - as churches, parsonages, Y.M.C.A. and Y.W.C.A.

(3) Property of all charitable and educational institutions (other than public).

(4) Property of fraternal benefit societies (except real estate and office equipment).

(5) Personal property up to the value of $1000 in the hands of each resident tax payer.

(6) All growing crops.

(7) Farm products in the hands of the produce, or the immediate vendee (the person to whom it was first sold).

(8) Manufactured articles made from materials in the state, in the hands of the manufacturer.

(9) Property of agricultural associations that are non-profit.

(10) Property of scientific institutions (not used for secular business).

(11) Business property rented out by educational institutions, if rent is used for educational purposes.

(12) Federal, state, county and municipal bonds.

(13) Church bonds.

(14) All property exempt by contract.

(15) All property exempt by charter.

This is shown in another way in the second column of Table #40, by which one is also able to determine the number of states that exempt these types of property. For instance it is seen that 5 states, including Ten-

nessee, exempt $1000 worth of personal property and all goods in the hands of the manufacturer; that Tennessee and 12 other states exempt grain and other products in the hands of the producer; and so on for the other types of exemption.

From the above list of exempted property in this state it seems that the greatest amount of exemptions is due to the exemption of public and other property operated on non-profit basis, as shown in exemptions (1), (2), (3), (9), (10), and (11).

Farmers, as a class, are favored by the exemption of all growing crops, and the farm products produced by them that are being held for sale or for consumption purposes.

Manufacturers, as a class, are favored by the exemption of articles manufactured from the raw materials of the state, which is in their hands. It is possible also for other exemptions to be granted to the manufacturers by contract or by charter or for that matter other property might be exempted in this way.

Table 40. Property Exempted from General Property Tax, and States that Exempt Each Kind of Property.**

Public Property - State, County, Federal, City.

Ala., Ariz., Ark., Cal., Colo., Conn., Dela., D.C., Fla., Ga., Ida., Ill., Ind., Iowa., Kans., Ky., La., Me., Md., Mass., Mich., Minn., Miss., Mo., Mont., Neb., Nev., N.H., N.J., N. Mex., N.C., N.Y., N.D., Ohio, Okla., Ore., Pa., R.I., S.C., S.D., Tenn., Tex., Utah, Va., Vt., Wash., W.Va., Wisc., Wyo.

Churches, and Church Lots.

Ala., Ariz., Ark., Cal., Colo., Conn., Dela., D.C., Fla., Ga., Ida., Ill., Ind., Iowa, Kans., Ky., La., Me., Md., Mass., Mich., Minn., Miss., Mo., Mont., Neb., N.H., N.J., N. Mex., N.Y., N.C., N.D., S.D., Ohio, Okla., Ore., Pa., R.I., S.C., Tenn. (not used for secular business), Nev., Tex., Utah., Vt., Va., Wash., W. Va., Wisc., Wyo.

Parsonages.

Ariz., Conn., Dela., D.C., Fla., Kans., Ky., La., Me., Md., Mich., Mo., Nev., N. Mex., N.H. ($2500), N. Y. ($2000), Okla., N.C., N.D., R.I., S.C., Tenn., Va., Wash., W. Va., Wisc., Wyo.

School Property - Public and private.

Ala., Ariz., Ark., Conn., Dela., Fla., Ind., Ill., Ky., La., Me., Md., Mich., Minn., Miss., Mo., Mont., Neb., Nev., N.H., N.J., N. Mex., N. Y., N.C., Okla., Pa., S.C., S.D., Tenn., Tex., Utah, Vt., Va., Wash., W. Va., Wisc., Wyo.

Schools - Public only.

Cal., Colo., Ga., Ida., Iowa., Kans., Minn., N.D., Ohio, Ore., R.I.

Charitable Institutions.

Ala., Ariz., Ark., Cal., Colo., Conn., Dela., D.C., Fla., Ga., Ida., Ill., Ind., Iowa, Kans., Ky., La., Me., Md., Mass., Mich., Minn., Miss., Mo., Mont., Neb., Nev., N.H., N.J., N.Y., N.D., N.C., Okla., Ohio, Ore., R.I., S.C., S.D., Tenn. (not used for secular business), Tex., Utah, Va., Vt., Pa., W. Va., Wash., Wyo., Wisc.

Cemeteries and Monuments (all).

Cal., Conn., Dela., Ark., Ala., Colo., D.C., Fla., Ga., N.J., Ill., Ind., Iowa, Kans., Me., La., Md., Mich., Mass., Miss., Mo., Mont., Neb., N.Y., N.C., N.D., Ohio, Okla., Ore., R.I., S.C., S.D., Tenn., Tex., Utah, Vt., Wash., W. Va., Wisc.

Cemeteries and Monuments (Non-profit)

Ariz., Ida., Minn., Nev., N.H., N. Mex., Pa., Va., Wyo., Ky.

** Source: Digest of State Laws Relating to Taxation and Revenue - 1922, Bureau of the Census

Household Property (limited)

Up to $1000 - Cal., Minn., N.J., Wyo., S.C., Ohio.
" " $200 - Col., Kans., Me., Neb., N. Mex., Okla.
" " $250 - Ky., Miss., Tex.
" " $300 - N.D., R.I., Iowa, Wash.
" " $500 - Md., Mich., S.D., Va.

Household Property, with no special value or limit.
Ala., Del. (except silverware), N.C., Ore., Wisc.

Personal Property.
Up to $1000 - La., Mass., N.Y., Tenn.(to each tax payer), D.C.
" " $1425 - Conn.

Real and Personal Property of Foreign Governments.
D.C.

Books ($300)
R.I., Mich.

Wearing Apparel.
Ala., Conn. ($25)., Iowa, Kans., Mass., Me., Mich., Miss., N.C., N.D.($300), Ore., Vt., Wisc., Wyo.

Farm Tools - Other than the above personal property.
Dela., Conn. ($200), Iowa, La. ($500), Me., Md. ($300), Mass.(all), Miss. ($2000), N.C., N.D.($500), S.D. ($500), Vt., Wisc.

Fuel and Provision for the Family.
Conn., Dela., Iowa., Md., Mich., Miss., N.C. (up to $300), Okla., S.C.($100), Vt., W.Va., Wash., Wisc.

Work Tools in Hand of Mechanic.
Ala.($25), Conn., Dela., Iowa., Md., Me., Mass.($300), Mich.($100), Miss., N.C., N.D.($300), S.D.($500), Vt.

Goods in Hands of Manufacturer.
Ala. (12 months after production), Dela., Md., Me., Tenn.

Money in Saving Bank.
N. Y.

Money in Savings Banks the Income from Which is Exempt.
Mass.

Cash on Hand or in Bank.
Ala., Conn. ($500), Dela., La., Miss., N.D.

Swine, Poultry, or other Livestock - Limited amount.
Ala., Conn., La. (for personal use), Miss., Me., Wisc., Vt. (poultry $20).

Teams, Wagons, and Harness of Teamsters or Draymen.
Iowa.

Fish in Possession of Fishermen.
Md.

Food for Livestock Used in Supporting the Family.
Okla., W. Va., Wisc.

Grain and Other Products in Hands of Producer.
Ark., Conn., Dela., La., Md., Me., Mt., Miss., Okla., Tenn., Tex., W. Va., Iowa.

Crops in Hands of Immediate Vendee.
Tennessee.

Growing Crops.
Cal. (fruit and nut trees under 4 yrs; grape vines under 3 yrs), Ida., Ky., La., Me., Okla., Wisc., Tenn. Ark., Ala., N.C.

Pure Bred Registered Sires of All Classes of Domestic Animals.
N. H.

Any Horse Used on Parade or in Military Service by Owner, Son, Ward, or Apprentice.
Conn.

Implements of a Person's Trade or Profession.
Dela., Mich. ($200).

Household Effects of Persons in Public Service.
D.C.

Motor Vehicles - Registered and Fee Paid.
Ida., Vt.

Young Animals (Most states under one year).
Mass., Iowa, Me., Mich., Miss., Vt., Wisc.

All Property of Persons Valued at Less than $100.
Md., Minn.

Property of Residents of Islands, with No Roads, Exempt from Highway Tax.
Maine.

Non-Bearing Fruit Trees.
Fla.

Books, Philosophical Instruments, Paintings, and Statuary in Public Halls.
Ga.

Family Portraits.
Ala., Mich., Okla., Wisc., Iowa.

Property of Charitable Institutions When Profits Used for Charitable Purposes.
N. C.

Property of Literary Institutions.
Fla., Ga., Kans., Me., Md., Iowa, Mass., N. Mex., N.Y., Ore., Va., W.Va., Wisc.

Property of Benevolent Institutions.
Fla., Ida., Iowa., Kans., Me., Mass., Mich., Miss., N.J., N.Y., Okla., Ore., Va., W. Va., Wisc.

Property of Associations for Prevention of Cruelty to Animals.
N. J., N. Y., Wash.

Agriculture Societies' Property. (Non-profit)
Ala., Ark., Conn., Fla., Ill., Ind., Iowa, Wisc., La., Mass., Miss., Mich., Mo., Mont., Neb., N. Mex., N.Y., N.D., S.D., S.C., Tenn., Vt.

Property of Scientific Institutions or Societies (Not used for secular business)
Ala., D. C., Fla., Ind., Tenn., Iowa., Me., Mass., Mich., N. Mex., N. Y., Okla., Ore., W. Va.

Historical Societies.
Dela., N.J., N.Y., Va., Wisc.

Y.M.C.A. Property and Similar Organizations.
Ark. Dela., Fla., Ind. (K.of C.), Kans., Me., Mich., Nev., N. J., N. Y., N. C., S. C., Tex., Tenn., Vt., Wisc., Va.

Y.W.C.A. Property.
Dela., Ind., Kans., N. Y., Tex., Tenn., Va.

Property of Religious Societies - W.C.T.U., etc.
Ark., Dela., Iowa., Mich., N.H., N.Y.

Property of American Legion.
Me., Md., N.H., N.C.

Business Property Rented Out by Educational Institutions.
Tennessee.

Business Property Rented Out by Religious and Charitable Institutions, Rents Being Used for Those Purposes.
Cal., Mass., N. Mex., N.C.

Private Observatories (Non-profit).
Ariz., Mont.

Museums (Public)
Cal., Mont., Pa.

Property of Art Leagues and Fine Arts.
Tex., Wisc. (non-profit).

Dwelling House (occupied by owner)
S. D. (up to $500)

Money of Non-Residents in the Hands of an Agent for Investment.
N. Y.

Books, Furniture, etc., of Students.
Okla., Mich. (books only).

Estates of Families of President and Faculty of Universities (to $10,000)
R. I. (Brown University).

Young Trees, Planted, if 1200 per Acre, Provided Land is Not Too High in Price.
Conn., Ida. (10 yrs.), Mass., Me. (20 yrs.) Mich. (except for roads and schools), Neb., N. Y., R. I., Vt. (10 yrs), Wisc.

Natural Young Trees.
Mass. Me., N. Y., Wisc.

Property of Water Companies Providing Water for Fire Fighting Free of Charge.
Maine.

Endowment Funds for Schools.
Ga. (if not invested in real estate); Texas; Va., Mass. (all endowments).

Farm Area Equal to Area Occupied by Roads that Run Through It.
Iowa.

Obligations for Undue Rent, in Hands of Payee.
Iowa.

Legal Reserve of Life Insurance Companies.
La., Texas (mutual companies).

Personal Property and Capitol Stock of Credit Unions.
Mass., R. I.

Deposits, Institutions with Tax Exempt Income.
Mass.

Property of G. A. R. and similar Patriotic Societies.
Mass., N.H., N.Y., Vt., Wisc.

Property of Women's Auxiliary Society of U. of Mich.
Mich.

Property and Funds of Fraternal Beneficiary Organizations.
Ind., Kans., Iowa, Tex., Wash.

Pensions of All Kinds.
Wisc.

Funds for Charitable Purposes for Honorably Discharged Persons Who Have Served the United States in Time of War.
Conn.

Soldiers Rest Rooms.
Dela.

Soldiers and Sailors Memorial Property.
Ind., Md., N.D., Ohio.

Battle Grounds and Historic Sites.
Ind., Wisc.

Property of Military Organizations Used by Militia, etc.
La., Me., Mass., Mich., N.H., N.J., N. Mex., N.D., Ohio, R.I., S.C., Wisc.

Meeting Hall and Other Property of Any Organization of Honorably Discharged Soldiers, Sailors, or Marines.
Kans., Mass.

Soldiers Settlement Fund.
Utah.

Real Estate Purchased with Funds Rec'd from Army and Navy Pensions and Insurance.
N. Y. (up to $5000)

Property of Army Nurses Who Served in Any War for the United States.
New Mexico ($2000)

Property of Nat'l Guard During Term of Service.
N. Y. (up to $500).

Libraries of Ministers of the Gospel.
Ala., N. C.

All Libraries, Not Professional.
Ala.

Law Libraries of County Law Associations.
Ohio.

Religious Books for Sale by Ministers of the Gospel and Colporteur.
Ala.

Associations for the Education of Ministerial Students.

Ala.

Property of Organizations for Enforcement of Child Laws.

N. Y.

Real Property of Fraternal Orders If Net Income Used for Education and Relief of Their Members and Families.

N. Y., Okla.

Property of Blind Persons.

Conn.

Property of Disabled Pensioned Soldiers.

Conn. (up to $5000), Fla. ($500), Mass. ($2000).

Property of All Soldiers, Sailors, or Marines, or Their Widows, 70 yrs. or Older.

Maine (up to $5000).

Property of Honorably Discharged Sailor or Soldier Who Has Served in Time of War, or the Wife of Same (with limitations).

Conn. (up to $1000), Idaho ($1000, Civil War Vets.), Iowa ($500 - $3000), Mich. (up to $1000), N.H. (their property not to be over $5000), N.J. (up to $500), N. Mex. ($2000), Ore.($1000), R.I. ($1000), Vt. ($1000, Civil War), Okla. ($200, Civil War), Calif. ($1000).

Property of Widow or Widowed Mother of the Above.

Calif. ($1000), Conn. ($1000 and under), Iowa, Mass. (wives or widows only).

Property of Persons Disabled by Misfortune.

Fla. ($500)

Fraternal Orders.

Ark., Cal., Dela.(college), Ind., Iowa., Ida., Kans., La., Mass., Miss., Nev.,N.C.? N.Y., R. I., Vt. (college), Tenn. (except on real estate and office equipment), Wyo.

Estates of Persons Unable to Pay Because of Age or Infirmities.

Iowa, Me., Mass. (inc. poals), Mich., Ore., R.I.

Pensions from the United States Government.

Mich., Okla., S.C., Tex.

Salvation Army.Property.

Dela., S. C.

Railroad Property Within the Right of Way (Otherwise taxed for state purposes).

Dela.

Libraries (Public)

Ariz., Ark. (school), Ala., Cal., Colo., Conn., Dela., D.C., Fla., Ga., Ida., Ind., Iowa, Ill., Kans., Ky., La., Mass., Md., Me., Mich., Minn., Miss., Mo., Mont., Neb., Nev., N.C., N.D., N.Y., N.J., N. Mex., Ohio., Okla., Ore., Pa., R.I., S.C., S.D., Tenn., Tex., Utah, Vt., Va., Wash, W.Va., Wisc., Wyo., N.H.

Libraries (Private - all)

Iowa, Kans. ($60), Mich., Miss., N.C., Vt., W. Va., Wisc. ($200).

Widow's Property - With relatively small value.

Ariz. (up to $1000), Fla., Mass. (up to $1000), Nev., N. Mex. ($200).

Property of Unmarried Women Over 21 Years, Persons Over 75 Years, or a Minor Whose Parents are Dead. - (With property valued up to $2000)

Mass. ($1000)

Property of Deaf-Mute Institutions, etc.

Ala. ($1000 and under), Ark., Conn., N. J.

Hospitals.

Ariz., Cal., Conn. (receiving state aid); Mass., Minn. (public); Miss.(charitable); Mont., Ida. (charitable); Nev., N.J., N.Y., N.D., N.C. (charitable); Pa., R.I., Wash., Wyo. (non-profit), Md.

Property of Fatherless Children Under 18 Years of Age in the State.

Idaho.

Property Used for Industrial Exposition.

Ark., Ill.

State and County Fairs.

Ala., N.D., S.C., Vt., Wisc., N.Y.

Agricultural Land Used for Instructional Purposes for Disabled Soldiers, and Sailors (not over 250 acres)

N. J.

Increase in Land Value Due to Fencing, Fruit and Forest Trees, Farm Buildings, etc.

Neb., N. H., N. D.

Deposits in Saving Banks as Invested in Any Bank, Trust, Insurance, Investment, Bridge Companies on April 1, 1901.

Conn.

Bonds, Notes, and Other Choses in Action Exempt from Local Taxation.

Conn.

Notes and Other Evidences of Indebtedness.

Mass., Miss., N.D., Vt. (if money loaned at 5% or less), Wisc., Wash.

Mortgages.

Ala., Ind., Ida., La., Mich., Me., N.J.(on property exempt from taxation), Mont., N.D., Okla., Pa. (from county tax), Utah (real and personal), Wyo., Ore., Vt. (if money loaned at 50% or less).

Bonds (State).

Ala., Ariz., Cal., Conn., Fla. (Feb. 16, 1885); Ga. (refunding), Ind., Me., Md., Mass., Minn. (after 1911), Mich., Miss., N.H. (6% interest or less), N.J., N.Y., N.D., Ohio, Ore., R.I., N.C., S.C., S.D., Tenn., Utah (for state road tax), Vt., Wash., Wisc., Wyo. (if owned by residents of the state).

Bonds (County).

Ala., Ariz., Cal., Md., Me., Mass., Mich., Minn. (after 1911), Miss., N.H.(not over 6% interest), N.Y., N.J., Ohio, Ore., S.C., Tenn., Vt., Wyo. (if owned by residents of the state), Wisc., Wash.

Bonds (City).

Ala., Ariz., Cal., Conn., Del. (city of Wilmington), Ind., Mass., Mich., Miss., Me., Minn.(after 1911), Md., N.Y., N.H. (5% interest or less), N.J., Ohio, Tenn., S.C., Vt., Wyo. (if owned by residents of the state), Wisc., Wash.

Bonds (Church).

Conn. (up to $10,000), Miss., Tenn.

Government Bonds.

Ariz., Mass., Me., Mich., Minn., Md., N.J., N.H., R.I., Tenn., Wisc.

Levee Bonds.

Miss.

Capital Stock and Personal Property Owned by Cooperative Banks and Used in Manufacturing or Distributing Water.

Mass.

Stock in Domestic Corporations Owned by Persons Outside the State.

Dela.

All Public Stocks.

N. H.

Intangibles Except Bank Stock and Other Capital in Competition with National Banks.

N. Y.

Money of Life Insurance Companies Used to Pay Liabilities.

N. Y.

Bonds, Notes, etc., Sent to the State for Collection by a Non-Resident.

N. Y.

Personal Property of Banks Whose Capital Stock is Taxed.

N. D.

Shares of Stock in Corporations Elsewhere Taxed.

R. I. (bank stock), Vt.

Personal Property of Insurance Companies Taxes on Gross Earnings.
N. D.

Railroad Stocks.
Vt.

Bank Stock Held by a Resident of the State that is Taxed in Another State.
R. I.

All Property Except Real Estate or Savings Banks.
R. I.

Shares of Stock Held by Non-Residents.
Nev.

Shares in Partnerships Which Are Tax Exempt.
Mass.

Capital Stock of Corporations Whose Property Has Been Taxed.
Ida., Md., N.Y., S.C., Wisc., Ohio, Ida., N.Y.

Proceeds from Stock of Building and Loans Associations That Are Invested in Real Estate.
Idaho.

Shares in Building and Loan Associations.
Okla.

Railroads Not in Use for Ten Years.
N.H.

Hotels Built at Certain Dates and Exempt for Definite Period.
Miss., Vt.

Domestic Insurance Companies for Definite Periods.
Miss. (5 years).

Street Railway Companies Operating At a Loss.
N. H. (to 1923)

Real Estate, Medical and Pharmaceutical Societies and Music Schools Returning No Profit.
N. Y.

Property and Franchises in Production of Air Nitrates (Ten Years After Building of Plant.)
Ala.

Manufacturing Plants and Machinery for Encouragement of New Industry (By Statute).
Md., N.H., R.I. (ten years), S.C. (except school taxes), Vt. (10 years), Okla.

Cooperative Telephone Lines (Non-profit, no fees or tolls).
Idaho.

Mining Claims Not Patented (Not the proceeds)
Idaho, Nev., N. H.

Property on Which Income is Taxed.
Mass.

Judgements.
Md., Pa., Wash.

Money Loaned for Public Purposes at 6% or Less.
N. H.

Bona Fide Debts.
Mich., La. (for mdse.)

Poll Tax of Active Members of Fire Companies.
Okla.

Personal Property Used in Bringing Water to the Surface of the Ground.
Okla. (5 years).

Oil Wells That Are Not Productive.
Okla.

Machinery of Drainage Districts.
Ill.

Irrigation Works (Private).
Ida., La., Mont., Utah, N. Mex.

Irrigation (Non-profit).
Colo., Ore.

Goods, Wares and Merchandise Imported.
Dela.

Vessels Trading from Any Part of the State.
Dela., La., N. Y., Wash.

Vessels Trading with Foreign States.
Mass., La., N. Y., Wash.

All Vessels, Ships, and Boats in Construction.
Wash.

Materials Used in Ship Building.
N. H.

Market House.
Ill., Ohio.

Billiard Tables.
N.H.

Property of Ministers and Priests.
N. Y. ($1,500)

Toll Roads.
Wisc.

Turnpikes Used by Public Free of Charge.
N. J., Wisc.

Fishing Apparatus.
Conn., Md.

Game Animals.
Ala., Tex., Okla. (in parks).

Indian Estate.
Me., Mich., N.Y., N.C., N.D., Ore., Wisc.

All Property Exempt by Contract.
Tennessee.

All Property Exempt by Charter.
Tenn., R.I.

Products of Another State Sent to State for Sale by a Non-Resident.
N. Y.

Personal Estates of Residents Situated and Taxed in Another State.
Vt.

Possessory Rights to Public Lands.
Ida.

Mines of Metals.
Me. (ten years)

Property of Fire Companies. (Public)
Conn., Fla., Mich., N.J., N.Y.(volunteer $20,000), Ohio, Okla., R.I. (volunteer), S.C., Tenn., Tex., Wash., W. Va., Wisc., Wyo., Ill., Ind., Iowa., Kans., Me., Vt.

Fireman's Association.
N.J.

Scientific Instruments.
N.C.

Property of Volunteer Fire Companies.
N.Y. (up to $20,000), R.I.

Fire Companies (Public)
Ala., Ark., Ariz., Dela., Ga., Cal., Colo., Ida., Ky., La., Md., Mass., Minn., Miss., Mo., Mont., Neb., Nev., N.H., N.Mex., N.C., N.D., Ore., Pa., S.D., Utah, Va.

Exemptions in Overton County.

While no attempt has been made to estimate the value of different classes of property exempted from taxation in the state as a whole, such an estimate is presented in Table #41 for Overton County. It has been necessary to depend entirely upon estimates in arriving at the value of some of the classes of property that are exempt, since tax exempt property is not valued along with taxable property as it is in New York and some other states. Estimates of the Census Bureau and of the county officials are also used.

This estimate of the total amount exempted is not complete since no attempt has been made to estimate the value of public bonds in the county. However the amount thus exempt would probably not change the total amount greatly. The amount of personal property exempt would have been some greater if some taxable personal property could have been estimated (see method of obtaining the amount of exemptions on personalty, page 151).

In estimating the value of manufactured goods in the hands of the manufacturer the value of the average monthly production in 1920 was used. The total value of the production was $777,945.

The estimated amount exempted in the form of unimproved roads is based on the value of the land occupied. The 509 miles of road 10 feet wide occupies approximately 500 acres of land, which valued at $15 per acre gives a total of $6500.* This does not include the cost of construction of the roads, which would probably amount to several times the value of the land.

In estimating the exemption of growing crops only wheat and oats were considered, as they are the only crops growing at the time of assessment (January 10). The cost of seeding was taken as a basis for making this

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* Census estimate of 1925.

estimation. This cost has been estimated at approximately $7 per acre. The 1925 acreage was used.

It is estimated that approximately 2/5 of the crop production would be held in the hands of the producer on the assessment date. The production of 1924 valued at $954,241 is taken as a basis.

One-twelfth of the crops sold in 1919 is estimated to have been in the hands of the immediate vendee at assessment time.

In estimating the amount of taxable personal property in Overton County, bonds (other than public), cash on hands, all evidences of indebtedness such as mortgages, notes, etc. were not included.

The amount of personal property exempted was obtained by deducting the amount of personal property assessed ($460,245) from the estimated value of personal property in the county ($2,157,298). The following estimated values were used:

Livestock $822,599 (Census 1925)
Household $790,690 (Estimated)
Bank deposits $340,262 (Bank statements, Apr. 1, 1929)
Farm equipment $203,747 (Census 1925)
All evidence of credit (Not estimated)
Stocks and bonds (other than public) - (not estimated)
Cash on hands (not estimated)
Income from bonds (not estimated)
Total values (incomplete) $2,157,298.

Land occupied by cemeteries is estimated at 50 acres and valued at $13 per acre.

Number of monuments is estimated at 4000, valued at $25 each.

Table #41. Estimated Value of Some Property Exempted from General Property Tax in Overton County, 1928

Property Exempted	Approximate Value of Exempted Property.
Total personal property **	$1,697,053
Roads - improved - including bridges (cost)	1,068,375
Crops in hands of the producer **	400,000
School property of Disciples of Christ at Livingston: school buildings, $110,000; farm, $10,000 **	120,000

(continued)

Table #41 (continued) Estimated Value of Some Property Exempted from General Property Tax in Overton County, 1928

Property Exempted.	Approximate Value of Exempted Property.
County school property *	$106,415
Cemeteries and monuments. **	100,650
Church property (including parsonages) **	66,000
Manufactured articles in the hands of the manufacturer**	64,800
School property of Presbyterian Church at Alpine: school buildings and grounds $45,000; farm $10,000 **	55,000
Court house **	25,000
Poor house (cost)	15,000
Growing crops **	7,500
Crops in hands of immediate vendee **	3,500
Roads - unimproved **	6,500
Jail house	No data
Public bonds	Not estimated.
Total	$ 3,734,793

* Report of State Department of Education, 1928.
** Estimated. See below.

The estimate of $3,734,793 worth of property exempted, as shown in the above table, exceeds the total assessed valuation by approximately $228,000. However, the value of the real estate (excluding roads) exempt is only 14% of the real estate assessed for taxation. In New York state it was 23% in 1927 (including subways and canals, bridges, docks, and ferries).

Personal property is the biggest item of exemption, the exempted property being estimated at $1,697,053 (see page 151 for method). This does not include such taxable personal property as mortgages, notes, and other evidences of indebtedness. Nevertheless this exemption is almost one-half the total amount of all property exempted.

It is not known to what extent the tax on personal property is evaded. It is probably true that some tax payers list less personal property than they actually possess in order to avoid the payment of tax on it. Some men also give their wives $1000 worth of personal property in order to avoid the payment of tax on it. According to the state law a woman is allowed $1000

exemption on personal property provided the property is listed in her name. This allows at least $2000 exemption per family.

Is there any property in this county now entitled to exemptions under the law that should not be exempted? In Westchester County, New York, the Chamber of Commerce, after a study of tax exempted property in that county, recommended that much of the present exemption laws be repealed, leaving only certain definitely non-productive types of property exempt. In that county in 1925, $156,976,515 worth of property was tax exempt.*

If their recommendation should become effective in Overton County the following property now exempt would be eliminated from the exemption list:

(1) Growing crops.

(2) Some crops held for sale in the hands of the producer.

(3) Personal property which is used for productive purposes, such as livestock, machinery, seeds, etc.

(4) Manufactured goods made from materials of the state in the hands of the manufacturer.

In this connection the following questions might be raised: If such property is taxed, would a more equal distribution of taxes result? Would it tend to relieve taxes on farm property?

Changes in General Property Tax Exemption in Tennessee Since 1873.

The exemption laws have been changed somewhat since 1873, but not very extensively, only minor changes having been made.

In 1895 the word "resident" was added to the clause exempting $1000 worth of personal property in the hands of each tax payer. This was done in order to prevent unnaturalized persons and those that claimed citizenship elsewhere from being elegible to receive exemption in Tennessee.

The law passed in 1873 exempting the property of religious, charitable, scientific, literary, or educational institutions valued up to $50,000,

* Equalization of Taxes in Westchester County, New York.

was revised in 1881, so that exemptions were allowed on all such property regardless of its value, if not used as a source of private income. In 1895 it was set forth by law that such property would be subject to taxation if used for secular business. This increase in the value of church properties which may be exempted has increased the amount of tax exempt property in the state as a whole. However it has not served to increase it to a great extent in Overton County, as it only affects the properties of the Disciples of Christ at Livingston and the Northern Presbyterians at Alpine.

The present law relative to poll tax exemption is the same as that enacted in 1873. However, a change was made, in 1895, in the poll tax clause so as not to exempt those who can or do earn a living. An act of 1907 replaced the phrase "of earning a living" found in the original clause.

By an act of 1907, in case of the transfer of personal property to minors the owner was required to appear before the tax assessor and board of equalization to establish a bona fide transfer. This was intended to prevent the transfer of such property to avoid tax payment.

Reasons For and Against the Exemption of Some Properties.

Federal, state, county, and municipal bonds. It is argued that the failure to exempt these bonds would increase the rate of interest above the market rate enough to cover (1) the probable tax, and (2) the cost of shifting the tax. In other words the government would pay out in extra interest more than it would receive in taxes. Moreover, it may not get the taxes back and yet have to pay the additional interest.*

Public property. Such property is exempt because in this way the unnecessary time and expense of assessment, and collection of the taxes, is prevented, since it is quite clear that the various governmental units would be paying taxes to themselves if such property were taxed.

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* Introduction to Public Finance: C. C. Plehn.

Quasi-public association: (scientific, religious, charitable, etc.) These organizations perform functions of a public nature that would otherwise have to be performed by the state. It may cost less to exempt them from taxation than for the state to engage in such activities.

However there are dangers of reducing the tax base through a growing list of such exemptions. First, it is difficult to determine whether or not all of the functions of these organizations are public. Some often have interests that are not of any particular benefit. For that matter some private institutions perform functions having a public interest that can not be tax exempt without greatly diminishing the tax base.

Secondly, the pressure for such exemptions is often strong; and since the treasury receipts are not seriously affected in any one case there is a danger of granting exemptions to property that should be taxed.

Third, quasi-public organizations are not subject to the same degree of public control as are the direct state functions. As a result they are often extravagant in their operations.

Producers' capital. Such capital as tools in the hands of farmers and mechanics, etc. are often exempt because it is believed that to tax them would discourage their possession, and thereby lessen the production of the tax payer, and consequently the wealth of the state. It might, in some cases, deprive some needy persons of their means of earning a livelihood, and consequently place them on public charity.

Encouragement of industry and commerce. These are frequently fostered by tax exemption for a definite length of time. Some states and cities have granted tax exemption to manufacturing enterprises, and railroads for a limited time in order to encourage their establishment. The benefits of such enterprises to the citizens are in such cases believed to be greater than the amount of taxes that would be paid; and then the government will receive taxes after the expiration of the time limit for exemption. This is some-

times a bad practice since industries that can be attracted only by such terms may not prove to be economically desirable. While tax exemption is a poor method of determining the geographic distribution of industries, nevertheless competition between different towns and areas makes it likely to be continued for some time.

PART II. EXEMPTIONS GRANTED BY THE COUNTY COURT.

Add these tax exemptions to the growing list of the county's troubles on the tax question and one only adds to the burden. Scores of people go to the county court and ask for exemptions from tax payment. Some have plausible reasons, while others give only worthless excuses. The favors asked for are usually small within themselves, but when accumulated for a series of years one finds a rather large total to add to other people's tax burden.

Such exemptions sought are largely on poll taxes and road work.

PART III. SOME SUGGESTED IMPROVEMENTS.

(1) There should be a closer supervision of the listing of personal property to prevent undue exemptions.

(2) Applications for poll tax exemptions should be carefully examined to determine the eligibility of persons applying for exemption under the state law.

(3) Tennessee might well consider the question of whether or not too many types of property are now being exempted by the state law. The first part of this chapter aims to throw some light on this subject.

Chapter IX.

IMPROVEMENT IN COUNTY GOVERNMENT.

It has been said that county government is largely a matter of administration. This is to a large extent true. It is very similar to a public service corporation. Its efficiency must be judges by the same standards. It must have for its aim a rendering of satisfactory service at the least possible cost. It must strive to effect economies and to increase its efficiency by adopting those practices which have proven successful in private business.

Mr. Paul Wager, in County Government in North Carolina, says that "Through years of experiment and investigation private enterprise has established certain fundamental principles as axiomatic. Among them are: (a) concentration of authority, (b) coordination, (c) standardization, (d) trained personnel, (e) reward for merit, (f) public confidence; all of these qualities are as necessary in public service as private enterprise."

From the time of the organization of our county government, there appeared practically simultaneously a political "boss," or self-appointed headship of the county's political affairs. This individual takes charge of all patronage by influencing the proper authorities and as a result his henchmen are usually found occupying the appointee positions. He also influences the county court in various matters of finance and other problems involving the expenditure of county funds. In some counties the situation has developed to such an extent that the school positions are given out only after certain officials of the county are satisfied as regards the placing of the teachers.

Another thing that confronts the average county in Tennessee today is the obscurity and amazing complexity in which the county funds are handled. This is the result of the fact that all details in the collection and handling of moneys is not clear. Various bickerings and vague transactions are resorted to by many county officials. No explanation can be given for such methods of procedure and one is finally led to conclude that the principal thing wrong is the gross ignorance of the county officials themselves in regard to the handling of the county's fiscal affairs.

As has been pointed out, the first principle of good government is sound fiscal control. This can come only when every detail of every transaction involving expenditures of county funds is made clear. When this has been accomplished the county will have unified control and many leaks will have been stopped.

Practically all county officials come into office without any preparation or training for the work they must do. They seem to have confidence that they will "catch on" in a few days and that as far as they are concerned the ship of "county affairs" will sail sublimely on.

The "ship" will sail on, it is true, but in many instances it goes over the breakers to such an extent that future generations pay for the folly of their predecessors in office.

Again there is no system in auditing the county's books. This has worked a hardship on many honest men who have taken up the duties of office with the books in such a muddled state that one could not tell anything of the situation. Budgeting seems to be beyond the comprehension of most county officials and as a result many thousands of dollars are lost each year that might have been saved.

After this brief summary of some of the conditions as found in most counties in Tennessee we would like to point out in detail, briefly, some

of the most important items.

(1) No one held responsible for the affairs of the county. Each officer is his own boss, and he is on the job very little, compared to what he should be.

(2) The lack of a budget system, showing the amount of money needed for each department of the county. Each department will spend, with no idea of how much is allowed him, and no idea how much he has already spent. The levy is made at the first of the year, but the amount is overdrawn every year.

(3) Careless assessing, and copying old books causes much property to "get by" very much under-assessed. A lot of property is not assessed at all.

(4) Too many magistrates, making the court an unweilding body.

(5) Absolutely no qualification on the magistrates. Many of them can hardly read and write. This causes a good man not to want the office, as he knows he has very little chance to make good.

(6) No standard of qualification for any of the county officers. The one that can do most "hand-shaking" is the one to get the office.

(7) A certain "gang" will get together and one work for the other, and when all of them get in office at the same time no one will report another, if he fails to do his office duties.

(8) No system of bookkeeping. No one but the officer can tell anything about the books. The officers, themselves, do not know the amount of money spent for each thing, but they may know the total amount spent. That is, they do not know how much they have been out for printing, or any one thing or that sort.

(9) Graft in county work. The manager of a bunch of hands will pay them a high price and require very little work done. When work is let by contract, very often it is not advertised and the manager will let the job to a personal friend at trice what it is worth.

(10) Lack of program. There is no plan or program to follow. No one knows what the county is expecting to do. When asked what should be done to improve the county, every officer answered, "I have not thought of it any."

(11) Lack of a purchasing agent. Not only is each department doing its own buying separate from other departments, but many in the same department may do buying. Instead of the superintendent buying for the whole school system, he lets each teacher buy his own supplies. The teacher pays 40¢ for crayon, whereas the superintendent could buy it for 25¢. Other things are about the same ratio.

(12) Tenure of office too short, and it does not depend on merits or qualification of the officer, but on his illegal favors, and "hand-shaking."

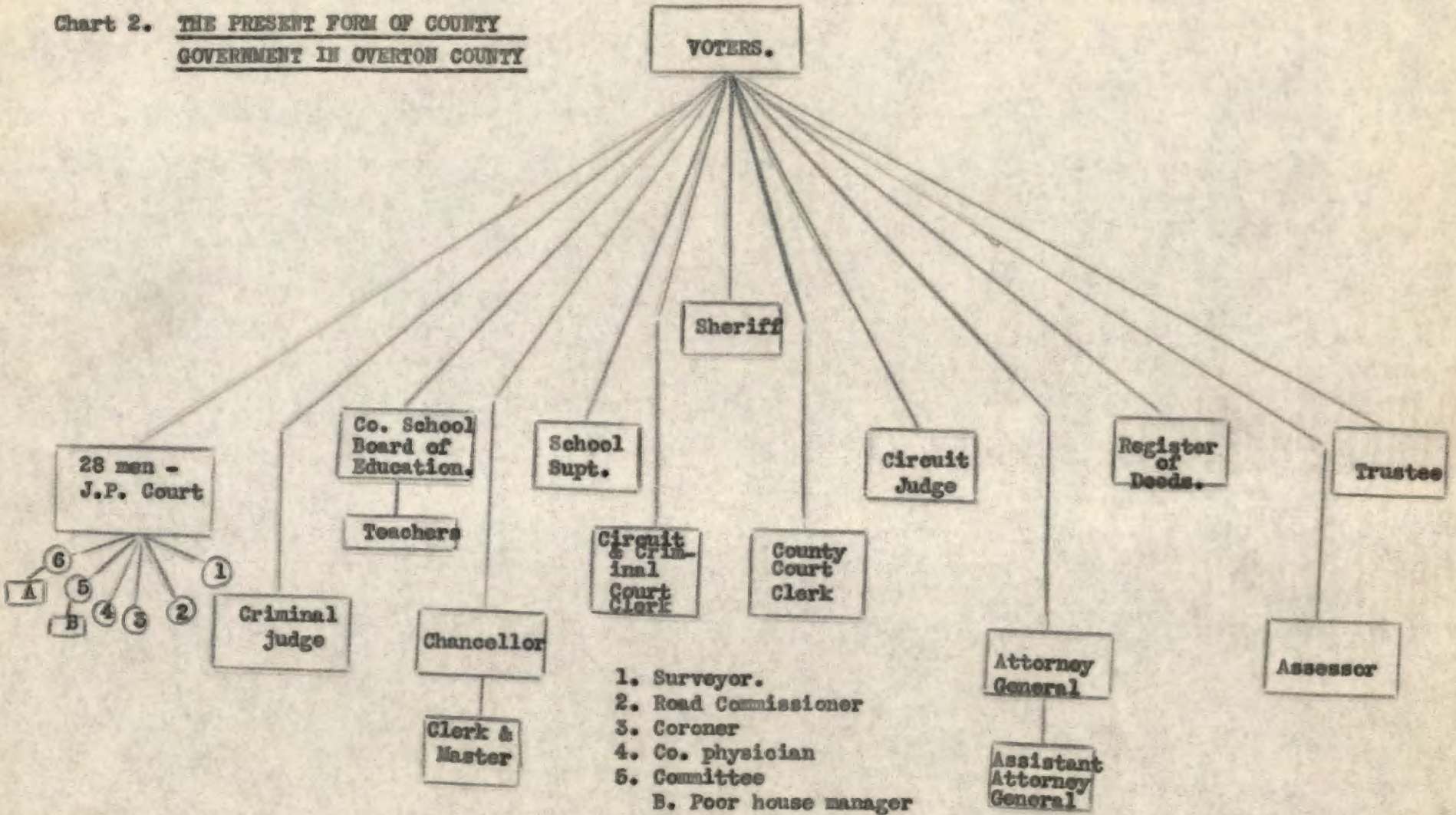
(13) They elect an officer by feeling or sympathy, instead of using reason. That is, they elect a man because they think he needs the office, instead of getting a man that the office needs.

(14) Much of the school money is lost by (1) students not attending school, (2) teachers taking too many holidays, (3) superintendent taking long vacations on full pay.

(15) State Legislature has too long a session and not enough pay is offered to attract the best men. Many of them are failures in their own business, and others go there expecting to "sell out," and make the office pay as much as possible.

(16) Overton County is too small to operate economically. It would be a large saving to the region if Clay and Pickett were consolidated with Overton. It would mean a saving of two sets of county officers and the upkeep of two sets of county buildings, as courthouse, jail, and poor house.

Chart 2. THE PRESENT FORM OF COUNTY GOVERNMENT IN OVERTON COUNTY



1. Surveyor.
2. Road Commissioner
3. Coroner
4. Co. physician
5. Committee
   B. Poor house manager
6. Committee
   A. Co. agr. and home agent.

County Manager Form of Government.

There are many advantages to be found in the county manager form of government. We have a concentration of authority and regulation of county affairs to an extent that should be helpful in most of our counties today.

The county manager form of government is the most ideal form of government for a county like Overton. It would be especially desirable were the counties of Pickett, Clay, and Overton consolidated into one unit.

We will outline briefly some advantages and duties of the county manager form of government.

Advantages of the County Manager Plan of County Government. This county manager form of government will put the county on a sound business basis, by placing the county manager at the head of the county's business. the county manager is responsible to the board of commissioners for all the business of the county. The manager can hold each "department head," such as school superintendent, road commissioner, etc., for the duties of his office. The manager makes the appointment of all the county officers, such as county superintendent, road commissioner, assessor, etc, and the commissioners confirm the appointment. The board of commissioners are responsible to the people for the work of the manager. The county school superintendent is responsible to the county manager for the school system, and the road commissioner is responsible to the manager for the road system.

The present system of government is lacking in that no one is held responsible for the affairs of the county. It is at least a tri-headed government. That is, the schools and the roads are both independent of each other, and from the rest of the county government. If the road department is mis-using money, whose business is it to demand a change? It seems that no one has the power to stop this. As the saying goes, "everybody's business is nobody's business." If a person sees something going wrong, he does not know who to go to to have it corrected.

In the county manager form of government if a person knows of something

going wrong in the county, he knows to go to the manager, and the manager in turn goes to the proper one, and demands this to be corrected. He has the power to demand this.

"No passing the buck." The commissioners hire and watch the county manager, who in turn directs the rest of the officials. He alone is held responsible; if he does not make good he is removed without recourse to recall proceedings.

Board of Commissioners. This board should be composed of five men, from various parts of the county. They should be not less than 25 years old, and not more than 65 years old. They must own enough property to pay some property tax. They must be able to read and write, and should be eighth grade graduates.

How Elected - Tenure of Office. This board of commissioners shall be elected by direct vote of the people. The commissioners shall be elected for four years, and eligible for re-election, as long as they are performing their duties well. Two of these commissioners shall be elected at one time, and the other three at another time, two years later. So this will cause two of the men, at first, to be elected for two years, and the other three for four years. At the end of this two years two other commissioners are elected for four years, this causing at least two experienced men on the board at all times.

Quorum. At least three of the commissioners must be present before any legal business can be transacted, and the others must have been notified of the meeting. Two of the commissioners, and the manager may pass on a matter, but two of the other commissioners must be consulted, privately, before this goes into effect.

Salary. Each commissioner shall be paid $100 per year, and shall not be paid mileage. He must feel that he is on duty any time of the year, that he thinks anything is going wrong.

Duties of Board of Commissioners. It shall be the duty of the board of commissioner to meet at least once each quarter, and as much oftener as the chairman sees fit to call them together. (The board of commissioners will take the place of the magistrates. They should appoint the county manager. They must know at all times whether the manager is doing his duty or not. They shall require the manager to publish, once each year, a complete financial statement of the county.

County Manager. The county manager should be placed at the head of the whole county. All the "department heads," such as sheriff, school superintendent, road commissioner, etc. are appointed by him, and held responsible for the work of his whole department. That is, the manager holds the sheriff responsible for all his deputies. Each "department head" appoints his co-workers. The board of commissioners holds the county manager responsible for all the work of the whole county.

Qualifications of the Manager. The county manager shall be at least a high school graduate and should be a graduate of a junior college. He should be at least 25 years old, and not more than 60 years of age. He must have had training in this line of work. He must not try to manage any private business, and all his time will be needed in seeing after the business of the county. He must have a knowledge of bookkeeping. He must be absolutely honest and a man that knows no special political party and no special division of the county. That is, he must not give one party or one section special favors at the expense of the others.

How Elected - For How Long. The county manager shall be appointed by the county board of commissioners for a period of four years. They may re-appoint him as long as he is doing his work well. They may ask and require him to resign at any time they can prove he is not doing his duty.

Salary of the County Manager. The county manager shall receive not more than $3,000 for the first year. If the commissioners see fit, they

may raise this until it reaches $3,500. If a new man, with no experience as manager be appointed, he shall start at not more than $3,000. No traveling expense is allowed, except on official business out of the county, and these trips shall be approved by the commissioners. They should expect him to visit other places and get new ideas and see what other people are doing. The manager may be given a vacation of two weeks each year.

Duties of County Manager. It will be the duty of the county manager to make out a plan or program by which he expects to operate the county. This program should extend over a period of 10 years. In case the manager leaves he shall leave the program for the new manager. He shall make a budget showing the amount of money needed for one year, for various things. He may call in the "department heads" to assist in this. He may recommend to the board of commissioners anything he thinks ought to be done. It shall be his duty to carry out the things, the commissioners vote to have done. He should appoint the sheriff, the assessor, the school superintendent, the road commissioner, and the county court clerk. Also the county purchasing agent and welfare officer should be appointed by him.

Things Manager Should Do. (1) The manager should require that every county officer attend to his duties well and stay on the job not less than six hours any day, and an average of 7 hours per day in winter, and an average of 8 hours in the summer. These officers should be on the job to accommodate their customers, so that the people can find them when they need them. (2) The manager should see that all the county's money is wisely and economically spent. (3) Require assessor to do all his work, unless he can show good reason for needing an assistant. (4) If he keeps the same system of road working he would hold the county road commissioner responsible for a good job of work out of his men. (5) He should visit sections occasionally where road work is being done, or has been done.

Things Manager Should Recommend. (1) Fire proof vaults for the valuable books of the county. (2) Make use of the large space in halls of court house by making it into offices. At least two more offices can be made in this space. (3) Provide offices for all the county officers. (4) One of the banks be made fiscal agent of the county, taking place of the trustee. The bank can do this work for one-third what it is being done for, as they already have all the equipment for this book work. By having tax collected at the bank the farmer would know where to go if he wanted to see the "trustee". At present the trustee is out of his office most of his time. (5) Prohibit the trustee from going into the county to collect tax. (6) Appointing a real live county agricultural agent. (7) Appointing a real live home demonstration agent. (8) A health unit, or at least a county nurse, or county health officer, who will examine all the school children free. (9) Lower the amount of exempt property. (1) Require women to pay poll tax. (11) Change date of assessing property to July, August, September, October, and November and let the people pay on what they have July 1st. The roads are so bad in winter that the assessor can hardly go about over the county. This will give no excuse for not visiting every farm. (12) If the state takes over the $625,000 bonds, reduce the tax 50¢ per $100, but retain the other 50¢ for general road building or repair. (13) Build roads on "pay as you go" plan. (14) Never bond the county for more than 5% of assessed value. (15) Make bonds not over 15 years.

Charts. In the charts on pages 161 and 167 one can see the contrast of the present form of county government and the county manager plan, which we recommend.

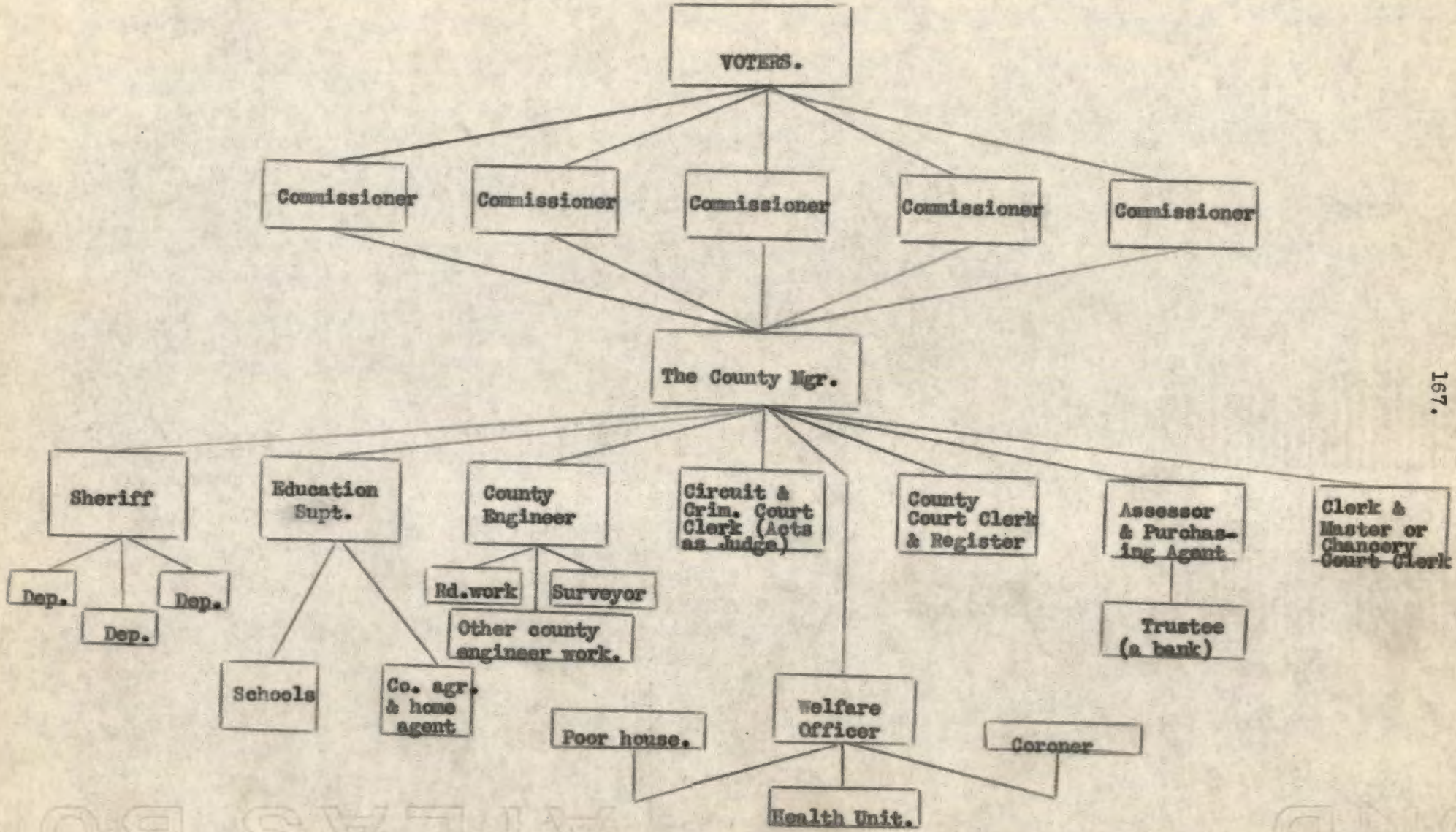


Chart 3. THE COUNTY MANAGER FORM OF GOVERNMENT FOR A SMALL COUNTY OF TENNESSEE.

Conclusions.

If the county manager form of government is not adopted we should like to offer the following as a means of improving the present form:

(1) Pay the county judge enough to get a good man. Require him to put in full time at his job. Expect him to make out a budget and present it to the court. Also a program for the county, and try to get the other officers to follow it.

(2) Expect the judge to use his influence toward getting the other officers to do their duties.

(3) Have a state law requiring every county to have a budget system and use it.

(4) Reduce the number of magistrates to <u>not more</u> than nine, and five would be better, and pay them more.

(5) Pay magistrates an annual salary instead of per day.

(6) Require a magistrate to be at least an eighth grade graduate.

(7) Have judge to more closely supervise work of road commissioner, and see that he does not waste the money.

(8) Have the judge to act as county purchasing agent, to do all the buying for the county.

(9) Have a state law, requiring all counties to adopt a uniform system of bookkeeping.

(10) Have a state law requiring the assessor and other county officers to be on duty all the year, except a short vacation of two weeks.

(11) Change date of assessment from January to July, August, September, October, and November.

(12) Change date of collecting from October to last of December.

(13) Indirectly, the following change will help the county, no matter which system of government we keep, by having better laws passed as a result of higher type of men going to our legislature, than is now going:

(a)Shorten the state legislature from 75 days to 30 days. Pay them $10 per day instead of $4, or pay them $300 per year, instead of paying them by the day. This will cause them to feel more like they are on duty all the time and will be looking for something to improve the country.

(b) Have them to meet for 10 days, at which time all the bills are brought up. Then adjourn for 6 months during which time all the bills must be published in the various county papers to let the people see what they are. This will give the people a chance to express their thoughts as to this law.

(c) Then they meet back for 20 days, at which time they vote on the bills that were brought up the time before.

(d) A period of 75 days is too long a time for any man with business to be away. He cannot give up his business for the small amount of pay he receives.

(e) Most men can manage to get away for 10 days, and again in 6 months get away for 20 more. This will cause the best of business men to want to go to the legislature.

APPENDIX A.

"The remainder of the Elementary School Fund shall be used (1) as an equalizing fund to enable the various counties of the State to provide a minimum school term of eight months in the rural elementary schools; (2) the residue to be distributed among the various counties of the State in proportion to the average daily attendance. Said Equalizing Fund shall be distributed as follows: To each county that levies and collects (1) a tax for elementary schools of not less than fifty cents on each one hundred dollars of taxable property in the county, including any tax for elementary schools levied by the Legislature and retained in the county and excluding the State tax of eight cents for schools as provided in this Act; (2) a poll tax of one dollar ($1.00); (3) all privilege taxes and fines allowed by law and that (4) complies with all other provisions of this Act, if in any one year the apportionment to the elementary schools of the county from the proceeds of the fifty cents tax, as above provided, from polls, fines, privilege taxes, and other revenues in which schools are entitled to share, and from the State school funds distributed to the county on a per capita basis are together not sufficient to pay the salaries of teachers and principals of rural elementary schools for a term of eight months at salaries not exceeding those prescribed in the State salary schedule for elementary teachers, the number of teachers and principals of elementary schools in each county not in excess of one teacher for every twenty-five of average daily attendance as reported to the State Commissioner of Education for the preceding year, operating expenses not exceeding fifteen per cent of teachers' salaries for county schools, there shall be apportioned from the Equalizing Fund herein provided an amount which when added to the county elementary school funds will be sufficient to extend the term of the county elementary schools to eight school months on the condition above set forth; provided, that the entire apportionment to the county from county levy and other sources for elementary school purposes and from the State fund for elementary schools shall be used exclusively for the payment of salaries of principals and teachers of the county elementary schools, and for such operating expenses as above set forth. Provided, further, that if it shall be found in any county on account of mountains, water courses, or sparsely settled communities, it is necessary to employ more teachers than one to thirty children, as herein provided, the State Board of Education shall allow one or more additional teachers to such county upon sufficient proof presented by the County Board of Education that such teacher or teachers are necessary to accommodate the children of said county."

Public School Laws of Tennessee,
To July First 1925.

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